



# Collaboration in Construction Projects WHY AND HOW? Tuesday 23rd February 2016

# COLLABORATION The Constructing Excellence Model

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ISO 11000 PC286











#### **Agenda**



#### Constructing Excellence

The Organisation and the Movement

Background and Activities

**Drivers for Change** 

#### Collaborative Working

Three Overriding Principles

Six Critical Success Factors

The Move to Collaborative/Relational Models

Q+A





### **Constructing Excellence**



#### **The Organisation**

CONSTRUCTING EXCELLENCE

The single organisation driving change in UK construction

The platform for industry improvement to deliver better value for clients, industry and users through collaborative working

"BETTER TOGETHER"



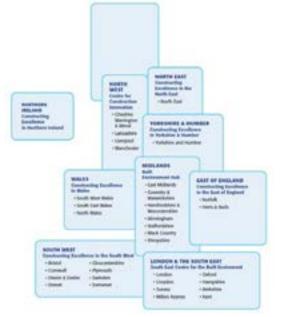


#### The Movement



84 national members, 9 regional Centres 35 local best practice Clubs, 718 G4C members 10 partners in the CE International Alliance



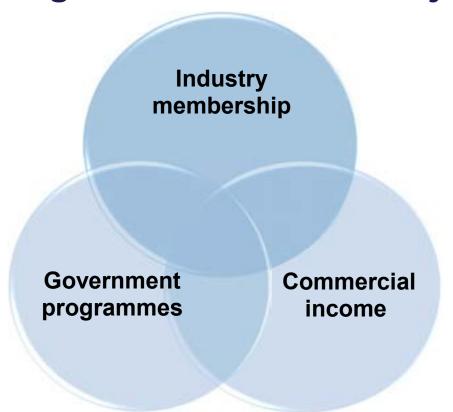






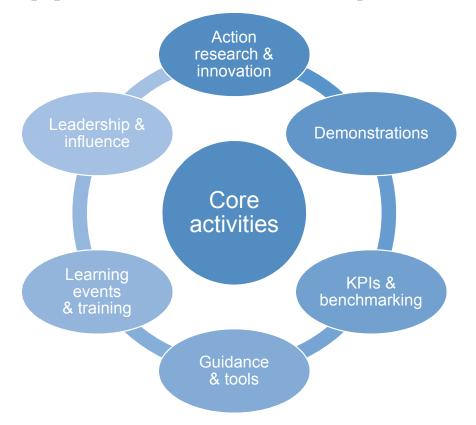
## **Brought together by the UK Government** - funding is now from industry





#### **Six Core Activities**

### - to support continual improvement







#### **Current Theme Groups**





#### **National Corporate Membership**

The home for intelligent informed clients who are at the heart of CE







#### **National Members**



#### **Clients**

**BAE Systems** 

**BBC** 

Birmingham City Council

Crossrail

East Riding of Yorks Council

EDF Energy (NNB)

**Environment Agency** 

**Heathrow Airport** 

Highways Agency

Igloo Regeneration

Imperial College

Lambeth Living

**London Underground** 

Magnox

Nationwide Building Society

Northumbrian Water

NuGen

ProCure 21

Quintain

Rochdale Boroughwide

Royal Mail Group Sandwell MBC

**SCAPE** 

Scottish Water

Westfield Group

Worthing Homes

Yorkshire Water

#### **Contractors**

**Balfour Beatty** 

Bowmer & Kirkland

Cara

Dawnus

Higgins

Interserve

**ITC Concepts** 

Keltbray

Kier

Mace

McGee

Morrison Galliford Try

Skanska

Willmott Dixon

#### Consultants

Advance

Aecom/Davis Langdon

Capita Symonds

CH2M Hill

**Coaction Management** 

 $\mathsf{CWC}$ 

**DBD** 

FaulknerBrowns

**Greenwood Consultants** 

Invennt

LCMB

Room4 Consulting

Synaps

**Thurlow Associates** 

Trowers & Hamlin

Turner & Townsend

Waterman

Wragge

#### **Manufacturers & Suppliers**

4Projects

**Astins** 

Coubari

Graphisoft

**Knauf Drywall** 

**Management Process Systems** 

Polypipe Terrain

Structural Timber Association

Tekla

Waterloo Air Products

#### **Associates**

**BRE** 

**British Property Federation** 

Chartered Institute of Building

Glenigan

Institute of Collaborative Working

**UK Green Building Council** 

University of Reading





## Influencing the Mega Projects of Today to Improve the Industry of Tomorrow

- and setting the bar ever higher for the next one









London 2012 Olympics



Crossrail

Nuclear power stations





### **Drivers for Improvement**





Latham.....Egan......Olympics....'Crisis'.......'2025'...











