



# THE PROJECT MANAGEMENT STANDARD

A Quarterly Publication of the Project Management Institute® Design · Procurement · Construction SIG

Vol. XVI. Issue No. 1 - 1st Qtr. 2009

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## MESSAGE FROM THE CHAIR

*by Robert (Robb) Gries, P.E., CCM, PMP, Chair*

### Slingshot!

During the fourth weekend in January, the DPC SIG Board got together in Boston, MA, USA for a strategic planning meeting. The primary objective of the meeting was to complete several planning documents to include the new PMI developed business plan and revising the DPC SIG Strategic Plan. The Board believed it was important to meet face-to-face in order to start the process of transforming to a Community of Practice, which will officially begin in January 2010.

One of the many items the Board developed was a Strengths/Weaknesses/ Opportunities/Threats (SWOT) analysis. It was during this discussion that the Board fully embraced the idea of using the Virtual Communities Project (VCP) to transform the DPC SIG into a more effective and efficient organization, providing even more outstanding products and services to our members and the industries we represent. In essence, we would use the VCP to *slingshot* the DPC SIG to greater heights!

Since the January meeting, the Board has been diligently working on finalizing many of the critical planning documents, which we will begin to post on our DPC SIG website. Concurrently, the DPC SIG Leadership Team is continuing its work on the DPC SIG Mentoring Program and the DPC SIG Best Practices series of publications. We are planning on starting the Mentoring Program within the next few months, and the Best Practices should be available later this year. Additionally, Chris Quaife is busy finalizing the *Starting Building Projects Guideline*, which I expect the DPC SIG will endorse and recommend to our members.

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## CHILDRENS MUSEUM PARTNERS WITH HISTORIC MEMORIAL HALL

*By Meredith L. Street, NORTHSTAR Advisors*



Memorial Hall in Philadelphia is a beloved historic representation of Fairmont Park, circa nineteenth century; a sight of grandeur architecture, the host of the 1876 Centennial Exposition, and a quickly deteriorating building. Please Touch Museum, an ever-growing “learning-is-fun” children’s museum needed to relocate to a place large enough to house over a dozen exhibits and allow for plenty of running room. Like a puzzle piece, it was a perfect fit from the start. The Fairmont Park Commission was seeking out means of restoration for Memorial Hall because of its increasingly severe deterioration, and Please Touch Museum needed to grow. NorthStar Advisors project management team, led by Ronald Street, worked along side Please Touch Museum to find the perfect place to relocate the children’s museum. An original list of over 45 sites were optioned, eventually narrowing it down to three based on cost, accessibility, and long-term museum sustainability. One day when Nancy Kolb, CEO of Please Touch Museum and Ronald Street, Principal of NorthStar Advisors toured Memorial Hall in Fairmount Park, the vision started and concepts were scribbled on pieces of loose paper. After an extensive due diligence period performed by Please Touch Museum and NorthStar Advisors, Memorial Hall started to look more and more promising as a leading candidate for the new home of Please Touch. In January of 2003, Memorial Hall was chosen as the perfect place to relocate the museum—it met all the requirements needed by the museum, as well as provided a way to restore the famous historic Philadelphia landmark.

Ronald Street of NorthStar Advisors had been involved with Please Touch Museum since 1997 acting as a Trustee. After spending a tremendous amount of volunteer time, Please Touch requested that he step off the Board and take on the relocation of Please Touch as Project Manager.

The relocation of Please Touch Museum to Memorial Hall was an \$88 million dollar relocation and restoration project in Fairmont Park, Philadelphia. The project involved the relocation of Please Touch Museum to Memorial Hall in Fairmount Park including the renovation of the Memorial Hall building (157,000 sq. ft) and the addition of many new exhibits including the 9,000 sq. ft. Carousel House with a reconditioned Denzel Carousel. An intense restoration effort was in effect, and the top priority was keeping Memorial Hall’s original splendor and historic fabric in tact. NorthStar Advisors was meeting with multiple stakeholders from city officials, historic preservationists to architects, to determine the best way to pursue the restoration of Memorial Hall while including a kid-friendly Please Touch feel to the project. Kise Straw & Kolodner, the architect, was chosen for their experience in historic restoration, Bala Consulting was chosen as the engineer, and Keating, Bittenbender, and McCrea (a joint venture) was chosen as the general contractor. The team along with the help of a historic advisory committee, assembled by Please Touch Museum, instituted four levels of historic preservation] in order to keep as much of Memorial Hall’s originality as possible. Memorial Hall’s original luster would soon be restored with the help of some of the best construction experts in the Philadelphia area, but not without a few bumps along the way.

