

Modern Collaborative Working; The top 10 of what to do and how to do it.

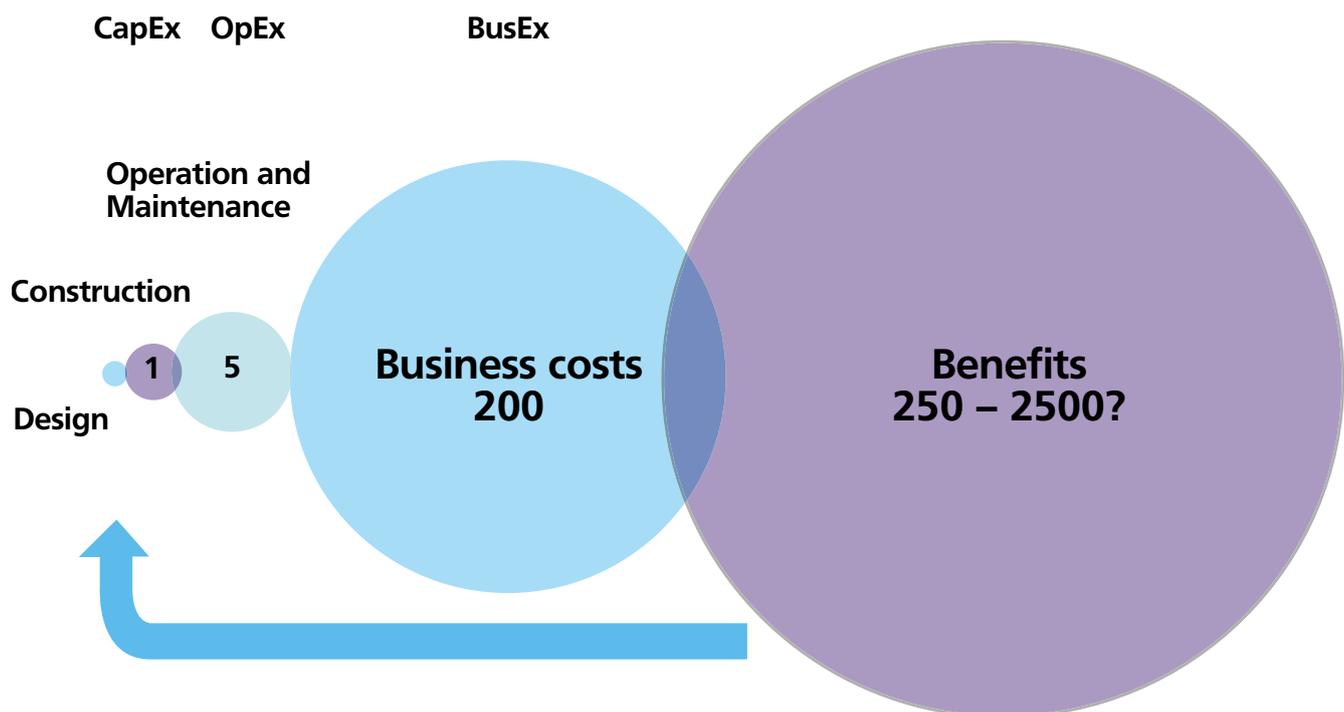
A Constructing Excellence Collaborative
Working Champion's Blog.

Throughout 2019 we ran a series of **blog articles** covering the top 10 of modern collaborative working. Having reached the end of the series, we thought it might be useful to provide a brief summary of each of the blogs and the behavioural changes suggested. That way you can easily find any blogs you might have missed or would like to share further.

No1: Understanding the Need

Why it is so important that everyone is absolutely clear about the goals and objectives before anything commences and yet more difficult to define what these needs are than might be expected, and how this leads to a different approach to team selection and project organisation that fundamentally challenges the traditional process.