1994.....1998......2006......2010.....2013...

#### **Rethinking Construction, 1998**



**5** Key drivers for change **4** Key project processes **7** Targets for improvement Capital cost -10% Committed leadership **Partnering** Construction time -10% **Product** the Focus on the customer development supply chain Predictability +20% Defects Product Team Integration -20% Accidents -20% **Project Production of** Quality driven agenda mplementation components **Productivity** +10% Commitment to people Turnover & profits +10%



# **Egan Inspired the Construction Industry Key Performance Indicators**



Safety

Predictability

- Cost
- Time

**Defects** 

**Construction Cost** 

**Construction Time** 

Profitability

**Productivity** 

Client satisfaction

- Product
- Service

**Environmental impact** 

- Product
- Service

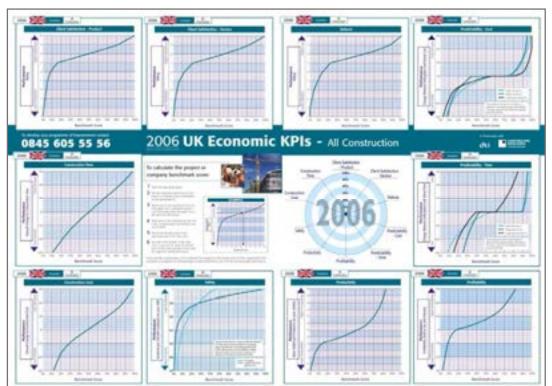
**Product** 

**Process** 

Employee satisfaction

Staff turnover

Qualifications & skills





#### **Annual Industry Performance Report**



Economic KPIs
Respect for People KPIs
Environment KPIs

- All Construction
- All Housing
- All Non-Housing
