

Agile Report

Client Charter Case Study A: Developing a Charter Plan within the Smaller Client

ACI/WP/04/121

Author:	David Purchase and Simon Lee		
Draft Issue Date:	1 st February 2005		
Maintenance responsibility:	Professor Andrew Graves		
Document Type	Client Approved	Status: Private	Version 1.2

Agile Report

Authors

Dr David Purchase, Business Analyst
and
Simon Lee, Agile Construction Initiative

Document control information:

Date of issue	19 th October 2005
Document number	ACI/WP/04/021
Circulation	Private from 1 st February 2005, Public from 1 st February 2006
Version	1.2 (For publication on the Client Charter web site)

To obtain a copy of this document contact ACI at:

School of Management
University of Bath
Bath, BA2 7AY
United Kingdom
Tel: + 44 (0) 1225 386641
Fax: + 44 (0) 1225 386135
E-Mail: mnsapg@management.bath.ac.uk
Web: <http://www.bath.ac.uk/management/agile/home.html>

Copyright © University of Bath, 2004

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system or transmitted in any form or by any means electronic, mechanical, photocopying, recording or otherwise without the prior written permission of the copyright holder.

Table of Contents

TABLE OF CONTENTS..... 3

INTRODUCTION 4

 OVERVIEW 4

 WHY THIS CASE STUDY?..... 4

 BENEFITS TO OTHER CLIENTS 4

WHAT DOES THIS COMMIT ME TO DO? 5

 PROCESS OVERVIEW 5

 THE CLIENT’S VIEW OF THE MAIN ISSUES 5

HOW DO I USE THIS? 9

 PROCESS FLOWCHART..... 9

WHY DO THIS? 12

 THE BENEFITS 12

 EXAMPLES OF SUCCESS 12

HOW MIGHT I APPLY IT? 13

 CHECKLIST..... 13

 KEY PERFORMANCE INDICATORS & OUTCOMES TO LOOK FOR..... 13

Introduction

Overview

This case study outlines the approach taken by Wiltshire Rural Housing Association, a Registered Social Landlord (RSL), to develop its improvement plan for the Construction Clients' Charter. It discusses the stages that the company worked through and also highlights some of the issues and problems that they had to address during the process. The final part of the study summarises the main lessons from the study and can be used as a quick reference for those who may want to try a similar approach.

In terms of specific questions, the study is particularly useful for theme 1 of the Charter and how to get support from staff and senior management. There are also useful lessons for partnering for small organisation (question 5a of the Charter).

Why this Case Study?

Wiltshire Rural HA provides a good example of how a smaller organisation can take a positive and practical approach when developing their Charter plan. While being small can present some problems it can also provide some advantages, especially in terms of being able to get support and involvement from all stakeholders.

In this case, the company's development budget was small enough that they were only required to complete a mini-charter but they decided to use the full 37 question programme recommended for larger RSLs. Although this required additional effort up front, it has proved worthwhile and has helped them to complete their first major development in 5 years to universal acclaim.

Benefits to other Clients

- The study shows that size should not be considered a barrier to Charter membership.
- It removes the mystique of charter applications and shows that common sense combined with a willingness to improve are all that is required.
- It provides a simple process that other organisations could follow if they are struggling to get started.
- It can provide food for thought and shows that the process of working through the Charter can produce positive practical benefits.

What does this commit me to do?

Process Overview

The successful development of Wiltshire Rural HA's Charter improvement plan involved three main features.

- Allowing sufficient time for the plan to be developed properly.
- A willingness to encourage and listen to input from staff in development, maintenance and housing management.
- The application of the improvement plan to a real world development project.

These and other notable aspects of the company's work are covered in the following sections.

The Client's View of the Main Issues

Egan and Partnering

To raise awareness of the approach suggested by Egan, the Wiltshire Rural HA Board were presented with various internal reports and presentations. They also attended training sessions about Egan and how it applied to their business. Based on these, the Board had committed to the ideals of the Egan reports a year before the company began its application for Charter status. The general feeling was that 'the building industry should have been doing this years ago.'

The Board were also keen to use the Partnering approach and so it was decided to use the PPC200 contract on the next development project. The contract price was agreed by using the costs from a similar but tendered scheme then the format of PPC2000 was followed as much as possible. The final agreement was tailored to suit their particular needs but all of the issues contained in PPC2000 were thoroughly discussed with the supply side partners to reach amicable agreement as to how to proceed.

Gaining Support from the Board

As the Charter was seen as leading on from Egan and Partnering, the Board was supportive of the Charter application. Consequently, gaining support for the Charter was a much less formal process. Presentations consisted of verbal briefings together with copies of the plan and regular updates of progress. Since the Board's general approach was quite 'hands-on', staff knew that help and support was available if needed.

Visible Commitment

As the Charter plan was developed, it was included in the main business plans and annual report. This ensured visible commitment and support from the Board.