Client needs should drive the value stream



Behavioural Changes to Adopt

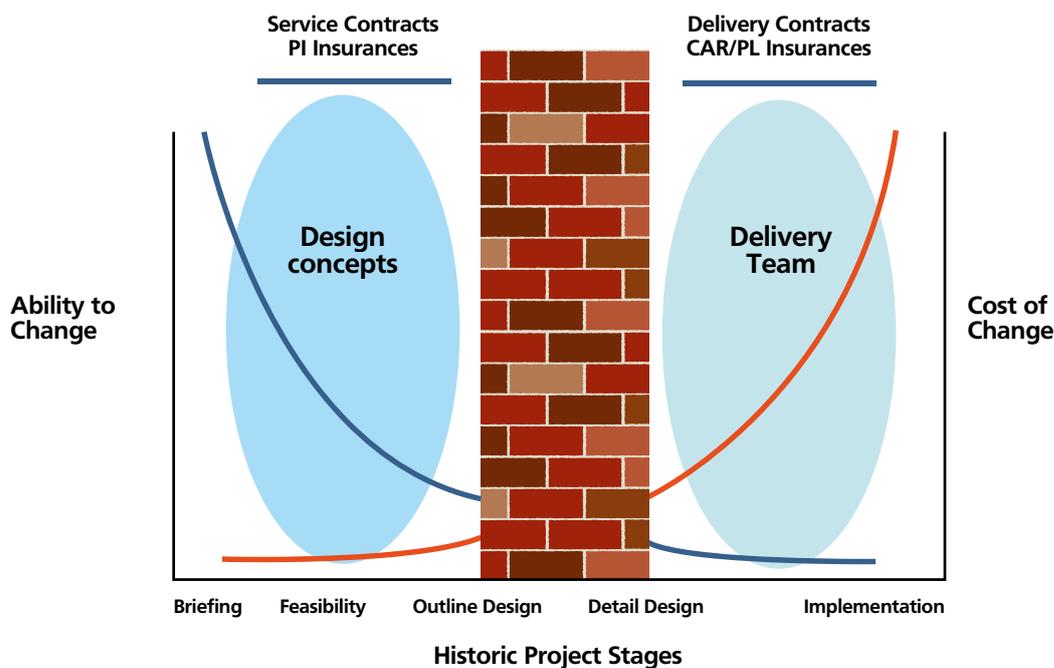
- Explain what is required and why.
- Involve others early enough for them to be able to make suggestions.
- Be open to alternatives.
- Accept challenge as a sign others are trying to do what is best for the project.
- Learn how to question and challenge in a supportive way.
- Be sure you are clear why something is required – if not ask until you are.
- Be prepared to offer alternatives.

No2: What's Wrong with the Traditional Process?

Exploring the difficulties that separation of the design and delivery players in the industry has historically brought to effective project delivery.

Considering what the barriers to bringing these parties together at the beginning are and why it is so difficult to overcome them.