- Construction Consultants

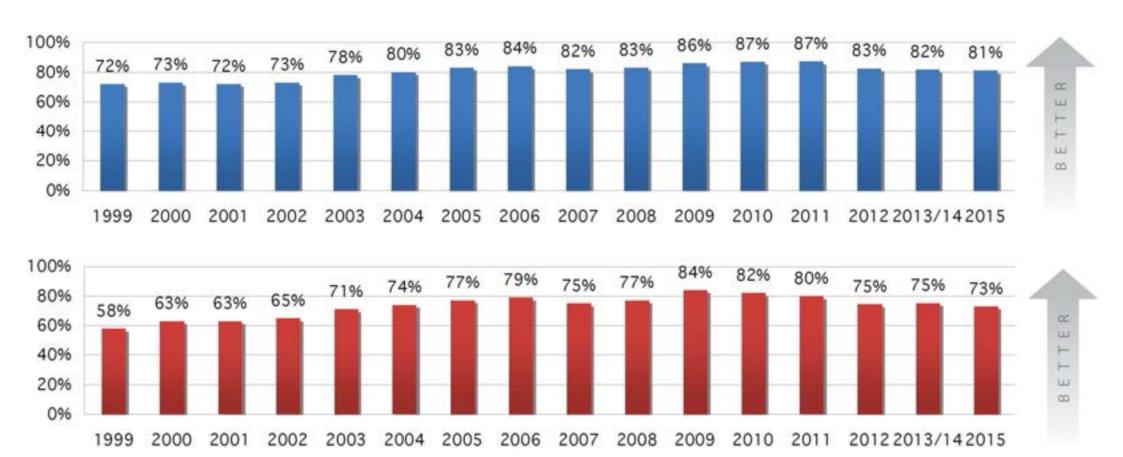






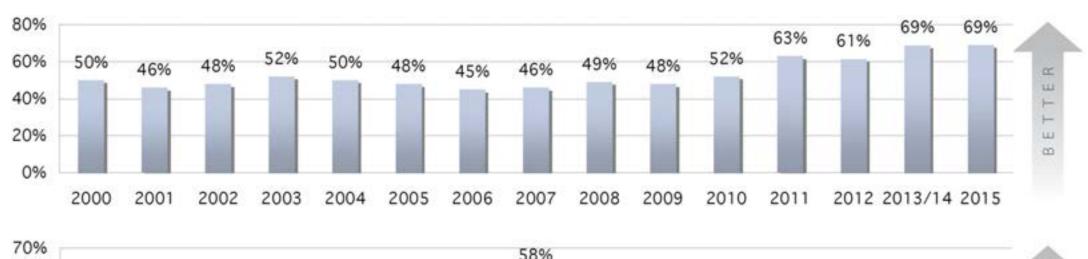
#### Client Satisfaction with Product and Service

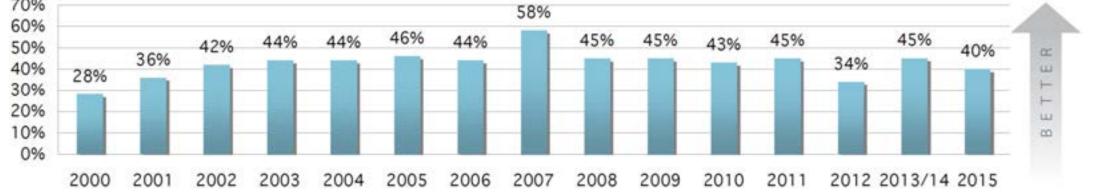




#### **Cost and Time Predictability**

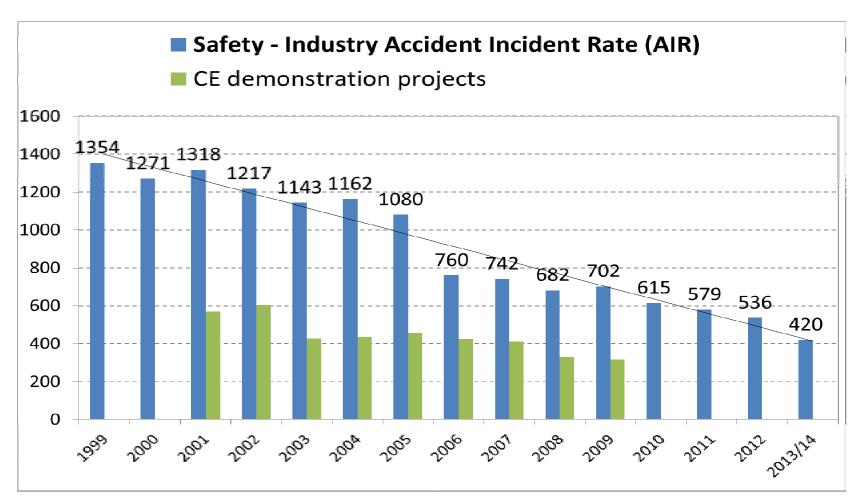






### The Industry has Improved its Safety





### **Over 500 Demonstration Projects since 1998** - all sectors, regions and sizes













































£15bn project value 500 complete, c25 live 1500 organisations involved UK-wide 200 case histories 80 associated reports and publications

#### "Completed 61 weeks ahead of schedule"



"Saved over £1.4 million on whole life cost forecast "

"Vehicle movements cut dramatically - reducing carbon emissions by 85%"

"Level of recycled elements within the finished product, measured at 89%"

"Project completed £112k under budget"

"No reportable accidents"

"Reduced traffic management by around 6 months leading to huge cost/time savings"

"The project has saved 44% on actual costs compared to the target budget which equates to £500,000"

