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2020 - Annual Conference – Sli.do Results

2020 Focus – A clear path for sector transformation

Introduction

This presentation outlines the key outputs from sli.do engagement at the Constructing Excellence Conference – 2020 Focus – A clear path for sector transformation on 15 January 2020. Some 200 people participated in the conference and copies of speakers presentations can be found on the Constructing Excellence website.

The conference took an in-depth look at the keyConstructing Excellence themes of clients procuring for value, performance, new delivery & funding structures and manufacturing & technology.

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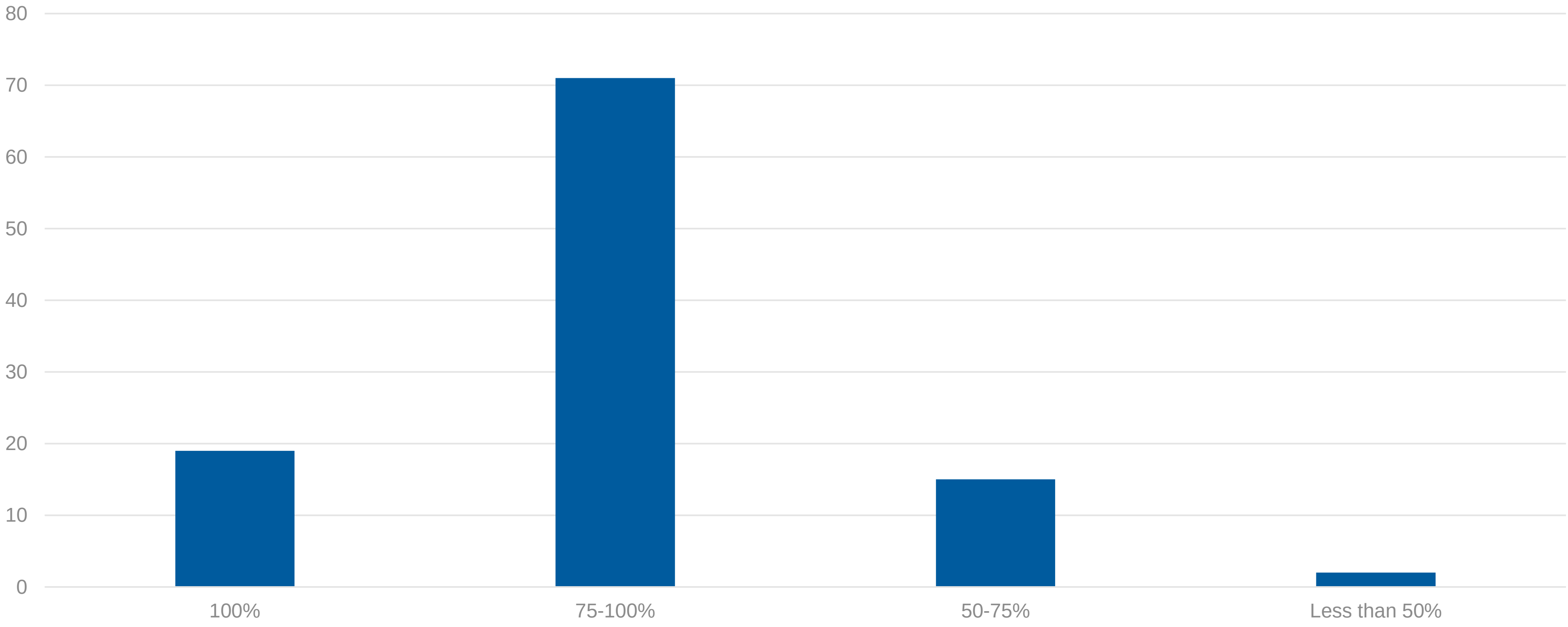
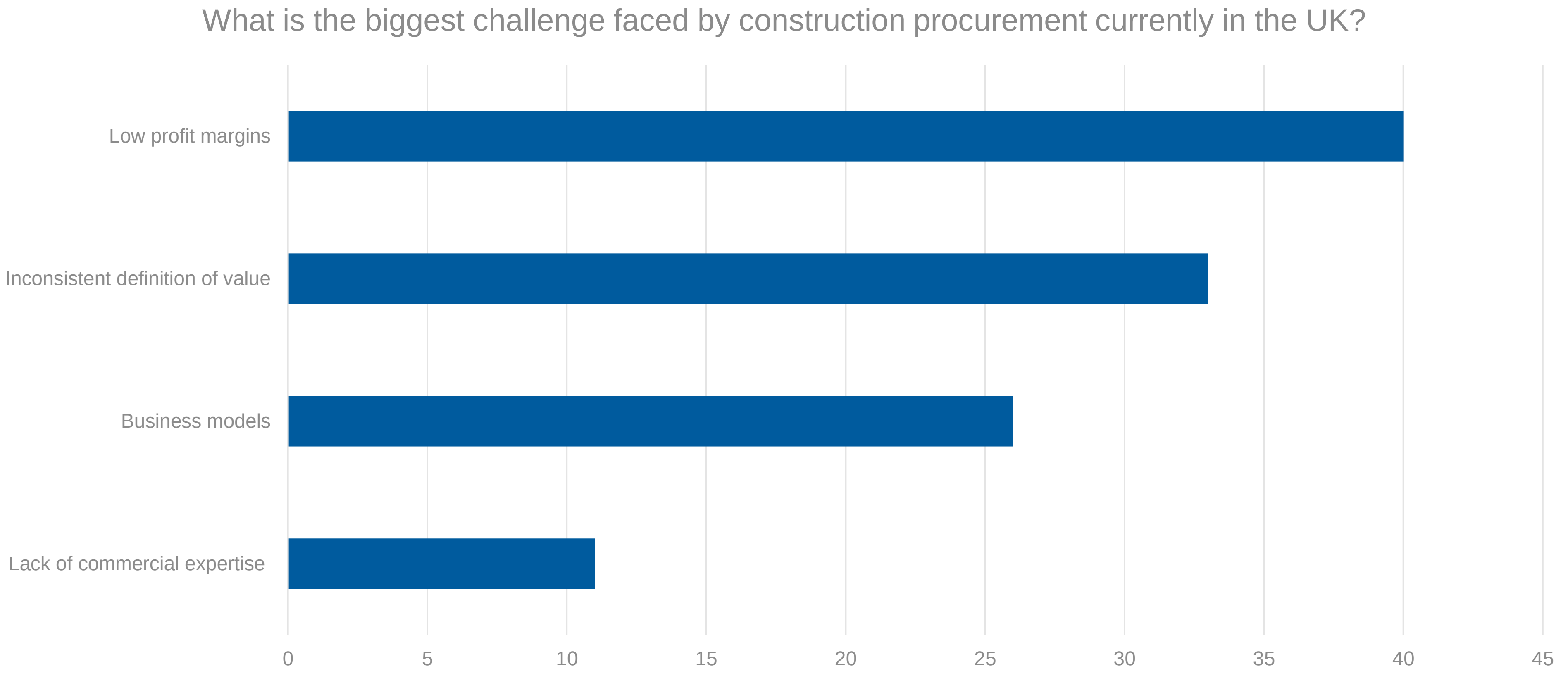
Clients Procuring for Value

