## Communicate, Collaborate and Access –
The Key Ingredients for a Successful PPP

Public-Private Partnerships (PPPs) are the most complex form of alliances. The different objectives of the partners – one focused on serving the public good, the others more concerned about profitability – can cause friction. Partners are often working together for the first time, and there is often a difference in the way processes are performed. The fast-paced nature of a construction project and the constant changes can place stress on the relationship. Perhaps the most complex aspect of a PPP is that each partner already has its own capabilities in place to handle the financial and operational aspects, and they all have a reasonable expectation of having access to that information in real time. In order to make a PPP successful, the partners need to have the tools that allow them to communicate, collaborate and access information.

The construction industry has undergone a technological revolution over the past decade, with most General Contractors, Subcontractors and Owners having adopted a system that provides detailed reporting and advanced access to information. While this increase in the use of technology benefitted the industry (and their clients), when these parties come together in a PPP, the use of different systems means different data, which can lead to major problems.

Each partner will already have its own financial system (people, process and technology).
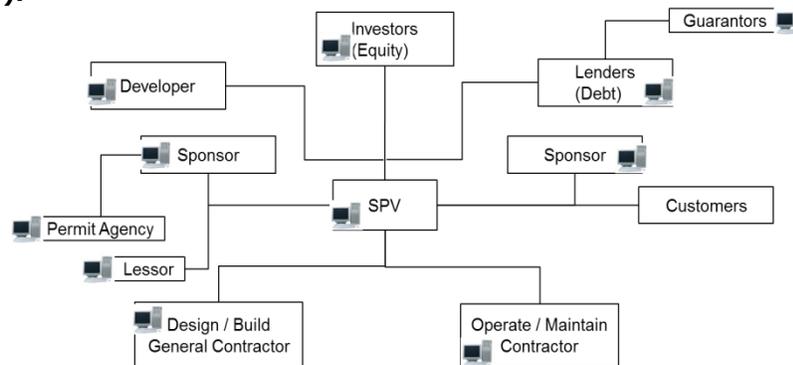

- **Multiple different systems**
- **Limited or no networking capability**
- **Independent "financial cycles"**
- **E-mail connectivity**
- **Spreadsheets form default communication tool**

Anyone involved in the construction phase of a project has had the experience of the Owner, the General Contractors and Subcontractors having different views of contract amounts, change orders and even the scope of the work. A real-world example that hammers this point home is a large project that had 120 out of 140 contractors that had different views of their contract amount or change order amounts than the Owner and General Contractor … only three months into the project. No one on this project could agree on what the total cost of construction would be, which created an environment of distrust, hindering collaboration.

The same issues occur in the design phase of a project, as well as the operate and maintain phases. For a PPP, fighting over information is a waste of time and resources and detracts from the more important issues, such as a serious design problem. Nothing is gained arguing over original contract values, especially when the information sources are all different. In these situations, there is never going to be consensus over the information, as each partner trusts what its financial system is saying.

With the sheer amount of information flowing on a large-scale construction project, there is a temptation to allow one party to have total control over the systems and information. Done in the name of efficiency, this approach can lead to a lot of unnecessary tensions. The moment the project hits a rough patch, the other partners will want to send in their own people to review the data, creating an atmosphere of mistrust that can derail the PPP and threaten the stability of the project. A hard earned lesson from those who have participated in PPPs is that control and access to information must be commensurate with risk – if not, there will be constant tension.

COLLABORATIVE TECHNOLOGY
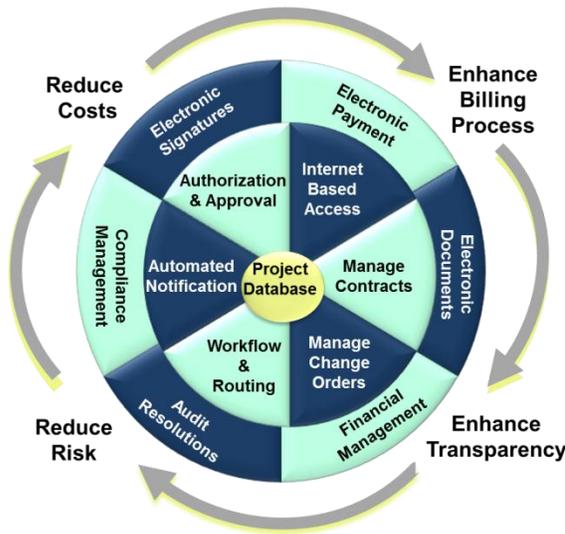
Fortunately, there are technological solutions that can help partners in a PPP clear these hurdles. Textura has designed collaborative financial software that can connect all project stakeholders, in real time. Any partner with an Internet connection can access the system, be it from the head office or the project site. Using a sophisticated workflow engine, each project can be set up to reflect unique requirements for sign offs and reviews. The Textura system prompts users through emails and action alerts as to what the next step is in their workflow. Signatures are captured electronically, including electronic notarization, and all documents and emails are kept electronically and searchable.

By providing a real-time view of project information, Textura's collaborative approach improves management controls by improving the flow of change orders, retention and forecasts and by providing visibility to the lowest level. Textura also helps PPPs reduce risk by providing a single source of data and reducing the chance of error caused by manual entry.

Using advanced controls, stakeholders can be assigned different levels of security so they only have access to necessary information, but they can all share the same view of the project budget, contract amounts, and approved change orders. This increase in access won't necessarily prevent

disagreements, but it gives everyone the same information to attack the problem rather than arguing over the data.

Textura's solutions also help enhance partner relationships. By increasing communication and collaboration, trust is increased and the tension between the partners decreases, making for a more solid relationship. PPPs will be able to execute better when they have a better relationship and strong financial capabilities.

For more information, email customerservice@texturacorp.com or visit www.texturacorp.com.