

The Importance of The New Munch Museum in a City Development Perspective

HANS HAGBY, DIRECTOR, BUILDING & REAL ESTATE, ÅF ADVANSIA



Themes

- Needs and opportunities
- Political process
- The impact on economic development
- The role of the project manager
- Key takeaways



Needs and opportunities







Photo: Bjørvika utvikling





Political processes







Illustration: Estudio Herreros





The impact on economic development





The role of the project manager

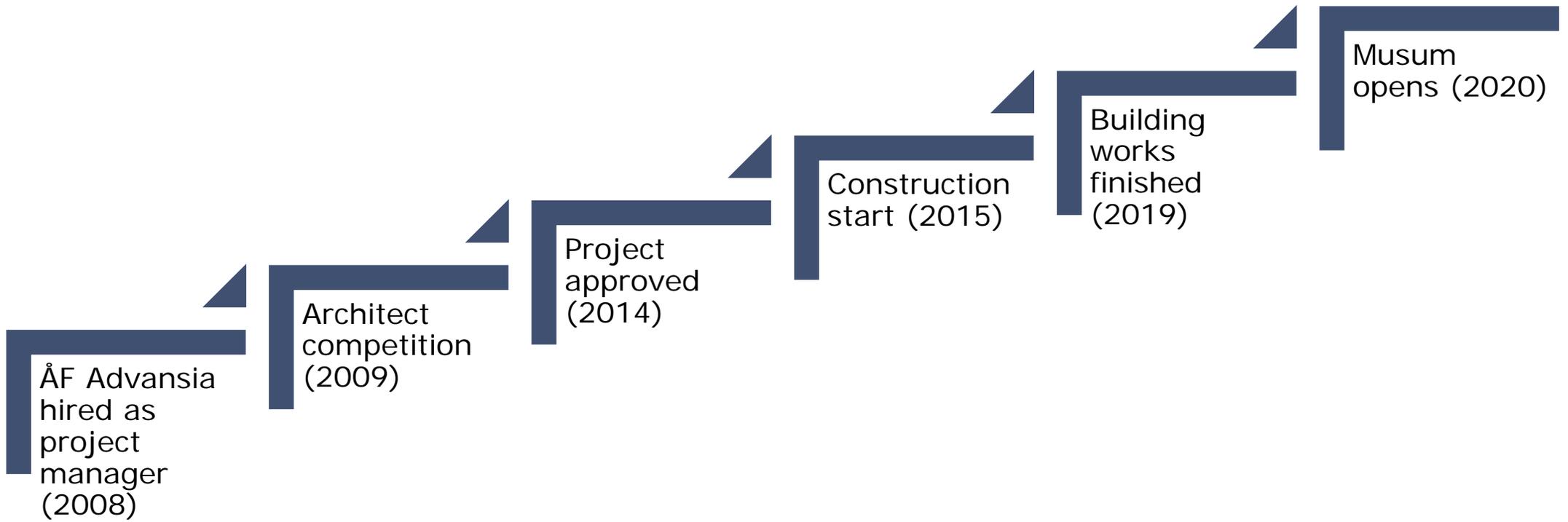


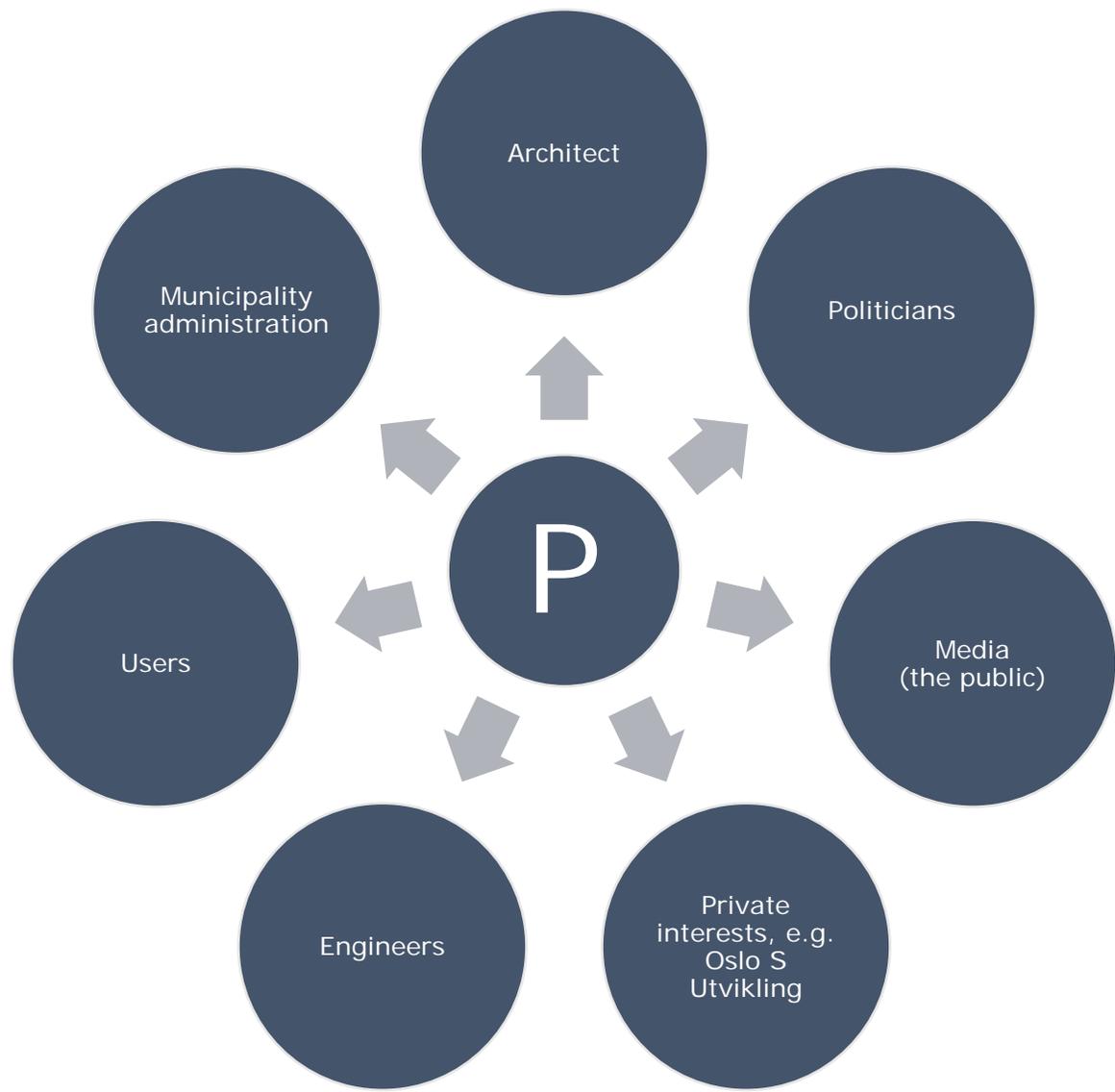




Key facts about the new Munch museum

- Customer: Kultur- og idrettsbygg Oslo KF
- Budget: MNOK 2 700
- Size: 24 400m²
- Time frame: (2008) 2015 - 2020





Key takeaways















PMI Lecture

The Importance of The New Munch Museum in a City Development Perspective

Intro

Slide 1 The Importance of The New Munch Museum in a City Development Perspective

Good afternoon everybody.

My name is Hans Hagby, and I am representing ÅF Advansia – as you hopefully know is a considerable actor in the project management field in Norway. I am head of buildings and real estate in ÅF Advansia and the new Munch Museum and Deichmanske library are both part of our project portfolio.

.

Slide 2 Content

This symposium emphasizes the political and economic impact of large projects, and it's a privilege for me to give a lecture on this topic based on the construction of the new Munch Museum.

The new Munch museum is a visible and important part of the remaking of Bjørvika - a new vibrant neighborhood at Oslo's waterfront. Together with the new opera house and the Deichmanske library, these three cultural institutions have been catalysts for the development of Bjørvika.