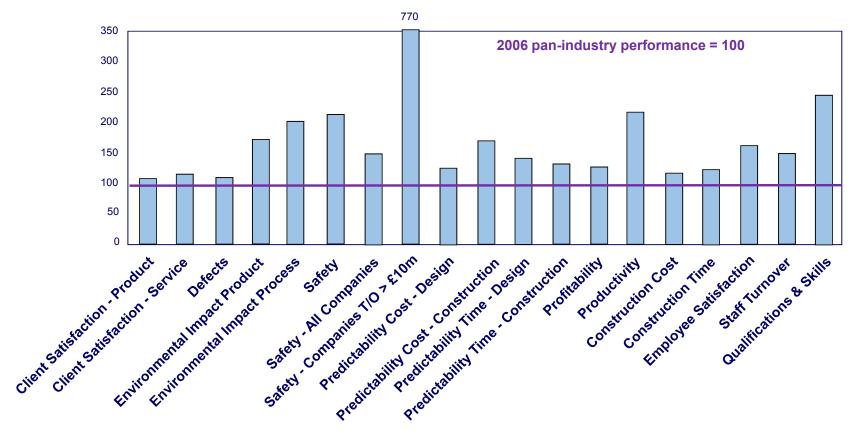
"The Bypass opened 16 weeks ahead of schedule and within budget"

"50k tonnes of waste diverted from landfill"



# Over 500 demonstration projects which out-performed the rest of the industry





### **Government-Industry Joint Construction** Strategy 'Construction 2025', 2013





**People Smart** Sustainable Growth Leadership

Lower costs

reduction in the initial cost of construction and the whole life cost of built assets Lower emissions reduction in greenhouse gas emissions in the built environment

Faster delivery

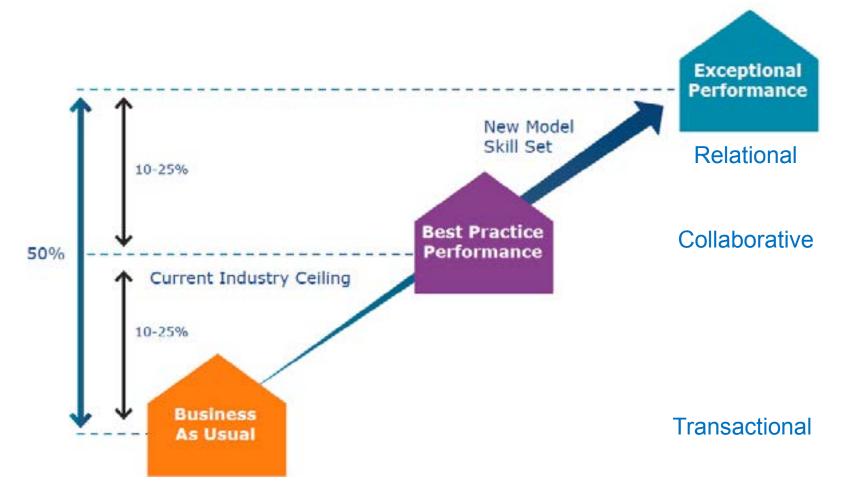
reduction in the overall time, from inception to completion, for newbuild and returbished assets

Improvement in exports

reduction in the trade gap between total exports and total imports for construction products and materials