Seeking value with a flawed process



Behavioural Changes to Adopt

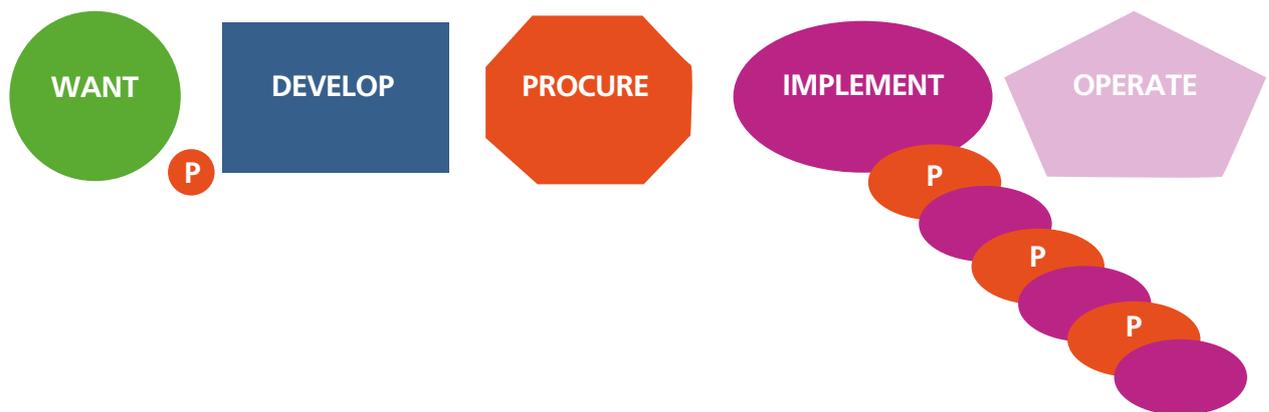
- If you really want different outcomes, be prepared to adopt a genuinely different approach.
- Bring people together to achieve a common understanding of goals and objectives.
- If you are making decisions on behalf of people who are not party to the decision, you are not working collaboratively.
- Your partners can't suggest improvements or alternatives if you don't involve them.
- Make sure you focus at least as much effort on culture and behaviours as you do on process and procedures.
- Early involvement requires early commitment (appointment and payment) if it is to produce value.
- If you don't commit to people don't expect them to be committed to you.
- Trial and prototype to improve products and interactions.
- Work off-line to establish how to work with maximum efficiency.
- Make sure everyone is clear what needs to be done when and by who.
- Seek methods which use collaboration instead of liability-based control mechanisms.
- Be clear about the impact of design on potential options.
- If you are given the opportunity to influence the outcome don't waste it by merely feathering your own bed.
- Establish how to collectively solve problems before you find problems that need solving.
- Learning together from failings is a more powerful tool for improvement than blame.
- Understand the impact separate contracts and insurances have on openness and no blame.

No3: The Part Played by Procurement

Looking at the impact of 'normal' sequential procurement and how even the best-intentioned practices can all too easily stray onto the 'cheapest price target' instead of best value, including why it matters and how to avoid it.

Exploring the implications this has on team and project understanding, dynamics, innovation, commitment and ownership.

Traditional Rules of Engagement



Behavioural Changes to Adopt

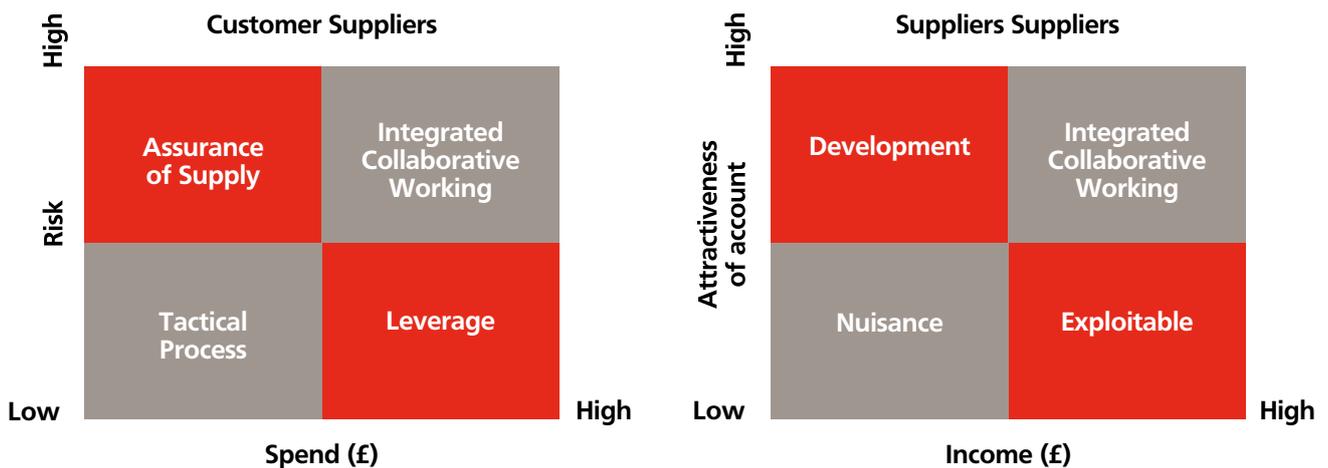
- Focus on desired outcomes.
- Incentivise buyers to appoint on value not price.
- Ensure your tenders clearly describe your needs.
- Find ways of augmenting written information to better convey your purpose and objectives.
- Scrutinise the scoring strategy/mechanism to make sure it reflects your intentions.
- Recognise that seeking cheapest price will force your suppliers to respond tactically, exploiting problems and change.
- Be transparent about your selection and appointment process.
- Understand that sequential appointments are more likely to undermine ownership and commitment than achieve certainty.
- Work with manufacturers to understand what an established supply chain should be.
- Recognise that being transferred from client to contractor is challenging for the designers.
- Work out how to align your suppliers with your objectives.
- Consider how you might select individually but still build a team.

