

Focus on the desired outcomes from your projects and the extent to which they are achieved

Do this by:

- 4.1 Establishing how well current procedures ensure the success of your projects.
- 4.2 Setting realistic targets for improvement.
- 4.3 Comparing your performance with others.
- 4.4 Identifying the desired outcomes of each project at the outset.
- 4.5 Producing specifications that relate to outcomes and/or outputs rather than inputs.

For details of how to do this, see the following pages.

Establishing how well current procedures ensure the success of your projects

- If you want to show others in future that you're getting better, you will need to establish a baseline by recording how well you are doing now.
- First, decide the areas within your authority in which you want to show you're getting better. Do not blindly adopt indicators used by others though, but establish indicators that are relevant to those things that are important to you and your stakeholders (i.e. your authority's key success factors). For example, client and end user satisfaction, level of defects, predictability of costs and completion dates.
- It may involve a lengthy administrative exercise to obtain data for the first time, so look at the extent to which it is available from existing IT systems and how it can be more readily obtained in the future.
- Do not get bogged down in producing masses of figures which are hard to interpret and costly to produce. Keep the number of indicators to a minimum (four or five is sufficient) and, above all else, keep them simple. Aim for producing 'radar charts' (as indicated at Appendix 7 within the Supporting Information), rather than pages and pages of numbers.
- Usually, the most important indicators will be those associated with client satisfaction with the product and service, closely followed by predictability of costs and time. Keep to these for starters and only add to them if it is justified by the key success factors you have identified.
- Remember. Keep your indicators simple and relevant to you.
- Be sure to establish the client's performance too. Service delivery is a partnership and the client can let the side down as well as the provider.

Setting realistic targets for improvement

- From the above exercise, identify areas of apparent poor performance. Discuss how improvement could be achieved within these areas at a meeting of your Procurement Group, and produce an Action Plan accordingly.
- Make sure that action is taken in accordance with the Plans, because simply measuring performance does not mean that it will automatically improve. "Nobody fattened a pig just by weighing it!"
- Ensure the Action Plan identifies who is going to do what and by when. Make sure you constantly keep an eye on progress by asking for regular feedback on the actions being taken.
- If major improvements are needed, aim to achieve them within the next three to five years. Still set targets for each year though, so you can monitor how you are doing.
- Set targets that reflect improvements that you feel are actually achievable, or you may be disappointed. For example, setting a target to be achieved for the next 12 months of containing costs within budgets, although admirable, would be unrealistic if your projects currently generally exceed them by, say, 20%. However, if you set targets for the next four years of +15%, +10%, +5%, and 0%; a project that comes in 12% over during year one will be demonstrated as being the success that it is, rather than a failure.

"It is a great mistake to equate value for money with lowest cost, especially when we look at buildings and public space. Innovative and creative design adds real value"

James Strachan
Chairman, Audit Commission

Comparing your performance with others

- The key to continuous improvement is establishing how well you are performing now (4.1 above), and working towards improvement in the future (4.2). No matter how good or poor your performance, this will ensure that you will get better over time.
 - It may be useful, however, to compare your results with others to see how you 'rank' with similar organisations. Comparing your authority with others will help decide the extent of any improvements that may be necessary. It could also identify councils who are apparently performing better than you, to whom you could make enquiries as to the initiatives that they have implemented.
 - Look to see if there are any 'benchmarking clubs' attended by neighbouring authorities in your area, within which you could share and compare your results.
 - To find out how your authority compares on a wider scale, consult the Key Performance Indicators produced by Constructing Excellence and/or the Core Cities for guidance.
 - However, do not lose sight of the fact that your main priority is to measure how well you are doing now and set targets for improvement. Make sure, therefore, that the benefits gained from any comparisons is worth the effort.
- For more information, look at the Constructing Excellence website www.constructingexcellence.org.uk
Here you will find details of:
 - ▶ The All Construction KPI Pack – a source of comprehensive information for organisations wishing to use KPIs;
 - ▶ Helpdesk – a direct point of contact to answer your initial enquiries about KPIs
Tel 0845 6055556 or email helpdesk@constructingexcellence.org.uk
 - ▶ KPIZone – a website dedicated to KPIs www.kpizone.com and which provides details of the latest KPIs and information on benchmarking clubs.

4.4

Identifying the desired outcomes of each project at the outset

- To help ensure the objectives (key success factors) of your projects are actually achieved, it must be standard practice within your authority for them to be established for each project at the earliest opportunity.
- Project objectives represent the criteria by which you are going to judge the success of the project on completion, and should include the key success factors for your organisation as a whole (see 4.1 above).
- Ensure your procurement procedures require meetings of the Project Team to be held as early as possible in the process, to discuss project objectives. Make sure that you involve stakeholders and end-users in this process.

4.5

Produce specifications that relate to outcomes and/or outputs rather than inputs

- Set up a culture of specifying outcomes, rather than the detailed processes for achieving them. Make it standard practice to focus the attention of all concerned, including prospective bidders, on what is required from the project. This will leave them scope for innovation when determining how they can achieve your requirements.
- Establish procedures throughout your authority for providing contractors with incentives for reducing costs (e.g. through Value Engineering methodologies) while still maintaining quality. However, this will only be possible if it is your normal practice to appoint them as members of the design team at the outset.
- Have a look at the Construction Industry Council's "Design Quality Indicators" and their 'DQI Online' service www.dqi.org.uk that was launched in October 2003. DQIs provide an invaluable tool for setting your brief, evaluating proposals and undertaking post-occupancy evaluation.
- Consider the added value that will result from an investment in design quality. There is increasing empirical data showing how, for example, an investment in a well-designed school can increase the educational achievement of pupils. See 'The Value of Good Design' produced by CABI for more details www.cabi.org.uk
- Environmental requirements should be included in user needs and specification at the earliest stages of the procurement process. Here you will need to refer to the environmental policies and the Corporate Procurement Strategy of your authority.

Why do all this?

- To steadily get better, year on year, by doing things better today than you did yesterday;
- To aim to ensure that the needs of all clients and end users are fully met;
- To ensure that the best is obtained from your levels of capital expenditure and by the most efficient means;
- To help drive quality up while keeping costs down;
- To identify practices that do not add value to the final product and remove them from the process and, hence, 'fine tuning' your procedures for the future;
- Because year by year as you let more and more projects, you want to be sure, and be able to show others, that you are getting better at it!

Further information

Several useful publications regarding design are available on the CABE website www.cabe.org.uk including 'Creating Excellent Buildings: A Guide for Clients' that was published in 2003. Their web-based digital library provides a range of examples of high quality buildings and public spaces to help you decide the type of quality you are after from the final product.

The Environmental Key Performance Indicators produced by Constructing Excellence www.constructingexcellence.org.uk is a useful way of starting to measure the sustainability of your projects.