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## CHILDRENS MUSEUM CONTINUED

The challenges presented by this project were many. It began with a badly deteriorating Historic Landmark building constructed for the Centennial exhibition in 1876, and converting it into a children's museum. NorthStar started by soliciting design teams that have extensive experience with historic restorations as well as sensitivity to the ultimate use of the facility. This was the only way to successfully restore Memorial Hall. The process was performed by means of first requesting qualifications from firms who met the initial criteria, short listing those firms based on supplied data and physical investigation of the referenced projects; then requesting a formal proposal from the short list. The analysis of the proposal included compliance with RFP requirements, scope of services proposed, and a team with complete understanding of what the engagement entailed. The team development was unusual; the Architect was to include civil engineering and landscape architecture on their team, while the owner held separate contracts for mechanical, electrical, plumbing, fire protection, structural, communications, security, lighting and acoustics. Some may have thought that this was cumbersome, but the ultimate goal was achieved as this type of contractual arrangement allowed for freer communication amongst all the members. Adding to this was a goal by both the City of Philadelphia and Pennsylvania legislative leaders to achieve a high percentage of WBE/MBE participation from the team. Measurement for the participation was not just limited to the service provider specifically, but also the hours worked by minorities within the organizations. A criteria set by Please Touch Museum from the outset was to have the architectural and engineering design work performed by Philadelphia and surrounding community based firms in a show of support to the local community. The architectural and engineering design team then collaborated with the exhibit/experience design team, located in Montreal, which had been working diligently on the project since 1998.

This fueled the complication of the design of the project. Maintaining the historic fabric of the main portions of the building while changing the surrounding spaces into a children's museum made for an exciting but difficult effort.

When construction documents reached the 70% +/- completion level costs were validated in the market place. Costs in the construction industry were rising very quickly. Steel, concrete and reinforcing bars were leading areas of increase and subsequently any items with a petroleum based additive or component. Since the plan had always been to validate the cost prior to the completion of construction documents, NorthStar was able to react quickly and perform a true value engineering effort with the team and owner. Measuring cost against long-term sustainability, impact on design, and impact on the building and operations were the key elements to determining how cost was adjusted. True value engineering was employed---not the theory that employs removal of items or systems from the design to reduce cost. This process took longer, but yielded results that met with the entire team's approval--and it was truly a team approach. When this effort was accomplished, the construction documents were completed knowing that the cost when competitively bidding the project would be compliant with the budget established.

Once knowing the design that was within the budget of Please Touch, NorthStar Advisors proceeded to the construction market. Again, having concern about a contractor who had historic preservation experience was paramount to Please Touch. You could not just engage any contractor to work in this environment, as the lack of knowledge and understanding of how to treat the building could yield disastrous results. NorthStar compiled a list of General Contractors who had extensive experience with historic restorations and rehabilitations.

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## CHILDRENS MUSEUM CONTINUED

NorthStar visited projects that each had respectively worked on, or were working on at the time then requested qualifications from the firms using a formal RFQ process. Once reviewing and analyzing the qualifications packages was completed, a list that was submitted indicating the most qualified firms to work on this assignment. In May of 2005, a Request for Proposal was issued. Since there were public funds involved in the project, the project was publicly advertised in all of the local newspapers. The RFP was complicated since NorthStar was required to comply with minority participation goals of no less than 25% for the construction portion of the project. This goal allowed each of the general contractors to seek joint venture partners to assist in meeting the regulatory goals. The results of this effort were spectacular. The responses received to the RFP were well thought out and thorough in preparation. The process called for the following:

1. Competitive bidding of the construction documents with a GMP cost submission, fixing the general conditions cost and fee for the life of the project.
2. Compliance with the WBE/MBE participation goals, not just from an organizational perspective, but also a metric for hours worked by minority labor forces on the project.
3. Presentation to a committee comprised of senior management from Please Touch Museum, Trustees of Please Touch Museum, NorthStar Advisors and the architect of record. The presentation focused on the staff that would be directly involved in the project on a day-to-day basis, as well as the experience the staff had with historic restorations, reporting methods and processes and schedules.