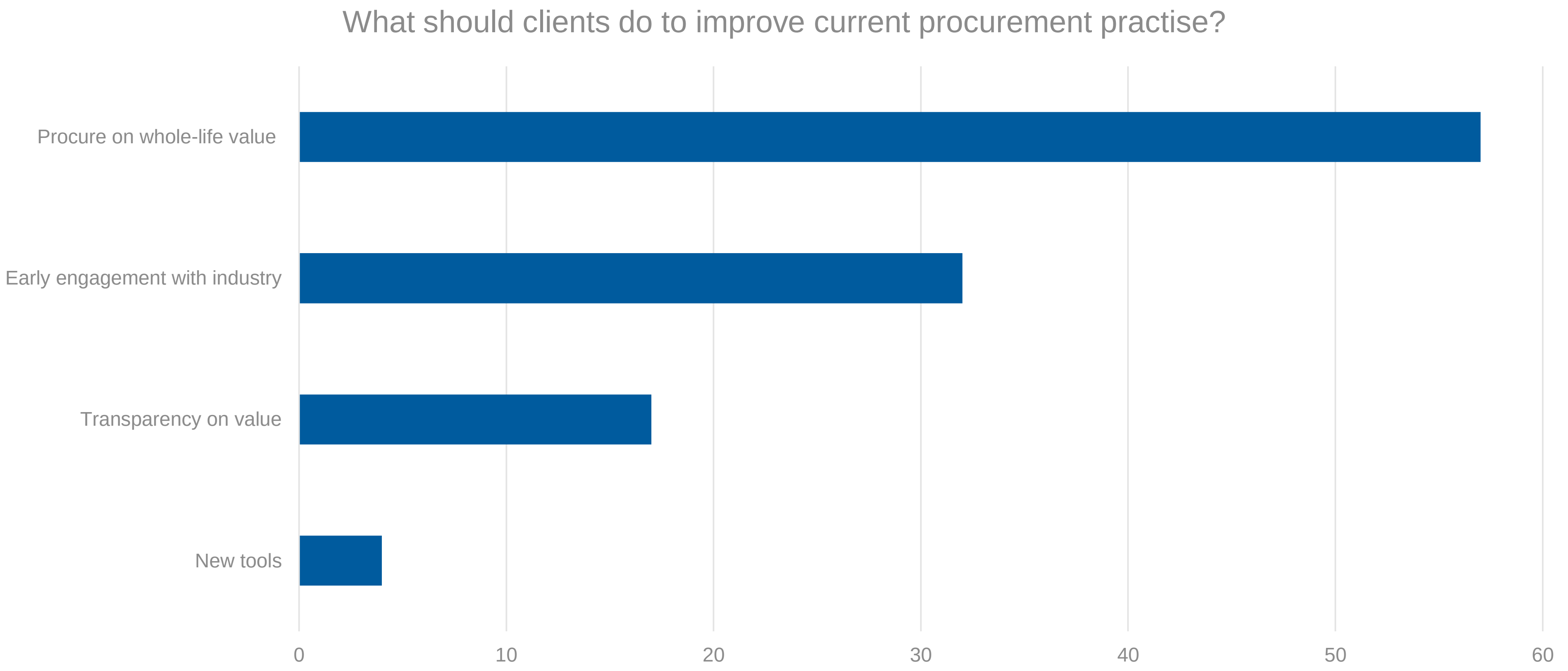
In your experience, what percentage of procurement decisions are driven by capital cost?