No4: Strategic Procurement

Why there isn't a 'one size fits all' approach to procurement.

Exploring how different approaches produce different customer and supplier relationships with different risk and value propositions and how value can be maximised by adopting the right approach at the right time.

Strategic Procurement



Behavioural Changes to Adopt

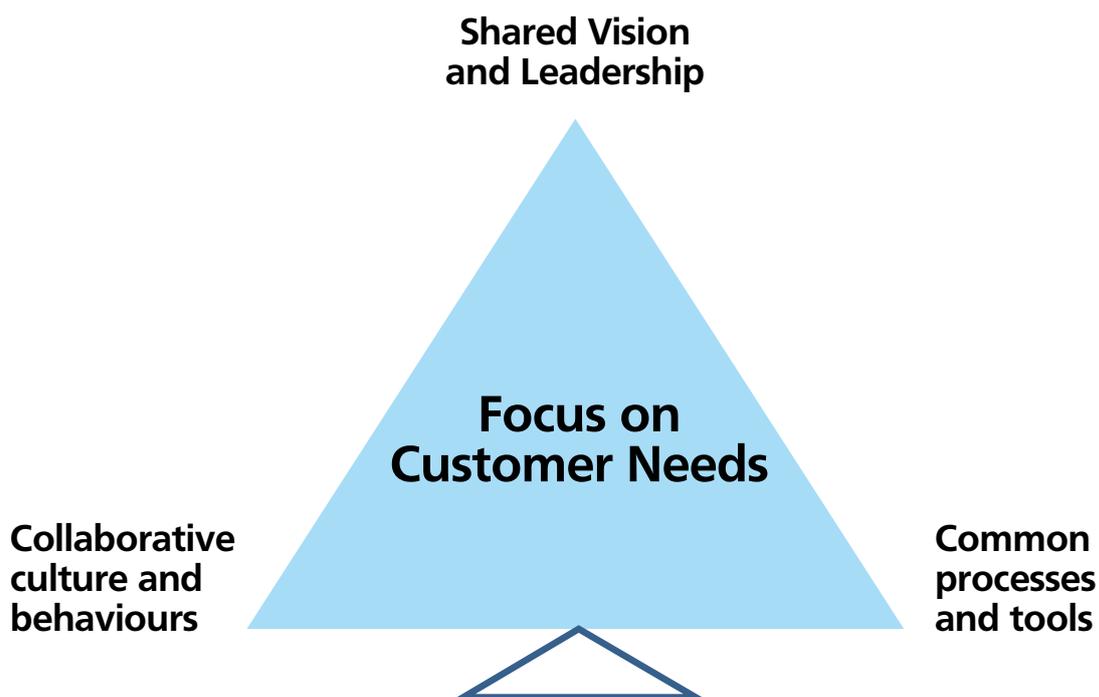
- Understand what kind of customer you actually are; check with your supply chain but confidentially, ideally through a third party, if you really want to know the truth.
- Evaluate the risk profile of your purchases (as an aside also review your disaster recovery arrangements for high risk activities/components).
- Only apply a leverage approach to items that are genuinely low risk.
- Make sure your buyers understand your business risks.
- Be clear about how significant your buying is in the market place.
- Evaluate how much it costs you to buy stuff and put a minimum order value in place.
- Work out how to buy low risk stuff more simply.
- Don't use procurement to control behaviour.
- Be prepared to pay a premium when it matters; if your organisation can't currently justify it, change your evaluation process to include the appropriate critical factors.
- Stop working with nuisance customers and if they are all you have, take a good hard look at your business strategy.
- When you look at your suppliers also look at their suppliers and the relationships they have. Try to use established Integrated Collaborative Relationships where they already exist and where possible encourage such relationships.
- Work out how to make yourselves more attractive - it will pay back in the long run.
- If you are an 'occasional' - pool your activity with others so you can offer and benefit from continuity of opportunities.
- If you want to understand the benefits of sustained integration get a manufacturer to explain their supply chain to you.
- A long term relationship doesn't mean you have to do everything with one supplier you can have a small pool of suppliers and still provide long term intermittent repeat business.

