

NSRP SP3 Panel Contracting Workshop

Scene setting

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Code

- ◆ Blue to text
- ◆ Orange to flip chart

A diversion

- ✦ New terrorist group found
- ✦ Al- Gebra - weapons of Math Instruction
 - They desire average solutions by means and extremes, and sometimes go off on tangents in a search of absolute value. They use secret code names like 'x' and 'y' and refer to themselves as unknowns, but we have determined they belong to a common denominator of the axis of medieval with coordinates in every country. As the Greek Philosopher Isosceles used to say, "There are 3 sides to every triangle."

Objective of getting contracts right

- ✦ Avoid litigation
- ✦ Finish the job on time
- ✦ Meet budget
- ✦ Commercial return on the work

Key ingredients

- ◆ A Scope of work
 - What is to be done
 - Responsibilities
 - Authorities
 - How extras are defined
 - Specification
 - Schedule

Criticality

- ✦ Problems really arise when:
 - Items not on the critical path come onto the critical path and are delayed
 - Non - critical path items only effect themselves is delayed
 - Critical path items delay the whole ship schedule
 - Monitoring therefore is really important

Resolution of disputes

- ◆ Safinah experience
 - Agree resolution route in advance
 - Mediation
 - Arbitration
 - Litigation
 - Definitive data sources and methods
- ◆ Insurance policies often appoint loss adjusters in anticipation of a claim - single expert for the policy.

Estimating and Scheduling the work

- ▶ How done?
- ▶ How agreed?
- ▶ How executed?

Progress monitoring

- ◆ Early warning system
- ◆ How do we progress monitor?
- ◆ Daily meetings not enough?
- ◆ Estimates of work packages?
- ◆ Other routes?

Experience

▶ The old timer analogy

Performance bonds

- ▶ Performance bonds and guarantees
 - Small company against big company
 - What is needed?
 - What is their worth?

Re-work and Design Changes

- ✦ Mobilisation costs
- ✦ Rates
- ✦ Agreement
- ✦ All in one pricing
- ✦ Tariffs.
- ✦ Man-power loading

Best Practice

- ▶ Best Practice
- ▶ Best Economical Practice - will vary site to site
- ▶ Regulatory compliance

Lessons learnt

- ✦ Plan, Do, Check, Act
 - We start with plan
 - We should start with Act
- ✦ Can we do it OK?
- ✦ Are we doing it OK?
- ✦ Have we done it OK?
- ✦ Could we do it better and if so how?

Documentation

- ▶ What records?
- ▶ Retrieval?
- ▶ Traceability?
- ▶ Real use?
- ▶ Real data versus opinion...Objectivity not Subjectivity.

Partnering

◆ Benefits

- Learning curve
- Quality and skill improvement
- Stability and predictability
- Change management

◆ Issues

- Single source supply
- Sharing the gain and the pain
- Yours to loose approach
- Familiarity and delivery.