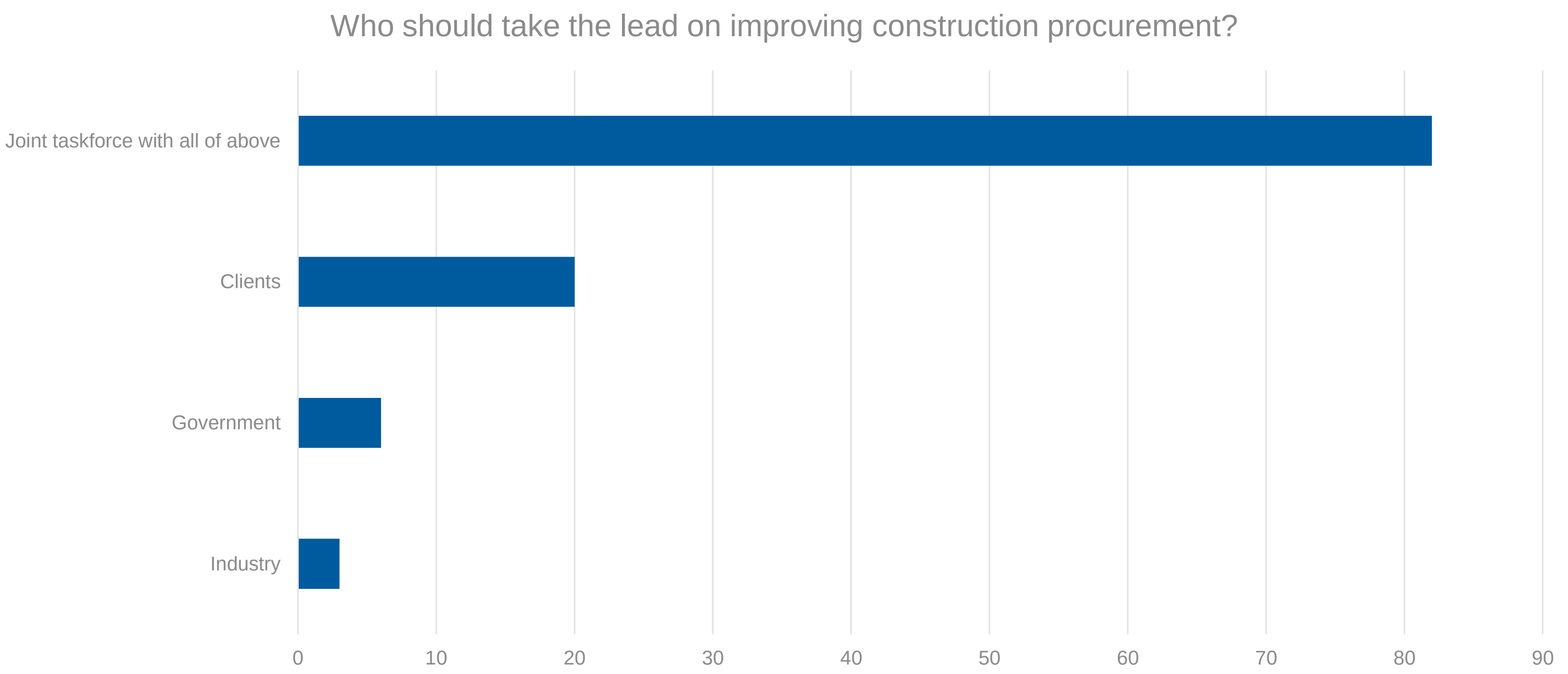
Clients Procuring for Value



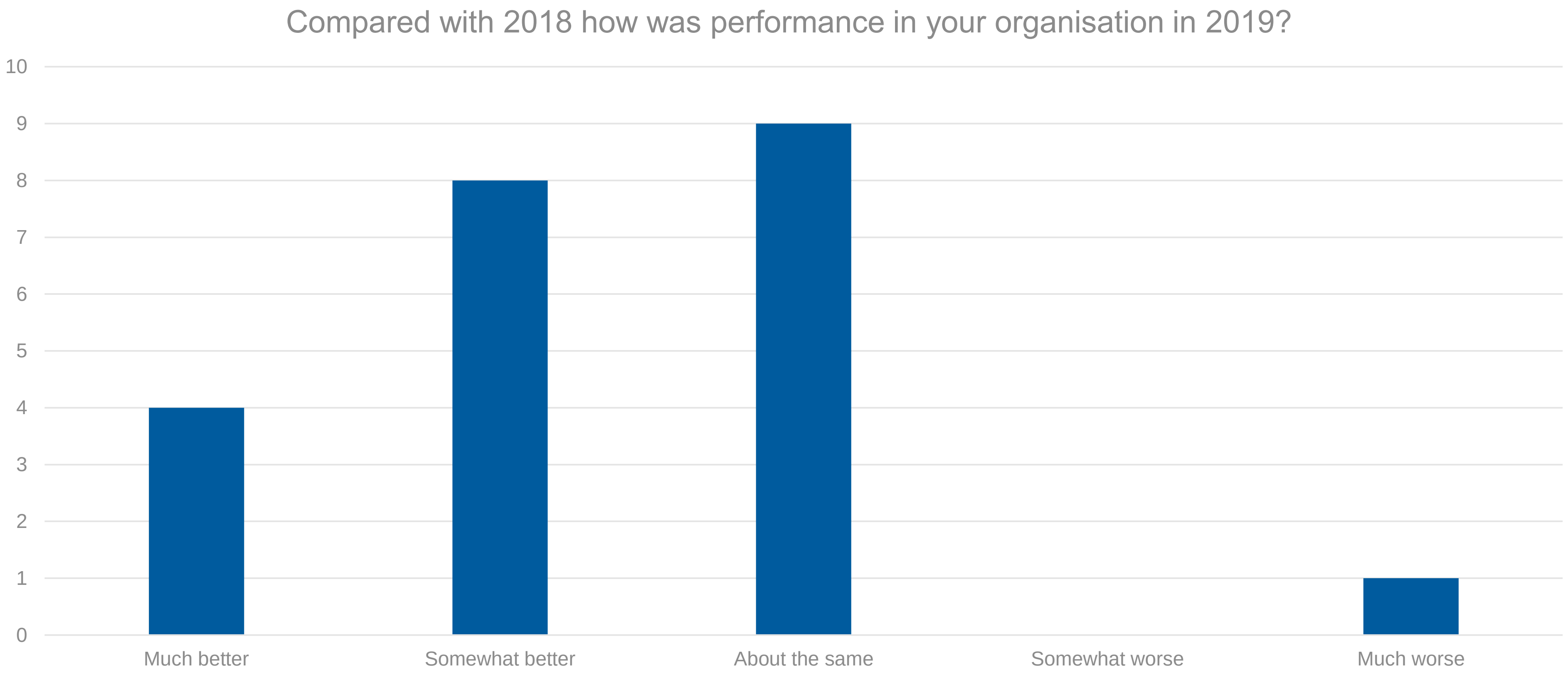
Clients Procuring for Value



Clients Procuring for Value



Performance



Performance

Enablers

- Collaboration
- Maintaining confidence
- Understanding market dynamics
- Differentiated Value propositions
- People
- Clarity and relevance of mission, cultivated with domain knowledge and not sound bites of distant to the reality of business success.
- Strong Leadership
- Digitalisation of mundane tasks freeing up people to be creative
- Technology and communication
- Technology, collaboration and behaviour
- People
- Culture
- Leadership
- Political stability
- Digitalisation
- Connectivity
- Integration
- Process management
- Having the right people with the right skills
- Collaborative working; aligned commercial arrangements and cultural ‘environment’
- Culture
- understanding outcomes
- shared objectives
- shared rewards
- Engagement, empowerment and one team behaviours