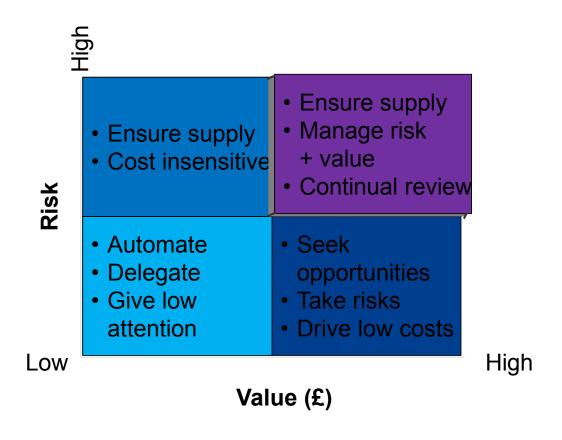
#### Vision 2025





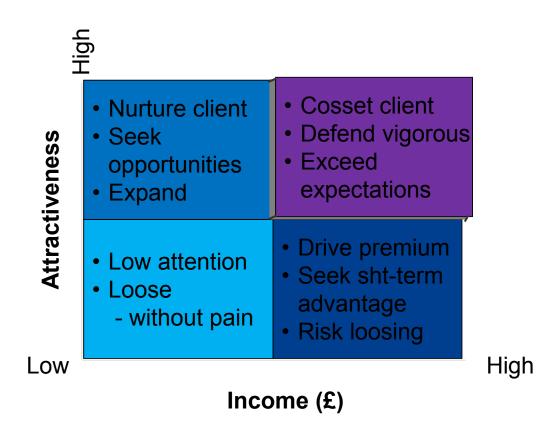
#### **Customers' View of Procurement**





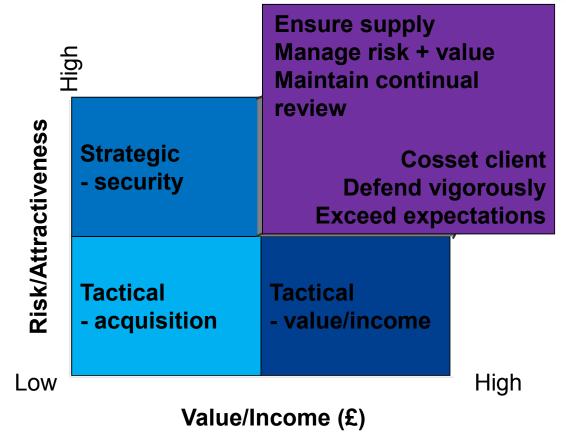
#### **Suppliers' View of Procurement**





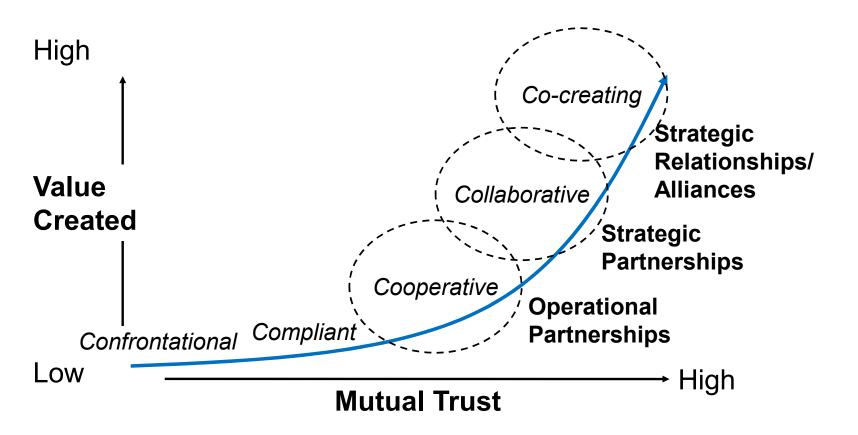
#### **CustomerS' and Suppliers' View**





#### **Partnered Relationship Styles**





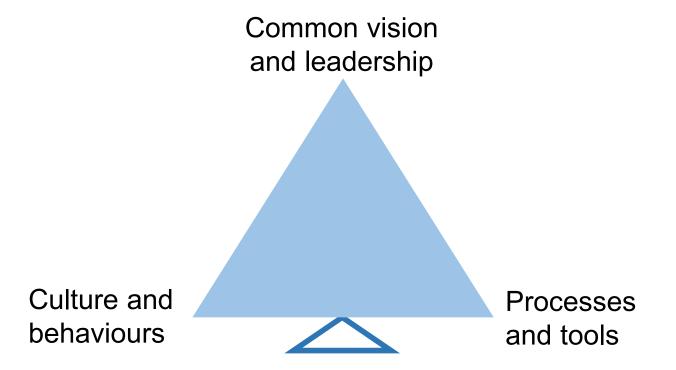


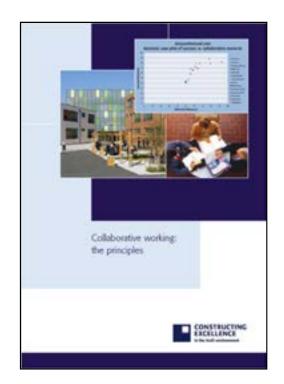
## **Collaborative Working**



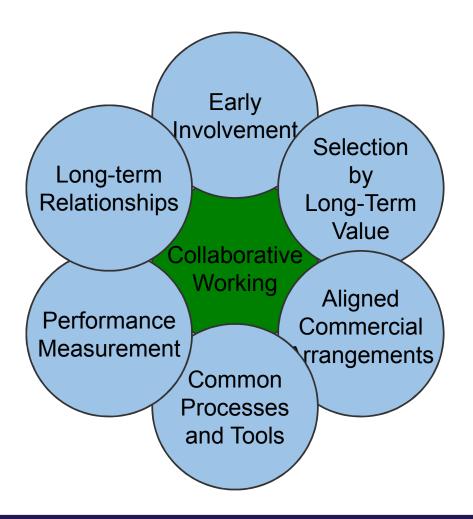