When this effort was completed, the interviewing team recommended an award that was based on compliance with minority participation standards, strength of team, (both staff and joint venture partners), and process, cost, and schedule.

The project, completed in October 2008, was a huge success from all perspectives. The quality of the work performed by the General Contractor is of the highest caliber and has gained much praise amongst the historic community. WBE/MBE participation on the project was 30.56%--a full 5% above the goals established. The project was completed on time and more than \$250,000 was returned to Please Touch Museum from the construction GMP.

An unforeseen benefit of this project has been the increased awareness created by the historic preservation of Memorial Hall. The decision to relocate Please Touch Museum to Memorial Hall instead of building new, and the restoration of such a unique and historic landmark has brought awareness not only to Please Touch Museum, but also to the original Memorial Hall building itself. This has positively affected not only the city and people of Philadelphia, but places and people all over the world. There has been more information, articles, and press featuring Memorial Hall and its historic significance due to the Please Touch Museum's decision to relocate than there has been in decades. People, especially children, now know about Memorial Hall due to their interest in the museum, and can easily read about it in anything from the Internet to newspapers and magazines. Magazines, such as Construction Today and MainLine, and newspapers, such as the Philadelphia Inquirer, have featured Memorial Hall on numerous occasions.

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## CHILDRENS MUSEUM CONTINUED

A major factor in the restoration and relocation of Please Teach Museum to Memorial Hall is the impact it has brought to the Fairmont Park, Philadelphia community, as well as the direct impact it has made on the visitors. It has increased opportunities for children as a new place to learn, play, and explore in an area that is three-times the size of the previous home of Please Touch Museum, and welcomes nearly half a million visitors per year. The museum focused in on the development of the Parkside community by becoming involved with its neighbors and assisting them in achieving a successful future. Bringing attention to the museum brought attention to the surrounding community, in turn, helping the community come together and seek success. Please Touch Museum is one of the top ten destinations visited by tourists in Philadelphia, and has been recognized as a premier children's museum both nationally and internationally.

This has been an 11 year labor of love for NorthStar Advisors Principal Ronald Street in a project complicated by roadblocks. The ingenuity, imagination and vision of Please Touch Museum CEO Nancy Kolb and the hands on day-to-day work of John McDevitt, Vice President of Operations is what made this project a delight to be involved and ultimately allowed NorthStar to advocate for Please Touch from the outset.

NorthStar Advisors, LLC is a Project, Program and Relocation Management firm located in Ardmore, Pennsylvania comprised of architects, engineers, cost estimators, construction managers and financial analyst. The diversity in staff make-up allows NorthStar Advisors to provide a full compliment of services to their clients from concept through to completion and beyond.

### Request a DPC SIG Membership Lapel Pin



As a token of the DPC SIG's appreciation for your participation in the SIG, we would like to send you a lapel pin. We encourage all members to wear the pin at PMI® chapter and international events and to look for, and network with, other DPC SIG members wearing their pins. Show your pride in the DPC SIG! Send an email to [administrator@dpcsig.org](mailto:administrator@dpcsig.org).

*Be sure to include your mailing address.*

### We're Looking for Contributors to the DPC SIG Newsletter!

We're looking for individuals to contribute articles or news items to the DPC SIG newsletter *The Project Management Standard*:

- Write an article telling us about your experiences with DPC-related projects (PMPs can earn PDUs for articles they have written).
- Contribute an interesting article or news item that you have found.
- Share your knowledge and experiences with others by providing useful tips.
- Direct us to informative PM and DPC-related web sites.

**If you would like to provide content for the June 2009 issue, please send an email by May 15, 2009 to [vccommunications@dpcsig.org](mailto:vccommunications@dpcsig.org).**

## MESSAGE FROM THE CHAIR CONTINUED

In previous *Messages from the Chair*, I talked about the [DPC SIG and PMI Global Operations Center \(GOC\) meeting](#) with representatives from the Construction Management Association of America (CMAA) in Santa Fe, NM, USA last November. We had many engaging and productive discussions about common areas of interest, and we have published the final report of the meeting on the DPC SIG website. Although the intent on collaborating on credentials did not come to fruition, PMI GOC and the DPC SIG remain committed to exploring additional collaboration opportunities with CMAA and other organizations.