- Collaboration, people with open minds, willing to try something new
- Technology

Performance

Blockers

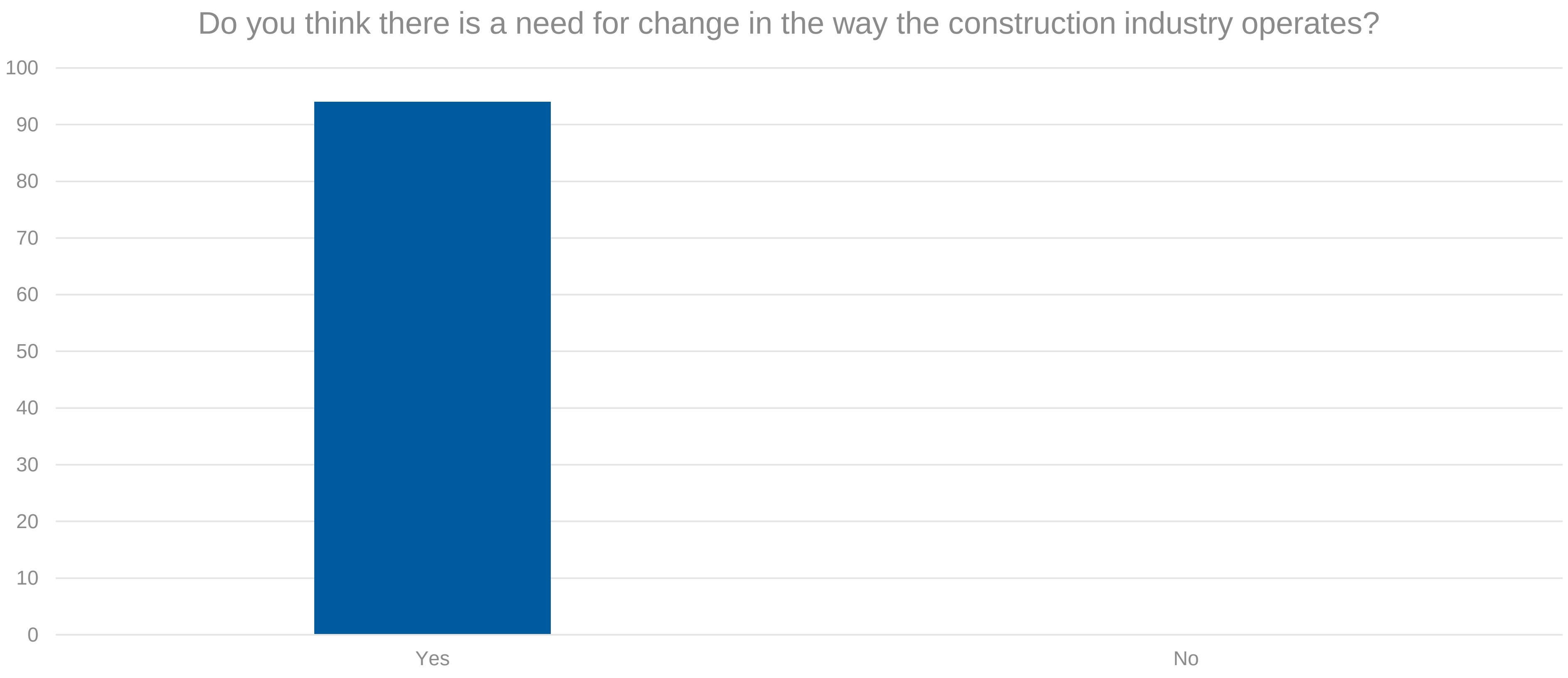
- Silo working
- Reluctance to innovate
- Individual behaviour
- People
- Time. Like the tide, it waits for no man. Unlike money, it can't be stored.
- We’ve always done it this way!
- "Not embracing digitalisation so organisation is inefficient Not applying lessons learnt"
- "we've always done it this way"
- Looking at things in isolation- not looking at the impact of interventions in a wider context. Views can be too narrow
- "LeadersLack of transparency over performance"
- Politics. Lack of strategic decision making.
- "Lowest costCompetitive tendering"
- Unforeseen risks
- Procurement
- Silos/fragmented process & teams => lack of collaboration
- adoption and understanding of technology (especially not knowing what to do when it goes wrong!)
- Lack of information and vision
- Rigid processes, fear of trying different approaches, an inability to educate clients on the best options
- Training and investment

