



MODULE 08 – RED ZONE “GO / NO-GO”

Introduction:

We would like to start by congratulating each of you on your work thus far. This job has been on our horizon as a potential target for years. However, now that SenSys has decided to move forward and presented us with a proposal opportunity, you have wasted no time getting pricing, evaluating the risks, building GCs, etc. It is excellent to see a team so focused on pursuing a project; in our experience, team enthusiasm builds trust with the client.

That being said, we are nearing the point where we should have enough information to make an educated decision to either pursue the project through bid award or decline the proposal invitation and focus our energies on other targets. In other words, a go / no go decision is needed.

This can be a rather trying decision to make without clear guidelines. As you already know, the criteria used to select whether or not to pursue a project is how closely it approaches DPR's Red Zone. DPR developed the Red Zone criteria for selecting projects that combined passion, performance and economic return. Projects that fall into the Red Zone are those opportunities that meet all these requirements:

- Passion – We are passionate about working with engaged owners in a collaborative process.
- Performance – We perform best on technical projects that fall within our five core markets.
- Economic Return – We focus on projects that optimize our annual returns.

Because the Passion and Performance are subjective criteria, the questions below my help guide your decision and start the ball rolling:

- Do we have an existing, positive relationship with the owner?
- Is this owner collaborative in nature?
- Would the owner appreciate the value DPR would bring to the project?
- Does the team share our Core Values?
- Do we have the right team available for this project?
- Does this project fall within DPR's core markets?
- Is this project / owner strategically important?
- Is this project geographically in our area of operations?
- Is this a negotiated project or hard bid?
- Will self-perform work be likely?



It is important to remember that these questions are only the tip of the iceberg when evaluating a project's risks and rewards. Factors such as schedule, subcontractors, project scope, contract language, etc. can all pose hazards to a team's success and must be scrutinized before a final go / no go decision can be made. Will we be able to achieve our Critical Success Factors? Will the schedule allow us to complete the project scope safely and profitably? How will the outcome of this project affect our industry and / or client reputation? Does the proposal budget allow for an acceptable fee and reasonable contingencies? Do we have experience with the geography, clients, and subcontractors in the region?

Required Deliverables:

As the proposal team, we believe together you are most qualified to answer these questions and make the final decision to pursue or decline this project. For presentation to the management committee, please develop a narrative and provide sufficient back up supporting a go / no go decision for the SenSys Diagnostics project you have been working on. This narrative must address items that affect your go / no go decision from each of the modules throughout the day, but also include anything else that was influential.

Please compile this deliverable and turn it in at 9 PM at the latest via USB/flash drive to the DPR hotel room.

As usual, feel free to look up any of the unknown phrases or terms written above on <http://www.dpr.com/> to refresh your memory.