#### **Three Overriding Principles**



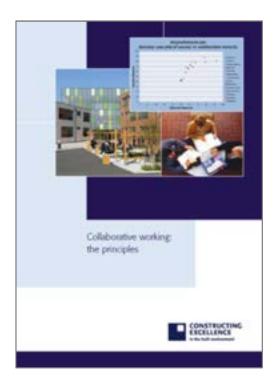




#### **Six Critical Success Factors**

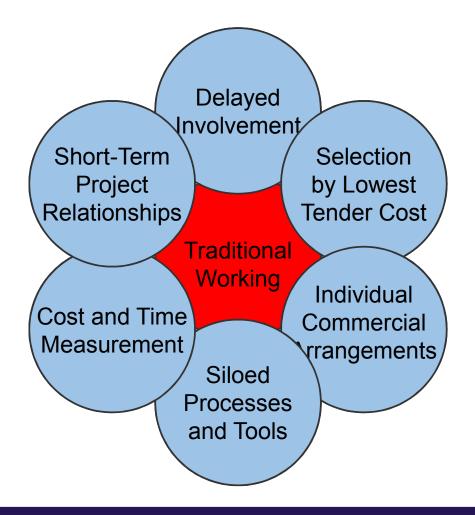




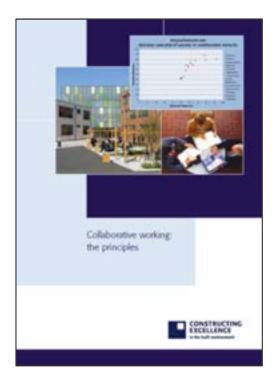




#### **Six Common Failures**



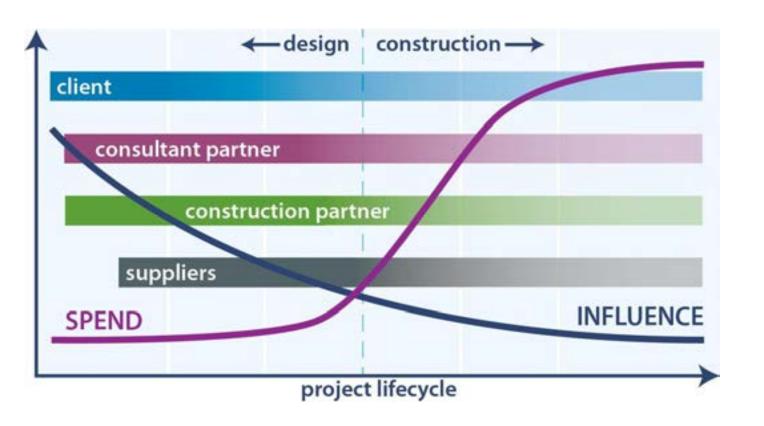


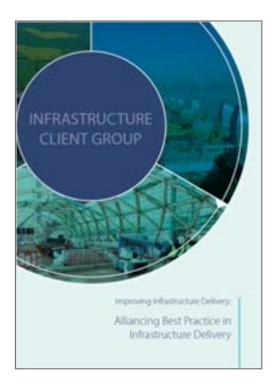




#### **Early Involvement**







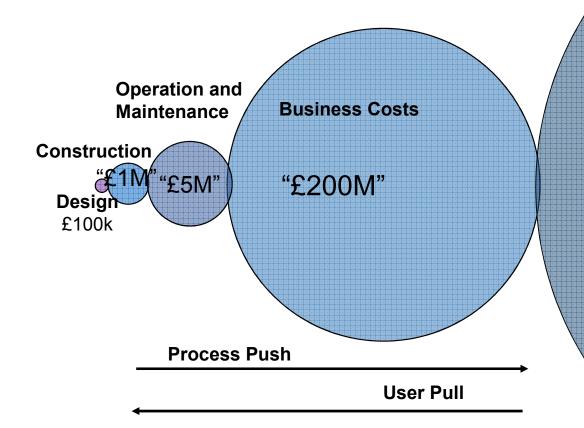
#### **Selection by Value**

EXCELLENCE

- we need to understand how clients and users measure it (£, happy residents, CO<sub>2</sub>, time, social value, etc)