No5: Achieving Change

Making a case, whilst acknowledging and investigating the barriers, for a strategic approach to holistic change.

Looking at the integrated approach to improvement targets and how and why adoption of collaborative contract and insurance arrangements facilitate the achievement of sustained benefit.

The overriding principles



Behavioural Changes to Adopt

- Ensure you invest as much effort and energy in achieving cultural and behavioural change as you do in adopting new contracts, methods, technologies and procedures.
- Coach and nurture behavioural change throughout – one collaboration workshop is not going to make the necessary difference.
- Be clear about your change strategy.
- Make sure your behaviours reflect your strategy.
- Ensure your partners behaviours reflect their stance on change – saying you work collaboratively is not the same as being collaborative.

- It's never too late to benefit from working collaboratively, but if you want maximum benefit it needs to start at the beginning.
- Adopt a radically different process if you want a radically different outcome.
- Don't expect people with different contractual obligations to have aligned objectives.
- Recognise the imbedded part that blame plays in the utilisation of construction insurances.
- Remember Newton's Third law – For every action there is an equal and opposite reaction; you have to exhibit collaborative behaviour if you want others to behave collaboratively with you.

No6: Making a Difference

Investigating the critical success factors that enable Collaborative Working to deliver superior value.

Exploring what these mean and how to apply them, including where and why the Collaborative Working Champions recommend effort is expended to maximise benefit.