In this lecture we shall take a brief look at:

- The needs and opportunities for establishing the three cultural projects
- The political processes
- The impact on economic development
- The project manager's role
- And finally some key takeaways

Slide 3 Needs and opportunities

Let's start with the needs and opportunities

Slide 4 For decades there had been a need for a more attractive and suitable accommodation of the biggest Munch collection in the world - donated by Norway's most famous artist, Edvard Munch. It's currently located at Tøyen in Oslo. The Norwegian opera and ballet, Oslo's main public library - Deichmanske and the Stenersen art collection had similar needs.

Slide 5

After the closing of Nylands Mekaniske Verksted in 1971 the Bjørvika area had turned into stockyards and traffic areas squeezed between the railway station and the seaside. A, by far, too valuable part of Oslo's inner city for this kind of use.

Slide 6

There was a need for real estate and city development and an opportunity to create an attractive neighborhood filled with people and life. It's amazing to see what this area has turned into for both Oslo's citizens and tourists.



Slide 7 Political process

Let's proceed with the political processes that united the different interests in a holistic solution.

A conglomerate of stakeholders had various interests in the Bjørvika area. The discussions of regulation and future use lasted for decades without a conclusion. The three cultural projects became the catalysators making way for the development of Bjørvika as a new part of Oslo.

Slide 8

As a first step the decision of building the new opera house was conducted by Anne Enger and led to an approval by Stortinget in 2002. This led to the development of the master plan of Bjørvika, which was approved the year after.

However, all problems had not been solved by this. It should take another five years until Trond Giske and Erling Lae on behalf of the Norwegian government and Oslo Municipality reached an agreement regarding undeveloped plots for the construction of both the Munch museum and Deichmanske library in Bjørvika as well as the new National Museum for Art, Architecture and Design in Vika.

Slide 9

A design competition was organized. The Spanish architect Estudio Herrero won in 2009 with the concept "Lambda". This was a unanimous jury decision but led to a lot of discussions in the public.

Slide 10

Strategic, political decisions of this kind are very often disputed. Due to this fact there was a rematch started in 2011 by Fremskrittspartiet and the former party leader Carl I Hagen regarding the construction of the new Munch Museum. It lasted another two years before this rematch was settled at ease in an historic alliance between the conservative and socialist parties. As we all know, the project was not stopped by this process, but the disputes had an impact on the project time schedule, costs, risk management and the entrepreneur contracts.

Slide 11

The impact on economic development

The greater economic impact of these large projects, which the new Munch Museum exemplifies, is the development of a brand new urban area – Bjørvika.

Slide 12

Bjørvika is the result of a collaboration between both public and private property developers and builders. Oslo Harbour, as a large landowner in the area, established Bjørvika Infrastructure for the purpose of developing necessary infrastructure in the area. This was an effective and good way of organizing a holistic development of infrastructure as well as allowing a diversification of various builders to develop each building plot separate - creating an efficient economic development of a new urban area.



Slide 13 The project manager

And at last – for your interest.

The project manager – where does he or she stand in this context?

Slide 14

Project management in large projects is teamwork. A team leader and a crew with different professional skills.

The organization must be flexible and adjust to a range of needs in different project phases. In total this project lasted for twelve years. This naturally led to staff changes due to employees needs for career development and changes in work life. For instance, ÅF Advansia has had three different team leaders in the project management team during the projects lifetime.

ÅF Advansia was engaged as project manager for the combined project New Munch Museum and Deichmanske Library in 2008 shortly after the agreement between the Government and Oslo municipality.

The municipality organized its responsibility as construction client in a single purpose organization named "Kulturbyggene i Bjørvika". Before start of the construction works this was altered by establishing the municipal company "Kultur- og Idrettsbygg – KID". The combined project was divided in two separate projects with two separate project organizations. Although project support services like QA, HSE, planning, cost- and document control where shared between the two projects.

Slide 15

The project scope as we see it today can shortly be described by:

- Contemporary museum for Edvard Munch's art and the Stenersen collection.
- Budget: MNOK 2 700
- Scope: 24 400m²
- Time frame: (2008) 2015 - 2020

Slide 16

What has been extraordinary in the project? Obviously the duration. Twelve years – and six of them spent even before the construction works started. A clear impact of the political processes initializing the project and changes in political strength and alliances under the development of the project.