WHOLE LIFE

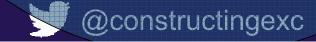
# The value of client outcomes far outweighs the project costs





**Outcomes** 

"£250-£2000M"?



#### **Clients' Drivers - Procuring for Value**

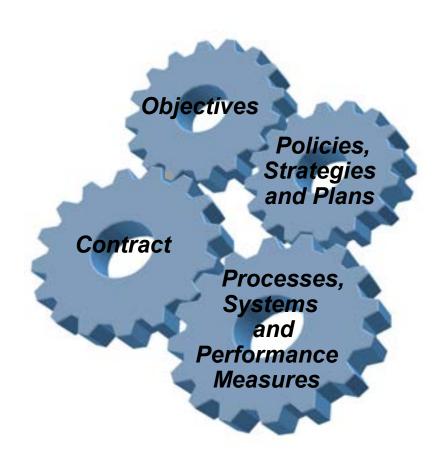






#### **Aligned Commercial Arrangements**



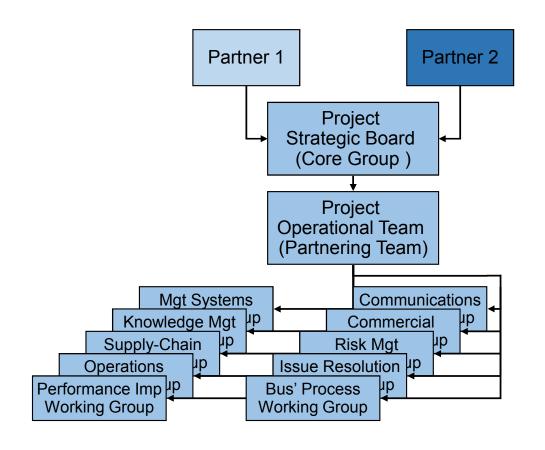


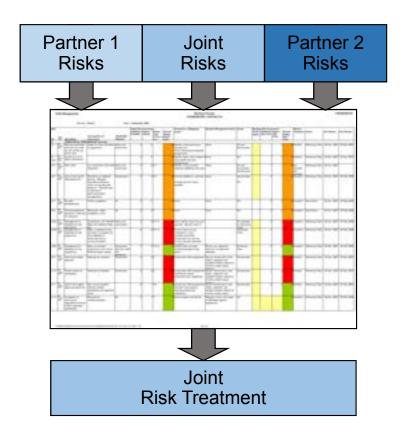




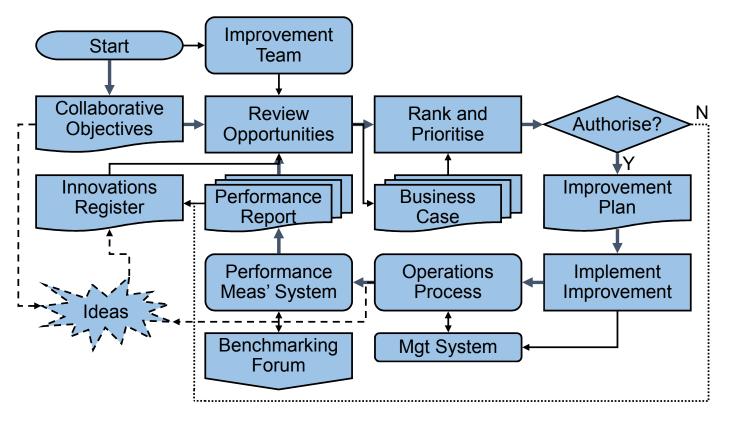
#### **Common Processes and Tools**







## Performance Measurement and Improvement





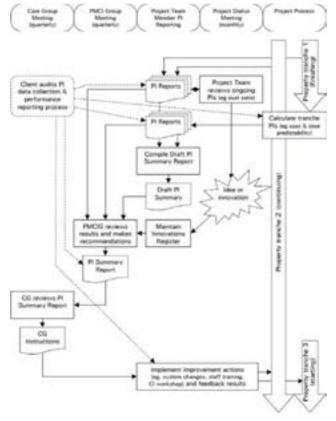