The 6 critical success factors for collaborative working

Early(ist) involvement

Selection by value

Common processes and tools

Measurement of performance

Long-term relationships

Aligned commercial arrangements

} **BIM, continuous**

} **improvement**

} **=> lean**

Behavioural Changes to Adopt

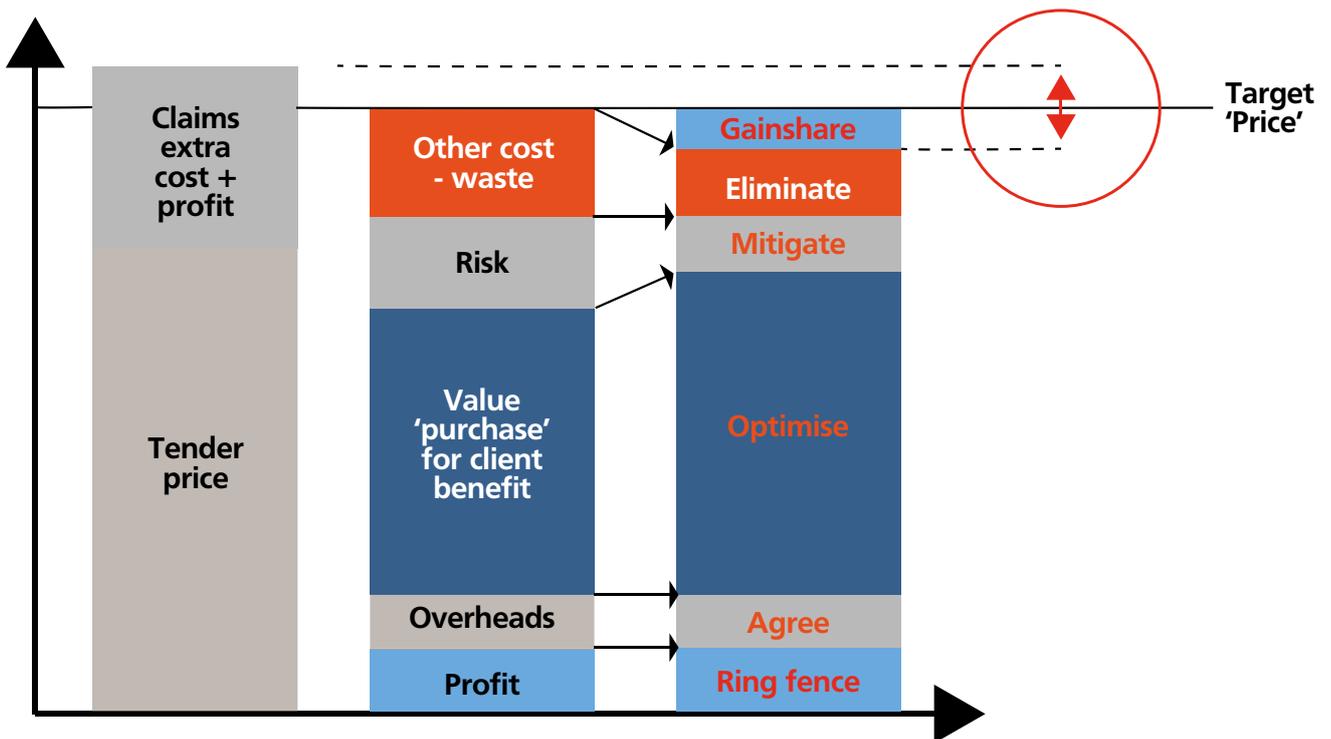
- Seek to improve performance under one or more success criteria really well rather than partially addressing all six.
- Develop an improvement plan and action it.
- Recognise that earliest involvement also means earliest appointment and payment.
- Explore how design concepts limit delivery options with the delivery partners involved.
- Select on the basis of skills and capabilities and the value a partner will bring, not price.
- Review partners' processes and tools and select those that will add most value.
- Collect common information; "one version of the truth" enables the right decision to be taken by the right people at the right time.
- Seek to use the same tools where possible, but recognise that sometimes drawing from different tools and collating the information is the most efficient process.
- Establish baseline measures of performance, regularly measure against them and compare with what others achieve.
- Use measures which are widely recognised and easy to compare.
- Use a relationship problem as a springboard for improvement on both sides.
- Try to work repeatedly with the same organisations/individuals.
- Long term isn't the same as every opportunity.
- Be on the lookout for signs of complacency and stagnation that may indicate it is time to refresh some of the team membership.
- You can't fix what you don't know about, so seek open book relationships based on collaborative/alliancing arrangements.
- Don't expect people with different contractual and insurance obligations to be willing and able to focus on the same objectives.
- Don't expect the right attitudes from your partners if you don't exhibit them yourselves.
- Share risk and reward collectively and equitably.

No7: The Value of Realism

Exploring why it matters to have a realistic target to aim at and how working in an open book environment supports this and incentivises performance.

Pinpointing why traditional sequential price-based competition fails to achieve this realism and the consequences of this for outcomes.

The overriding principles



Behavioural Changes to Adopt

- Be transparent about what is needed
- Adopt an open and collaborative approach to cost management
- Make sure everyone is clear about what is included in the overhead
- View project risk on a whole project not 'individual pot' basis
- Allocate risks to the party best suited to manage them

- Understand that all parties need to make a sustainable level of return
- Share project gains to incentivise innovation
- Seek to eliminate waste to increase value
- Ensure any gain and pain allocation is equitable
- Procure for final project value not lowest entry cost

No8: Working with Cost (Price and Value)

Investigating the differences between price, cost and value.

Exploring how working collaboratively in an open book environment changes the landscape for all participants, maximising opportunity, minimising risk and enabling superior performance and value outcomes to be achieved.

