

Mission Ready

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Don't Wait For the Expected Conditions!

Many of the readers of Mission Ready may never miss a NFL game, but you don't have to be a football fan to appreciate the business lessons learned from the new Broncos football stadium. This new stadium was built by Turner Construction Company, one of the world's largest builders. Although the project came in ahead of time and under budget—an almost unheard of feat in the sporting arena industry—Turner had to overcome unprecedented obstacles. One in particular will serve as an example to us all, regardless of the businesses we're in.

When Turner had signed its contract with the Broncos ownership, it committed to a delivery day thirty-six months down the road. That may sound like a long time, but stadiums can take four years to build. The schedule was very tight; everything had to go like clockwork. When Turner showed up at the 20 acre job site, shovels in hand, they received a very unpleasant surprise. They were told by the City of Denver that title to two thirds of the land set aside for the stadium had not yet transferred ownership. Furthermore, they were informed that until the titles cleared, which could take months, that land could not be trespassed upon.

Can you imagine that? The City was saying "You can go ahead and begin your stadium, but stay off 2/3 of the job site."

There really didn't seem to be a practical solution, other than to wait. For the last hundred years, stadiums had been built using ALL of the land, built as one recognizable oval, spiraling up out of the ground, level by level. With two thirds of the land denied, it was like telling a contractor he could begin building a house, but only a third of it, the rest to be completed at a later date.

Meanwhile the stadium completion, which could not be rescheduled, loomed on the horizon.

Now, if you had been that project manager, what would you have done?

Would you have been tempted to wait until the title transfers freed up the land upon which to build? Who would have blamed you? How can you build a stadium without the land?

Or, would you have said to the owners "Hold the phone; this isn't what we signed on for; we need more time!"

Or, would you have gone to court? Turner certainly would have had a compelling case. In all likelihood Turner would have won such a lawsuit....but how long could that have taken? Maybe years. Meanwhile, all that small, elite group of NFL owners would remember was, Turner didn't come through.

Turner's solution was to come up with an innovation unheard of in the sporting arena industry. The project managers decided that the spiraling oval could be looked upon, not as one integral piece, but as eight interconnected mid-rise buildings. They were not allowed, for the time being, to build all eight structures, but they could build three, all the way to the top. And that's what the team ended up doing.

It was like baking a pie, one perfect, succulent slice at a time!

No stadium had ever been built like this before, and may never be again—unless some other unlucky contractor is denied the very land upon which the stadium is to be built.

"Not waiting for the expected conditions" is not an easy deadline management principle to follow. It's perfectly natural for us to have reasonable expectations as to the conditions under which we are to begin a new project. And if those conditions are not fulfilled up front, we feel, if not cheated, at least taken advantage of. In the interest of fair play, we feel entitled to demand our rights. Isn't that one of the reasons we write contracts? To delineate who is going to do what, and to define expectations.

The Turner team had every reason to wait for the accessibility of the land, or to go to court, or to stamp its feet and demand more time from the owners; instead they accepted their conditions, but not their fate. They began where they could.