In closing, I am energized about the future of the DPC SIG. We have many unique strengths and opportunities, and I firmly believe we can and will *slingshot* to become [the best](#) project management organization—not only within PMI but throughout our industry. So, I welcome all of you to join in on the adventure to the future of the DPC SIG.

## HAVE A PM QUESTION?

WE JUST MAY HAVE THE ANSWER!



The DPC SIG has enlisted the support of Subject Matter Experts from around the world to address your project management-related questions. Questions and answers will appear in upcoming issues of the DPC SIG newsletter and monthly bulletin.

### Submit Your Question

email your question to [VCMarketing@dpcsig.org](mailto:VCMarketing@dpcsig.org). Be sure to include your name and contact information in the email.

An advertisement for the University of Wisconsin-Platteville (UWP) featuring a man in a white shirt and yellow hard hat. The ad is set against a grid background and includes several callouts: 'Your Time.' in a white box, 'Your Place.' in a blue box, and 'Your University.' in an orange box. The UWP logo is in the bottom left. The main text reads 'Earn Your Master's Online!' and 'Now offering degrees in' followed by a list: '• Engineering' and '• Project Management'. Contact information is provided in a white box at the bottom right.

**Your Time.**

**Your Place.**

**Your University.**

**Earn Your Master's Online!**

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- Engineering
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# PROJECT MANAGEMENT FROM THE OWNER'S OVERSIGHT PERSPECTIVE

*By John G. Galyon, MScPM, PMP, Project Management Specialist, Global Primary Products*

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Having worked in the past in varying project management capacities with several different Engineering, Procurement, and Construction Management (EPCM) organizations, I have a well rounded understanding of project management dynamics from the contractor's point of view.

Recently, I accepted a position with a global manufacturing organization to provide "in-house" oversight of EPCM's working on their major capital construction projects. Needless to say, the view from an owner's perspective is entirely different from that of the EPCM.

First of all, the objectives of an owner and that of a typical EPCM firm tend to diverge on two of the major facets that determine overall project success – cost and schedule. From the owner's perspective, projects are typically authorized after preliminary design and estimate reviews indicate that the project will bring an acceptable rate of return on the capital investment to move forward into detail design.

That's where the initial divergence typically begins to take place. Once the preliminary design is issued for bid to qualify EPCM's, opportunities are identified and the accompanying bid is designed to take full advantage of the subtle but powerful language in the bid. Ultimately, EPCM's want to earn as much fee as possible while making a good name for themselves by delivering a very high quality project. Typically, these EPCM pursuits are gained via trade-offs in cost and schedule – the typical basis of an owner's capital investment decisions.

In this owner's representative role, early identification of systematic flaws in the owners contracting strategy was communicated promptly up the corporate ladder resulting in several fundamental changes to the typical EPCM contract terms and conditions. Not surprisingly, the first time this new contracting strategy was issued for bid, several EPCM's refused to bid and those who responded took exception to virtually all of the owners' contracting strategy improvements.

However, all was not lost because the owner was enabled to meet the EPCM's at the negotiating table to agree upon reasonable and acceptable modifications to the T's and C's for both parties. Although the first couple of projects were very painful due to the steep learning curve for both parties, over time our "Big 4" EPCM's became comfortable with our new improved contracting agreements.

One of the major concessions negotiated from the owner's perspective is that EPCM's are now incentivized to provide accurate cost and duration estimates on the very front end of the projects under consideration – if/when projects did not meet ROI requirements, the owner could pull the plug on the project and move on to more promising opportunities. In this arrangement, when an EPCM reached agreement on the target final cost and schedule duration – they were much more intent upon controlling both cost and schedule (in addition to quality).

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## PM FROM THE OWNER'S OVERSIGHT PERSPECTIVE *CONTINUED*

On the owner's side, this arrangement required due diligence in establishing a definitive project scope on the front end of the project in terms of characteristics, functionality, and referenced governing constraints (i.e. local/state/federal regulations, owner corporate mandates, and plant processes/procedures). Once the scope was firmly established, then the project was put out for EPCM bids – not before, as had been done repeatedly (almost habitually) in the past.