Performance

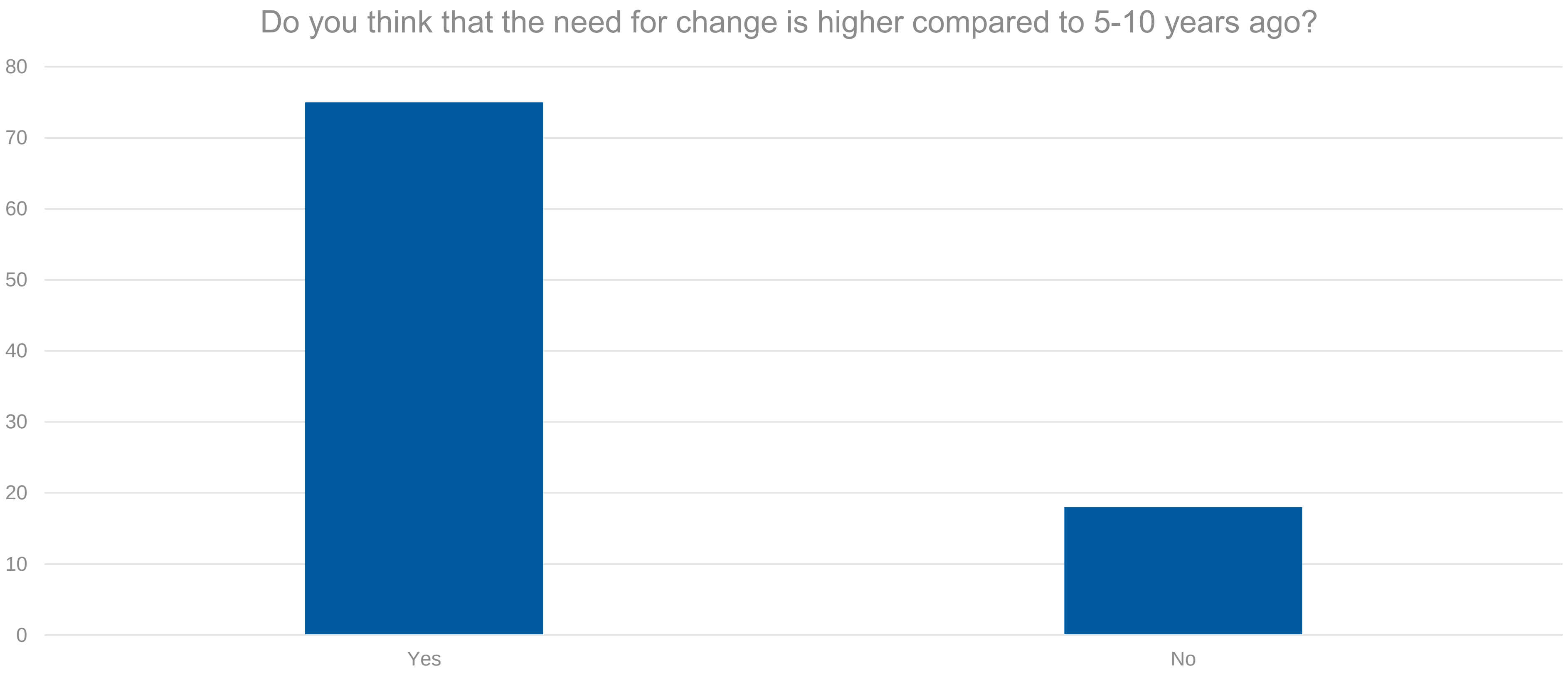
Other comments?

- Skills shortage and willingness to change
- Innovate or die
- Most people want to perform well and desire to continuously improve, however most people are constrained to do so by the systems in which they operate and the failure of leaders to influence change
- The slide of barriers to innovation in farming looks remarkably relevant to our sector too!
- Performance is a team experience

