

ResoLex Roundtable

Wednesday 21 March 2018

Tackling the barriers to collaboration

The session was facilitated by Don Ward, Chief Executive of Constructing Excellence (CE)

Don began the session with a statement that the mission, not just of CE but also the people in the room should be to “positively disrupt the industry delivery process to transform performance.” He pointed to the accumulating evidence gathered over the past 20 years of projects where a collaborative approach between the client contractor and supply chain have produced more successful outcome than would have been achieved through typical transactional approach.

Apart from the high profile ‘mega projects’ such as BP Andrew, Heathrow T5, London 2012, Crossrail and Thames Tideway, Constructing Excellence have collected data form over 500 projects from all sectors, regions and sizes. This data shows that projects can be delivered 10 – 20% cheaper and produce better client outcomes using some form of collaborative arrangement such as partnering, alliances or other mechanism, where the client and supply chain team work as an integrated unit.

So if the evidence there to prove that a collaborative approach works, the obvious question is “why don’t we do it?” Don showed a slide setting and some of the barriers which included

- Lack of crisis to stimulate change at an industry wide level.
- Low awareness of the potential benefits, particularly in key advisors such as quantity surveyors and project managers.
- Lack of a standardized approach by clients.
- No continuity of pipeline.
- Poor leadership and lack of understanding of collaborative team coaching.
- Poor training and development.
- Focus on initial cost rather than whole life value.
- Obsession with lowest price tendering.
- Failure to keep project teams together.
- Strong vested interests in the status quo

There was a lively debate in the room as different members of the audience voiced their own views on the factors which discouraged collaborative engagement.

An interesting point was made that the true design process was rarely achieved solely by the architect or engineer. On complex projects the evolution of the final design also involves the contractor, the specialist sub contractors and others. Lowest price tendering tends to ignore this important reality.

Another guest commented that simply changing the focus within a client organization from outputs to *outcomes* nudged their project teams to stop looking solely at their own workload and instead think about their contribution to the whole.

Don identified six critical success factors for collaborative working

- Early supply chain involvement
- Selection by value not lowest tender
- Common processes and tools
- Measurement of performance
- Long term relationships
- Aligned commercial arrangements

These factors provide any practitioner with a framework around which to build a collaborative relationship.

The session closed with a three stage formula for transformation

1. Change the Delivery model
2. Change the Procurement model
3. Change the business model

I would highly recommend that you have a look at the slide deck Don used, as there is some very useful information. Don is an accomplished presenter and he kept us all fully engaged for 90 minutes. Reflecting on the session I feel I have a clearer perspective on the progress being made by the 'collaboration' movement and am looking to now incorporate some of Don's thoughts and ideas into ResoLex's working practices.