Project management in Zanzibar

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Speakers' profiles

- Ján Dolejš
  - Project Director on behalf on Mikenopa company
  - Installation - Low Voltage technology
  - Installation – ICT technology

  - Subcontractor of the project

- Jeff Laporte
  - Development manager
  - Owner representative
  - RSJ investment project manager

MiKENOPA

ZURI ZANZIBAR HOTEL & RESORT

Zanzibar - Geographical minimum

- Zanzibar:
  - Zanzibar is a semi-autonomous region of Tanzania
  - 25–50 kilometres off the coast of the mainland,
  - The island is about 85 kilometres (53 mi) long and 39 kilometres (24 mi)
  - Stonetown is the capital city
  - Population: 1.3m (2012)
- Distance
  - Praha – Zanzibar 6,700 Km
  - Time shift 1 to 2 hours
  - Flight Prague (departure.14 o’clock – ZNZ příl. 04 o’clock)

Zuri Zanzibar Project

- **Zuri Zanzibar** is a 5-star hotel, affiliated with Design Hotels by Starwood.

- **Design Accommodation with African Feel**
  - Jestico+Whiles designers elegantly combined the 21st century tourism requirements with the environmentally friendly architecture and unique atmosphere of Zanzibar island

- **Unique beach**
  - 300 m of private sunset-facing beach
  - Free of any tide-impact, allowing for safe swimming all day long
  - Open beach areas – wedding ceremonies, luxury beach lunch, bonfires for special occasion

Property description

46x Bungalow

- 41 m2 + 25 m2 terrace
- Possibility of interconnected bungalows
- 5 Ocean bungalows with jacuzzi

6x Suites

- 82 m2 + 50 m2 terrace
- Separate bedroom and living room area
- Private jacuzzi, private terrace
- Access to private beach area and Dhow bar

2x Two Bedroom Villa

- 180 m2 + 80 m2 terrace Beach front
- Private beach area
- Jacuzzi
- Kitchen corner

Wellbeing

- 1.2 ha spice garden
- 32 m long swimming pool
- Yoga and wellness area

Food & Beverage

- 3 restaurants and 4 bars

History

- History
  - Land acquired btw 2008 and 2013
  - Appointment of the architect Dec 2013
  - Selection of the general contractor March 2015
  - Building permit received May 2015
  - Start of construction June 2015 (demolition, excavation, land preparation etc)
  - Removal of the general contractor Nov 2016. Construction taken over by RSJ from January 2017
  - Opening of the resort July 2018
  - Finalization of ancillaries and additional buildings February 2019

Construction facts

- 10 subcontractors (mostly from Czech republic) only two from African countries
- 1,000 employee at pick time of which 100 expats
- Electricity and water solution provided for up to 400 pax (staff and patrons) –we literally build infrascture for a small village of 70 houses

Challenges

- Challenge to operate in Zanzibar
  - One port with the maximum capacity of one medium size ship per 48h with the port operating mostly during day light;
  - Semi autonomous region and therefore lack of coordination between the mainland (Tanzania) and the island (Zanzibar). Two sets of authorities with two different agendas;
  - Inherent corruption at all level;
  - Little to infrastructure;
  - No equipment specialist, no tool specialist store in Zanzibar. Most quality providers are located in Dar Es Salaam however with limited supply capacity;
  - Little to no quality consultant existing locally;
  - Different culture

Key mistakes made

- Underestimate contingency (time and money)
- Underestimate culture (Indian ocean African island vs CEE culture)
- Change some of the elements of the project throughout the development, adding unnecessary additional pressure to the construction team (change the resort positioning, increase water needs)
- Not spend enough time in due diligence of suppliers and contractors notably locally

“There are known knowns. These are things we know that we know.

There are known unknowns. That is to say, there are things that we know we don't know.

But there are also unknown unknowns. There are things we don't know we don't know.”

Donald Rumsfeld

Solutions

- Strong collaboration with subcontractor (all from Czech Republic);
- Build additional contingency - Anticipate further;
- Build resilience in the team (“unknown unknown factor”);
- Provide better working conditions to retain the staff;
- Maintain strong ethical practice;
- Remain concentrate on end goal;
- Build routine in management and employee.

MiKENOPA

subcontractor
Low Voltage
ICT

- up to 20 Czech electricians
- up to 40 local workers

Mikenopa’s part - small town infrastructure

- Low Voltage
  - 2 x dieselgenerator + UPS
  - power distribution
  - LV installations

- Weak current
  - optical and metalical cabling
  - WiFi
  - CCTV, IPTV, PBX, FAS
  - HW & SW

Challenges

- Low Voltage Infrastructure take over
  - Company had no experience with design and installation
- Logistics
  - underestimated team in Czech, very complicated ,,certification" procedure, problems with material delivery
- Project scope change
  - late reaction for changes – to keep the additional costs under control / Variation Orders execution
- Time schedule change
  - problematic negotiation with the contractor to reimburse additional personnel costs, capacity planning
- Costs

My role

- Start form 1.4.2017
  - Project Director of Mikenopa
  - Mikenopa was asked for change the management or leave the project

Findings

- Installation
  - material is missing
  - out of time schedule
  - no store management
  - no daily working plan
- Team
  - two teams inside without communication – two opinions how to install
  - head of electrician co-founded local company and used Mikenopa’s money
- Management
  - not valid reporting finance, progress
  - delayed/no response to clients requirements – no VOs
  - no invoicing
  - local workers paid in cash

Key mistakes made

- Team
  - quality and expertize (design, logistics, calculation, LV team leader
- Cost control
  - effective communication with the client regarding costs increase due to changes (VOs)
- Logistics
  - effective material supply

Safety

Local conditions

Local conditions

Local conditions

Local conditions

Too long reserve

Local collegues

KOMATSU
CAT
PC
200
12/12/2017 13:57

18/11/2017 09:56

Day off / free time

Manager as a ,,babysitter”

MÁXIMO
NIVEL
08/12/2017 20:18

Thank you