Working with cost instead of price

$$\begin{aligned} \text{Value} &= \frac{\text{Benefits Derived (Get)}}{\text{Sacrifices Made (Give)}} \\ &= \frac{\text{Scope}}{\text{Price}} \\ &= \frac{\text{Functionality}}{\text{Target Cost}} \\ &= \frac{\text{Functionality}}{\text{(Profit) + Cost}} \end{aligned}$$

**Risk & Waste (+ Addressing Lifecycle)**

Behavioural Changes to Adopt

- Seek to understand how scope and price are interrelated.
- If you are using a commodity purchasing method be sure what you are buying is genuinely a commodity.
- Be clear about the difference between price and cost.
- Understand the impact your behaviours have on your suppliers cost base; and recognise that you pay for this.
- Some savings are only available through working together.
- Some savings are only available through working together repeatedly.
- Be clear about the contradictory objectives when working with price.
- Recognise what a poor target profit is in the delivery of savings.
- If you want more value, work out how to eliminate embedded risk and waste.
- Allocate risk by agreement and to the party best placed to manage/mitigate it.
- Understand the part design and specification play in fixing the cost (or price).
- Look to the overhead costs of a project to find value adding opportunities

No9: Stripping Out Waste

Exploring waste in all its forms.

Looking at the how different types of waste are embedded in everything we do and how these impact on each other to make the situation worse; or the opportunity even greater, especially for the waste elimination that genuinely collaborative environments make possible.

Working with cost instead of price

1. Over production

- Too Large batch size
- More than customer demand
- Just in case

3. Transportation

- incorrect placement
- Multiple movement
- 'Panic' delivery

6. Inventory

- Too much variety
- Keeping obsolete items
- Storing low cost goods

2. Waiting

- for thing to happen
- for 'stuff' to arrive
- for problems to be solved

4. Over processing

- Duplication
- Checkers checking checkers
- Recording discussion

7. Scrap & rework

- Abortive time
- Wasted materials
- Diverted labor

5. Excess motion

- Walking & Lifting
- Repositioning
- Twisting & Turning

Accidents & Incidents

- Loss of resource
- Loss of skill/experience
- Loss of moral

Behavioural Changes to Adopt

- Don't just look for surplus materials, seek to improve inefficient processes and procedures too.
- Recognise there is waste in just about everything we do and seek to be 'lean' by removing it; read "Lean Thinking" by Womak & Jones for more information.
- Understand the value of your input and why it is important to the outcome.
- Consider how your actions could be adding waste to other's activities.
- Be open to applying thinking from other industries and cultures.
- Make it a habit of looking for the waste in everything you do.
- Challenge yourself. Ask how could we do the next similar piece of work simpler, quicker and easier and what would facilitate that?
- Be aware that you can create waste without even realising it.
- Collaboratively explore what changes can be made; your

- customers and suppliers are often more able to see the things that are in your blind spot.
- Preselect a supply chain and use it wherever possible.
- Adopt a seamless team approach, using the best skills in the right place, avoiding the need (or perceived need) to man mark.
- Be clear about how your element interfaces and how you can improve the interaction with those who precede or follow; seek to make it better for all of you.
- Make sure you are clear about what the expectations are before you start.
- Always be ready to commence as planned; efficiency starts with having the right materials, the right tools and plant, the right calibre and quantity of people and the right objective.
- At the end of each day, look back and ask, "What could have happened that would have made my job easier?" and strive towards that tomorrow.