The public interest. Two different arenas – media and a crowd of visitors.

Media focuses both political processes and public opinions on the project.

Some examples:

-the crowning of Lambda as winner of the design competition

-the rematch concerning the decision to start construction works 2011 – 2013

-the concrete glide – operation, rapidly rising the building in the inner city of Oslo was a spectacular scenery.

-and latest the public dispute on the facades esthetic impression.

Slide 17

Knowing this, these kind of projects needs a strategy and a "modus operandi" to handle the flow of information in such way that the project management prevails control on the



development of the project as well as giving sufficient and truthful information and coping with the complexity of stakeholders through various channels when needed or convenient.

Political authorities need holistic information with a possibility of drilling down detailed knowledge about the project. Project owners shall be fully informed to cooperate with the project management according to the unified role model. Media should be involved regarding the common public interest connected to this project honoring Edvard Munch's art. One should also be prepared to deal with media when events erupt. And I can assure you, unforeseen events do erupt in high profiled projects like the Munch Museum. And of course all information needed by different participants acting in the project.

During the construction period there have been a huge interest from visitors to the project. As a result a visitor's center was established to handle this public contact in such way that it is not interrupting the construction work and still gives the visitors an informative insight to the project.

Building a positive image.

Slide 18

So, what are the key takaways that we in ÅF Advansia would like to emphasize and share with you as project managers to take into consideration when entering projects with similar conditions.

Slide 19

Large projects of greater public interest can be efficient tools in political processes to make difficult decisions possible. However, this also makes the projects fragile and vulnerable. Unforeseen events and deviations can set fire on latent conflicts inherited from the early stages and create rematches regarding the project on the outside of the project managements control.

This challenge need to be responded by making the project predictable by relining expectations, give accurate forecasts and deliver as promised.

To achieve this it's important to set conditions for good governance when starting the project.

Reassuring distinct leadership in the project and good owners governance.

Slide 20

Both the project owner and the project management should start the project work together by establishing organization and role descriptions. In particular dividing responsibilities between the project management and the project owner and his staff and describe how they shall interact and how they together shall involve external decisionmakers.

The project management should be careful to govern the project participants and stakeholders in developing the project solutions.

The project management team should have a special obligation to ensure that the projects solutions, developed by architects and engineers in cooperation with users,



fulfils necessary quality measures to achieve the project goals. This to be seen in the context of predictable deliveries in the project.

Important issues to consider are:

-Reassuring that the benefits the users obtain to gain from the project are consistent with their long term goals and future possibilities.

-reassuring that the projects solutions are consistent with benefit realization as well as demands to buildability, time schedule, cost and quality. This should be integrated in the ongoing project work to secure predictable conclusions at decision gates in between the project phases. Especially large investment projects created with political compromises are fragile and can easily be disrupted by deviations or unconformities erupting thru project development.

Slide 21

Large projects with great political impact can, as we have seen be useful as catalysators for initializing real estate development.

But this is not a free lunch.

It carries expenses regarding raised risks. Political processes takes time and can, due to this, cause delays with additional raised costs.

There are risks that the political processes can come out of hand and drive the project in a direction where the project management no longer can control the project.

The political debates can force guidelines on the project that have to be considered in the projects solutions, narrowing the project managements manoeuvre space.

This and other similar issues have to be considered regarding the economic impact political processes have on project costs.

Side 22

Developing a new urban area, like Bjørvika, is depending on public acceptance to achieve legitimacy. Regarding this, political processes are necessary to allow democracy and public involvement. But it has additional costs that should be considered calculating the project.

From an economic point of view the developing of Bjørvika have without doubt given economic growth both for landowners and developers and contributed to the general growth for the industry, the city and the country.

Investing in large projects like the Munch Museum has had a positive contribution to the development of Bjørvika as Oslos new "hotspot".

In addition it will be a great arena for presenting Norways most prominent artist – Edvard Munch

Slide 23

Thank you.