This approach allowed the EPCM much more confidence in their estimates and flexibility in meeting design requirements in a way that would satisfy all three major project success factors. On multiple occasions, my job seemed to turn from oversight of the EPCM to oversight of owner representative's - convincing them to stay out of the EPCM's way as much as possible (i.e. not to get too deeply involved in the granular details of the design, but rather, provide oversight to simply point out to the EPCM any governing constraints that would not be met by their latest design revision – then allow the EPCM to correct the design without owner intervention. This approach minimized the number of change orders the EPCM could process because very few design changes resulted from a change in scope (i.e. if/when the owner gets too deeply involved in design changes – it becomes relatively easy and highly probable that all change's will end up being considered a "scope change" at the owners request). Pulling back the owner's representatives was actually much more difficult than improving the corporate EPCM contracting strategy.

In the long run, both parties were much more satisfied with the results – the owner was enabled to deliver expected ROC and the EPCM was entrusted with the freedom to work toward reasonable objectives without constant intrusion/changes generated by the owner – and the resultant arguments over cost and schedule over-runs.

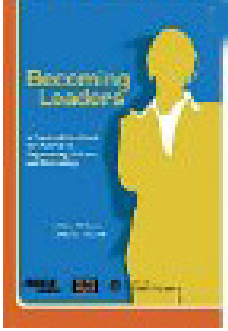
Ultimately, a much more favorable owner/EPCM relationship has developed as both parties have gotten comfortable with this new contracting and owner oversight approach – it truly has become a "win-win" strategy.

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## BOOK REVIEW



### **Becoming Leaders: A Practical Handbook for Women in Engineering, Science, and Technology**

By F. Mary Williams &  
(ASCE Press, ASME  
Press, Society of Women  
Engineers)

**Reviewed by Robert (Robb) Gries, P.E.,  
CCM, PMP, Chair**

Historically, women have had an extremely difficult time in pursuing a career in the fields of science, technology, engineering, and mathematics (STEM). There has been a lot of research as to why, most people do not have either the time or desire to analyze all this information. Thankfully, Dr. Mary Williams and Carolyn J. Emerson have taken the necessary time to digest the research, and, more importantly, they have put together a worthy handbook for both women pursuing careers in STEM as well as men wanting to assist in breaking down barriers.

According to the authors, there are two main categories of issues common for women at all stages of their careers: work-life balance and equal opportunity / fair evaluation. Regarding the first category, having the ideal balance of a successful career, satisfying personal relationships, good physical and emotional health, and continuous personal growth is the goal of every woman. The challenge for women, more often than for men, is that these areas of focus often compete for time and energies.

One of the most enlightening subjects addressed in the handbook was equal opportunity and fair evaluation. Williams and Emerson cite research by V. Valian, which states both men and women have a set of implicit hypotheses known as “gender schemas” that affect how they evaluate the performance of each gender.

The consequence is that the schemas result in men gaining some small advantages and women get disadvantages. Over time, this difference becomes significant, especially for women in career fields where they have traditionally been underrepresented, such as STEM, and in roles associated with strength decisiveness, such as leadership positions. The handbook continues by discussing various strategies for mitigating the effects of gender schemas.

I found *Becoming Leaders* an extremely informative book. It gave me insights and a better appreciation for the difficulties women face in pursuing a career in STEM. I highly recommend this book for everyone who believes in removing barriers and allowing women a chance to lead and reach their full potential. The net effect is your teams will be much more effective and productive, which will, in turn, improve both your business and personal life.

## **We’re Looking for Book Reviewers and Books to Review**



Is there a new project management related book that you would like to read or see reviewed? The DPC SIG is offering a book review program. Simply submit the title of the book you want to review for approval, purchase the book, and upon receipt of the final book review, DPC SIG will reimburse you and publish your review in *The Project Management Standard*. In exchange for the review, you’ll get to keep the book you reviewed and earn PDUs.

If you would like to volunteer to review books, or have a book you would like members to review, please send an e-mail to [vccommunications@dpcsig.org](mailto:vccommunications@dpcsig.org).

## Upcoming Events



**PMI Global Congress EMEA**  
May 18-20, 2009

**PMI Global Congress**  
North America  
October 10-13, 2009

**PMI Calendar**  
of Events

## DPC SIG 2009 BOARD OF DIRECTORS

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