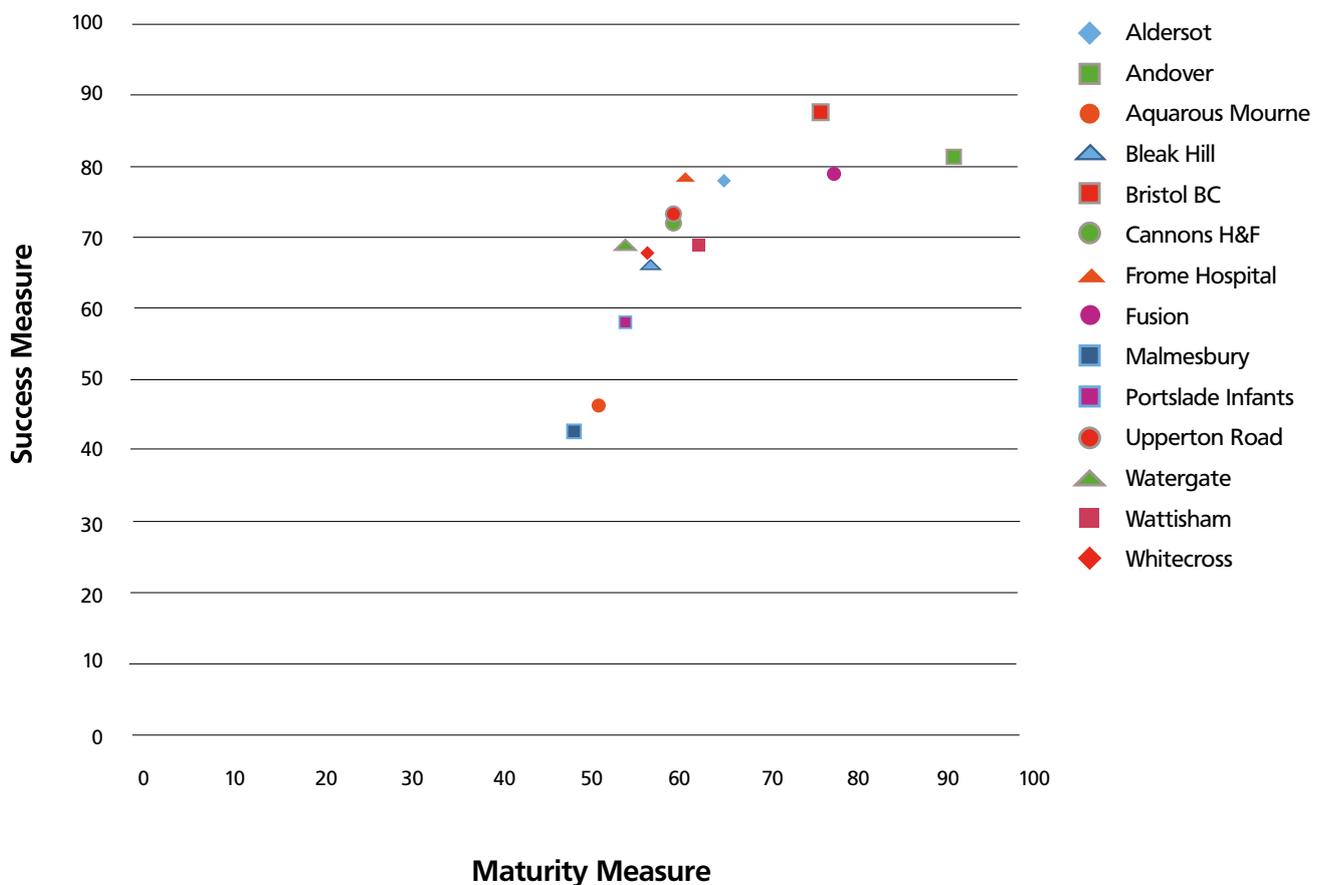
No10: Where to Start?

Exploring the evidence for the adoption of transformational and disruptive change as a route to the delivery of superior value.

Encouraging the adoption of Collaborative Working principles irrespective of whether or not the targeting of holistic change is realistic for all.

Holistic change delivers most benefit

Performance of the Case Studies



Behavioural Changes to Adopt

- Whatever you do, do it more collaboratively in future!

Thank you



We hope you have enjoyed this series and that you have found it of value, and ideally that you continue to do so. Please feel free to share the content and apply the principles, we ask only that you acknowledge the CE/BRE Collaborative Working Champions as the source if you decide to reproduce any of the content.

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