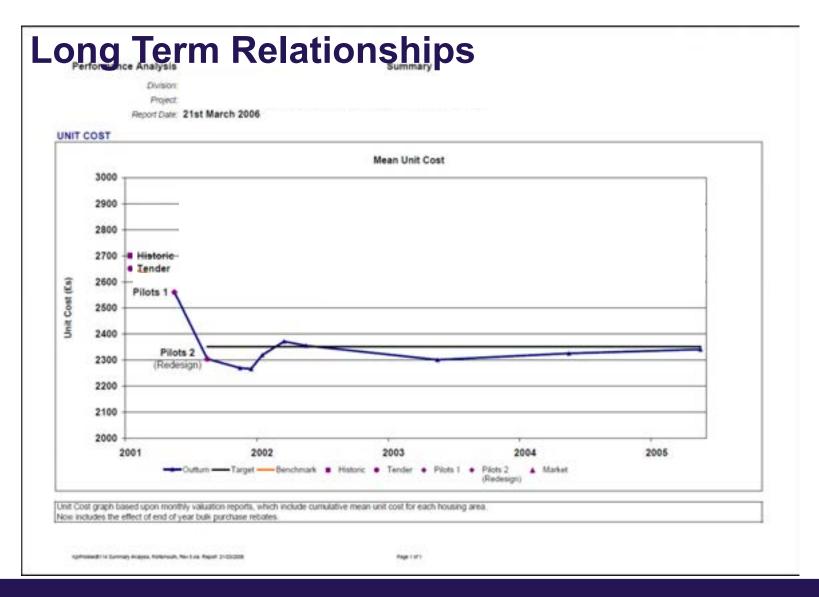


## Performance Measurement and Improvement













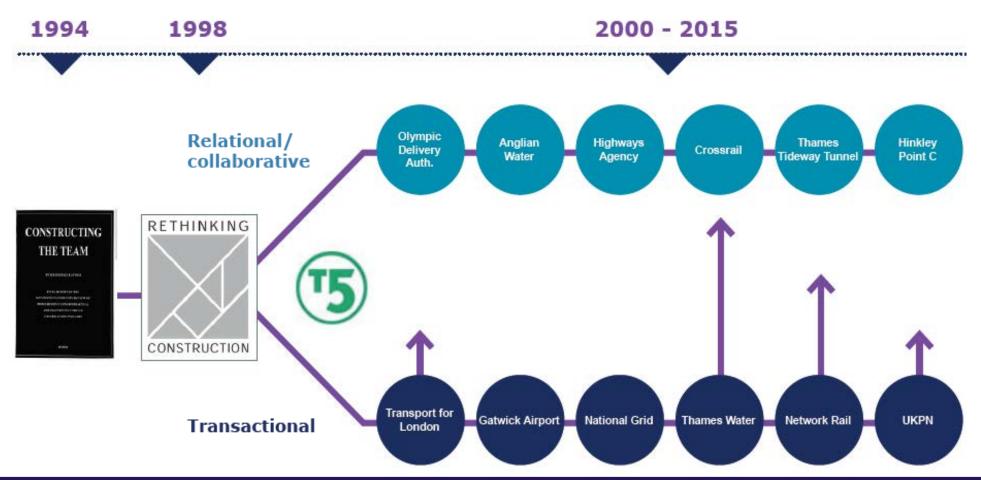
#### **Achieving Vision 2025**



- ⇒ Respect for people
  - ⇒ Collaborative working
    - $\Rightarrow$  BIM
      - ⇒ Lean & Industrialisation
        - ⇒ Value in use
          - ⇒ Sustainability

## Major Infra Procurers Move to Collaborative/Relational Models







#### **Questions & Answers**