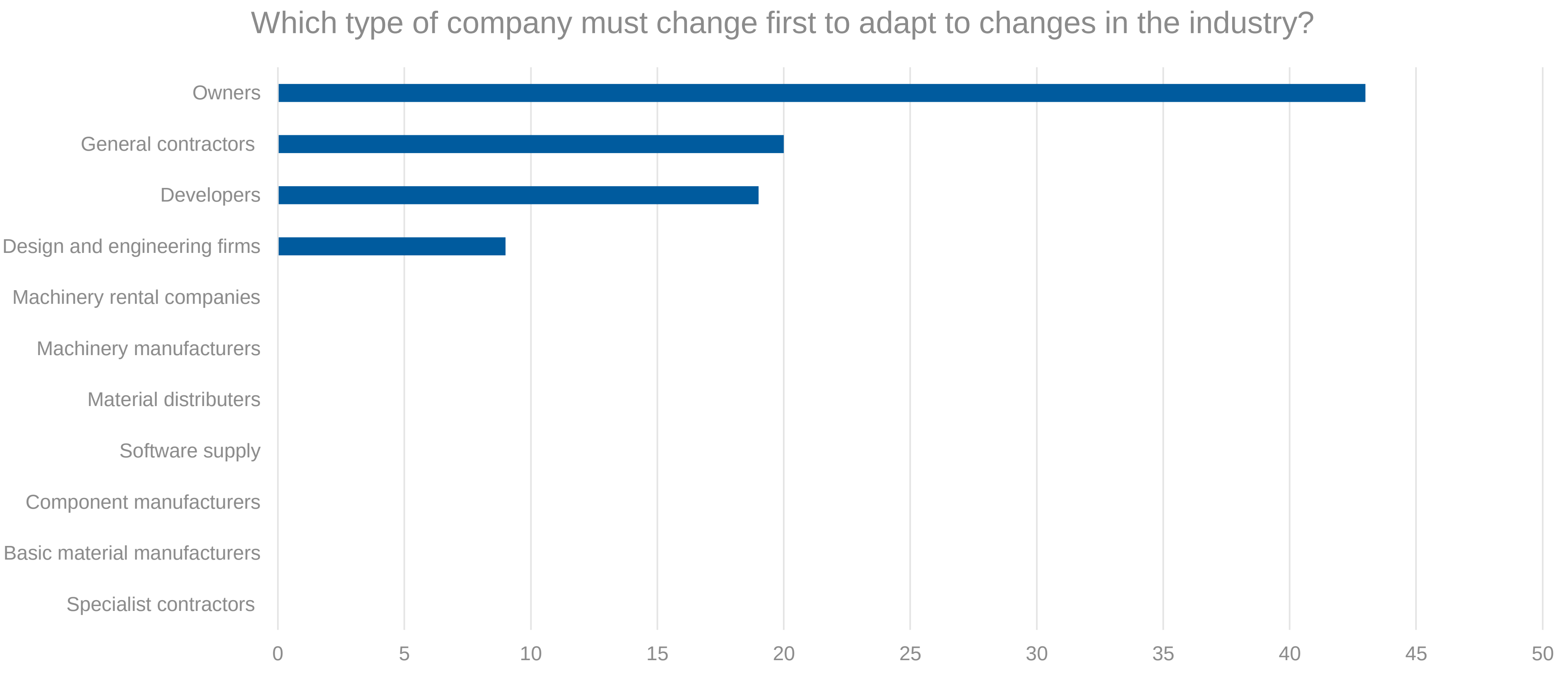
McKinsey questions



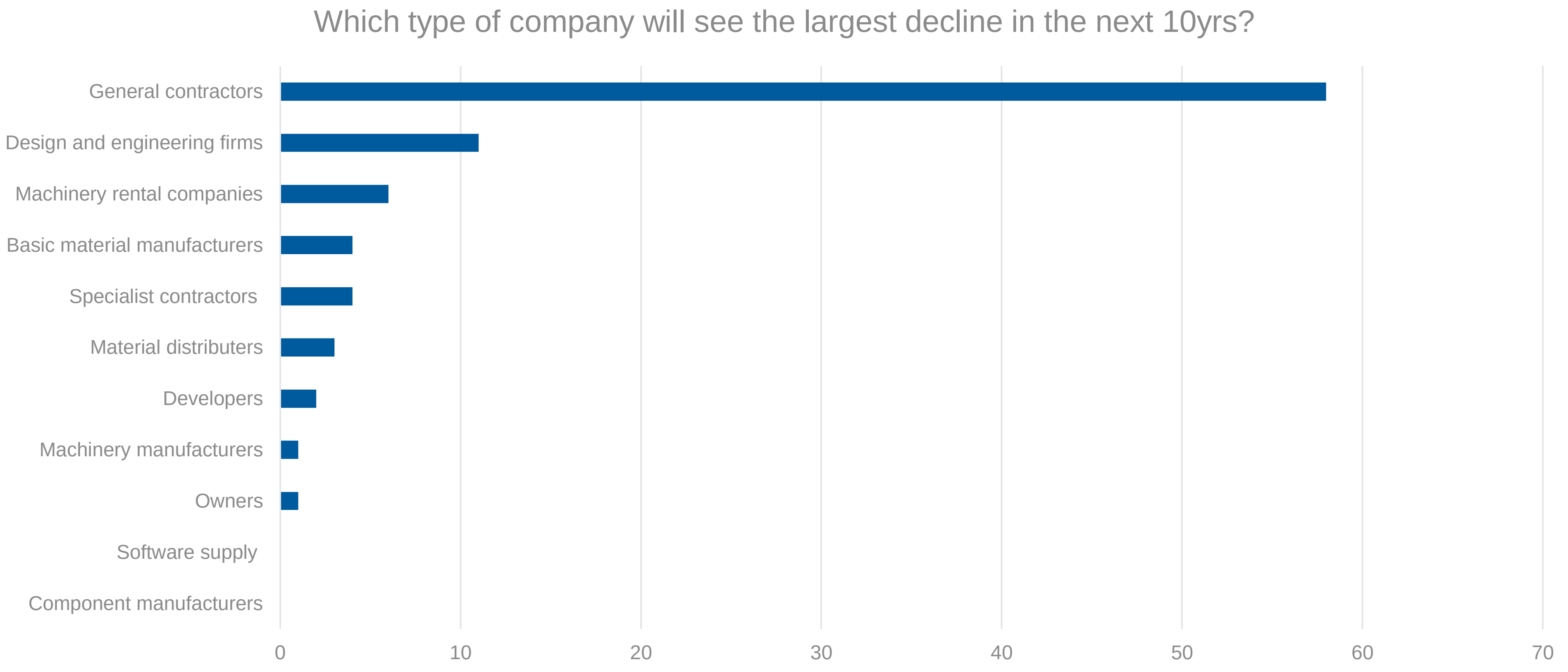
McKinsey questions



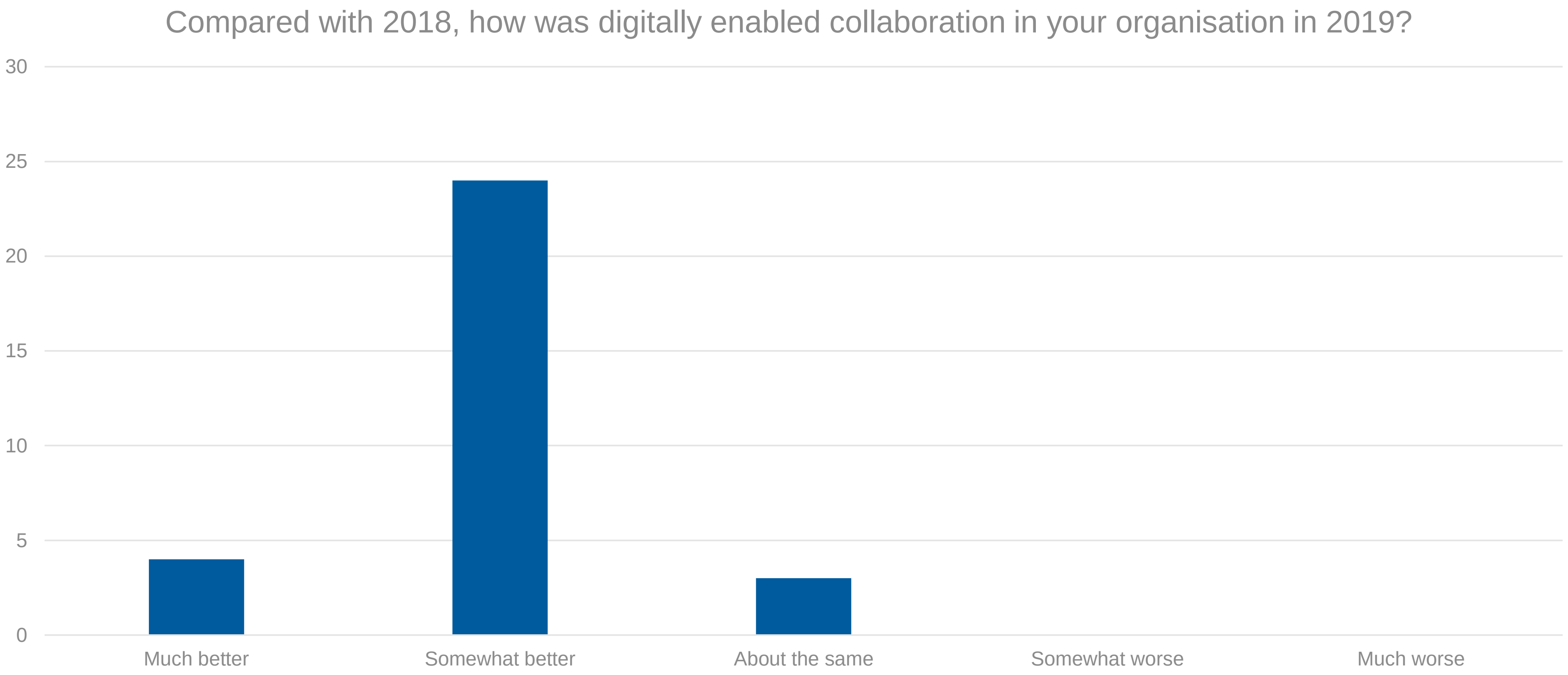
McKinsey questions



McKinsey questions

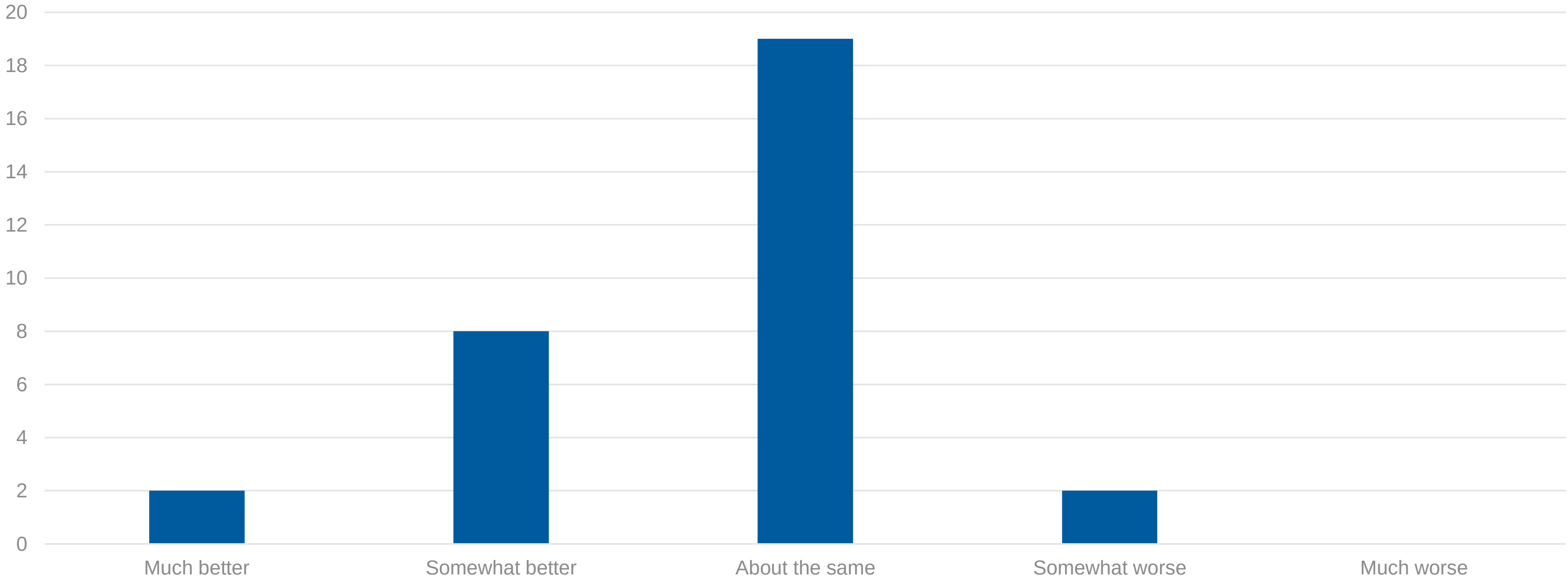


Manufacturing & Technology



Manufacturing & Technology

Compared with 2018, how was standardisation and pre-manufactured value in in your organisation in 2019?



Manufacturing & Technology

Enablers

- Skills enablement
- Investment in Quality, Capability and capacity of offsite
- Client ownership + stable government support.
- Lean and six sigma skills
- Common standardised processes
- Getting the design aligned to a DFMA approach
- Collaboration
- Democratisation of innovation
- Digital
- Pipeline volume...Common platform
- Investment and (maybe) client push
- Repetitive building elements making it a no brainer
- Need for improved programme, higher quality and improved sustainability
- Client leadership
- Early involvement of suppliers
- Defined pipeline
- Long term supply agreements
- The ‘will’ to embrace them, a culture where they are seen as no-brainers
- Funding, cultural change, skills
- Real collaboration from the very start/inception of a project
- Awareness, openness, willingness to collaborate and funding
- Funding
- Cost
- Digitalisation.
- Communication of business benefits
- Understanding Value
- Reliable logistics
- Digital platform Planning
- Consistency and cost

Manufacturing & Technology

Blockers

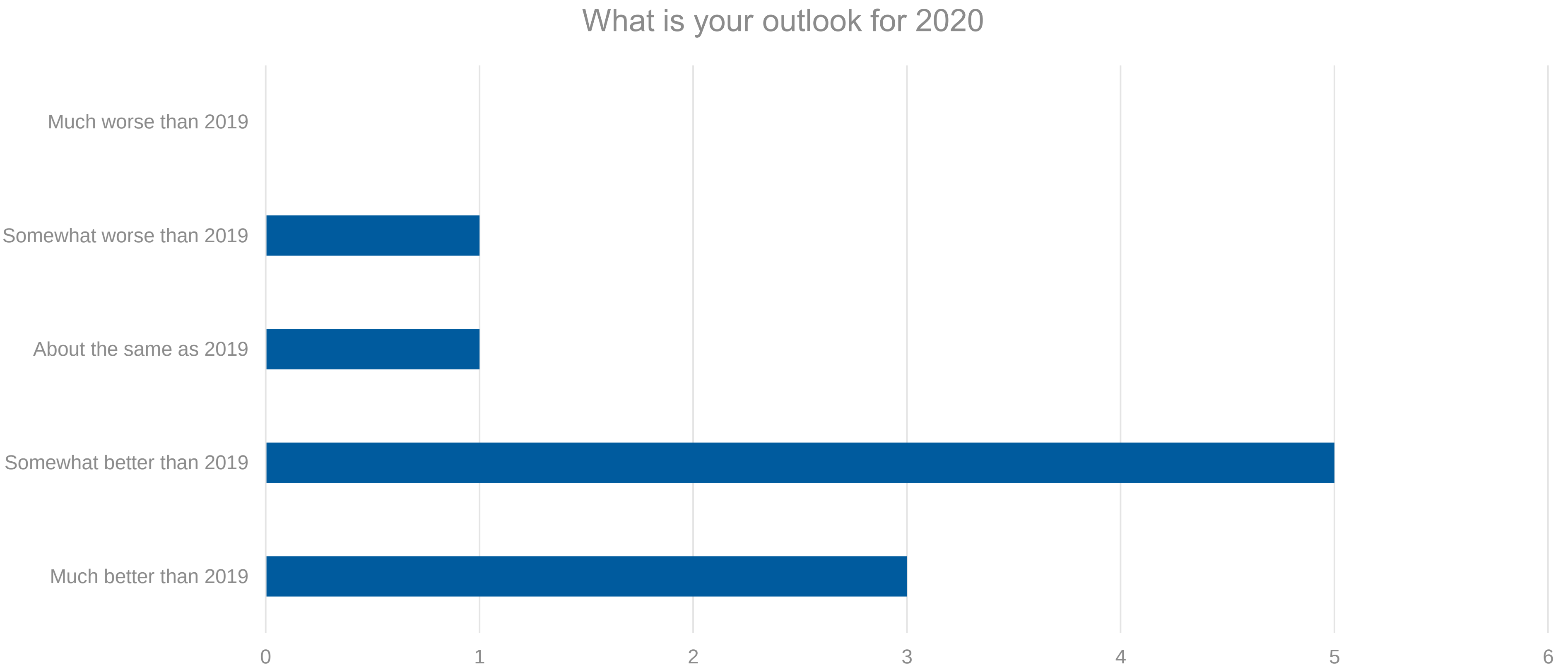
- Individual behaviour
- Workload pipeline
- Workflow consistency and visibility
- Availability of funding
- Client engagement
- Lack of standardisation
- Culture, leadership and procurement models
- Specs; designs not factoring in possible solutions
- Funding
- Insurance and lack of interoperability
- Bloody-mindedness
- Lack of Reliable pipeline
- Vested interests in historic/non MMC
- Lack of investment,
- Fear of MMC from clients and main contractors and a reluctance to engage/commit early in the process
- Risk, unproven technology, legislation
- Short term cost issues
- Business case for CAPEX
- “Value” Engineering
- Competitive tendering
- Lack of information that it is possible for all; not only tier 1 but for micros and smes
- Funding, cultural change, skills
- Procurement models and the allocation of risk
- Market forces silo / protectionism
- Cost
- Evidence of MMC as being cheaper
- Lack of awareness and standardisation
- The culture of construction
- People
- Ancient views
- Cost
- Funding and pace of digital change

Manufacturing & Technology

Other comments

- Risk adverse founders, investors, and General Contractors and Consultants
- Lack of interoperability
- We can develop the staff that we have and the ones coming into the industry through Embracing Lean and Continuous improvement. How do we integrate this into the skills agenda?
- We're getting there...just slowly ☹

2020 Vision



What is your outlook for 2020
Much worse than 2019
Somewhat worse than 2019
About the same as 2019
Somewhat better than 2019
Much better than 2019
0
1
2
3
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6

2020 Vision

Challenges

- The consolidation and recalibration of T1
- Predictable workflow
- The blip of projects able to go live following the election not being replaced by vacuum
- Macro economics
- Cultural change within the industry that is required to embrace Mmc at its most optimum level.
- Net Zero Carbon
- Continuous transformations
- Economic turmoil and uncertainty
- New Part L
- Trading relationships with Europe and further afield
- Growing the size of offsite construction industry.
- Continuity of pipeline

2020 Vision

Opportunities

- Infrastructure Homes especially MMC
- Devolution of investment decisions
- Non UK investment in strategically important players especially MMC and exceptional T2
- Productionised construction processes.
- Net Zero Carbon
- Tackling the climate emergency
- Focussing on relationships
- Embrace new models of delivery alongside new models of construction, we are due a revolution!
- Green economy
- Demand for sustainable development in numerous sectors.

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