The latest annual report has listed the benefits of being a Chartered Client so that everyone understands why it is important. The company has also encouraged lots of publicity for the Charter through its new development project, which included press coverage and a launch event. Smaller scale efforts are also used such as including the Charter status symbol on all publications.

The Launch of a New Development Project

A key decision for the Wiltshire Rural HA was to launch its Charter application at the same time as it committed to undertake its first new development project in 5 years. This proved to be a very valuable decision as it made the application far more relevant to the staff involved, rather than just being an abstract exercise. In effect, the Charter became a real work activity with real tangible results not just a tick box exercise. Without this parallel development project, it is likely that staff would not have been as engaged with the Charter application.

In this case, the new development was also very close to Wiltshire Rural HA's offices. Of course, this may not always be possible but the company would consider taking staff to visit their site on a regular basis to achieve the same effect.

Development of a New Development Protocol

As the Wiltshire Rural HA was making its Charter application and launching a new development project, it was also decided to produce a new Development Protocol. Effectively this was used to help capture and reflect on the lessons being learnt from the examples given in the Charter guidance and the practical lessons being learnt on site. The three activities complemented each other and helped to show the practical benefits of the Charter. Throughout this period, the company found examples from the Charter that could be incorporated into the Development Protocols and used on site. They also transferred parts of their Development Protocols directly into their Charter application.

Involvement of own staff

All Wiltshire Rural HA staff were encouraged to provide ideas throughout the development project, the production of the Development Protocols and the Charter application. This was not a significant change for the company as their normal way of working is to encourage staff input. For example, where best practice or good ideas are revealed, staff are encouraged to write these up into policy documents or leaflets for distribution. These leaflets are kept simple so that they are more likely to engage people. Staff were also encouraged to

review existing policy documents. This has a double benefit in that staff were aware of company policies and practical improvements were identified.

Wiltshire Rural HA's staff do seem to be very keen to contribute in this way and it is also notable that there is a very low Staff turnover rate. This suggests that staff are happy in their working environment. It also provides benefit to the company in that knowledge and experience are not lost.

On the new development project, the way that design, maintenance and housing management all worked together produced some new design ideas that have provided benefit to everyone.

Involvement of Supply Side

As well as internal support, it was necessary to gain support from the supply side. In this case, the Wiltshire Rural HA decided to form a partnership with a main contractor who was willing to sign up to the Charter ideals. The development project completed alongside the Charter application was very successful to the extent that they have agreed to partner on a further three projects. Staff at Wiltshire Rural HA described the contractor as "a pleasure to work with" while the contractor described the project as one of the best they had been involved with.

Part of the success of this arrangement seems to be that the organisations were of comparable size; Wiltshire Rural HA is a small village based organisation while the contractor is a family owned business. Wiltshire Rural HA were also willing to accept that the contractor needed to make a profit on the project and so did not make unrealistic demands. The company also reduced retentions on the project with a view to removing them completely on future projects.

The Architect on the project was less enthusiastic about the partnership initially but had become far more willing by the end of the project. One of the advantages to him was that the basic design could be re-used on future projects with Wiltshire Rural HA (though with cosmetic changes to tailor the look of the final site to suit the local area).

Difficult to Rate/Score Correctly

Although the Wiltshire Rural HA's charter application went very well, there were some difficulties. For example, the company found it difficult to rate their current position when they first read through the questions. In particular they found that they would have some of the elements of a particular rating score but then be missing some of the other requirements for a lower rating. This left them confused as to whether they were at the lower or higher level. This did provide an unexpected benefit though, in that it encouraged debate among the staff as to exactly what they were doing, and helped develop further understanding. It also let them see areas that they were missing from their current approach. In cases where they were still not sure as to the most appropriate rating score, they applied common sense then explained their reasoning and concerns on the online plan so that the Assessors could provide feedback if necessary.

There was also some difficulty in calculating the KPI scores, as there was little development work to base them on and the smaller number of projects meant that they could be unduly biased by one unusual result. Satisfaction with the product and services was also done on a very ad hoc basis in the past. The new Development Protocol has proved useful in that it shows the sorts of issues that should be addressed during the project. This can now be consulted post-project to more objectively assess how well the project went.

In some cases the terminology used in the Charter wording caused problems and it was also sometimes difficult to understand why some issues were included as they did not seem as appropriate for a smaller RSL. The use of the Housing Federation Guidebook (discussed later) helped with most of these issues.

Conflict of Standards

In some cases Wiltshire Rural HA found that there were conflicts between the different standards that they were being encouraged to apply. For example, Section 10 of the Charter encourages the use of environmentally friendly solutions. On the new development they were trying to use Solar Heating but found that the local planning authorities were worried about the appearance of the panels. Thankfully a compromise was reached and the success of this scheme should make it easier to gain approval on future schemes.

Not everything is Immediately Possible

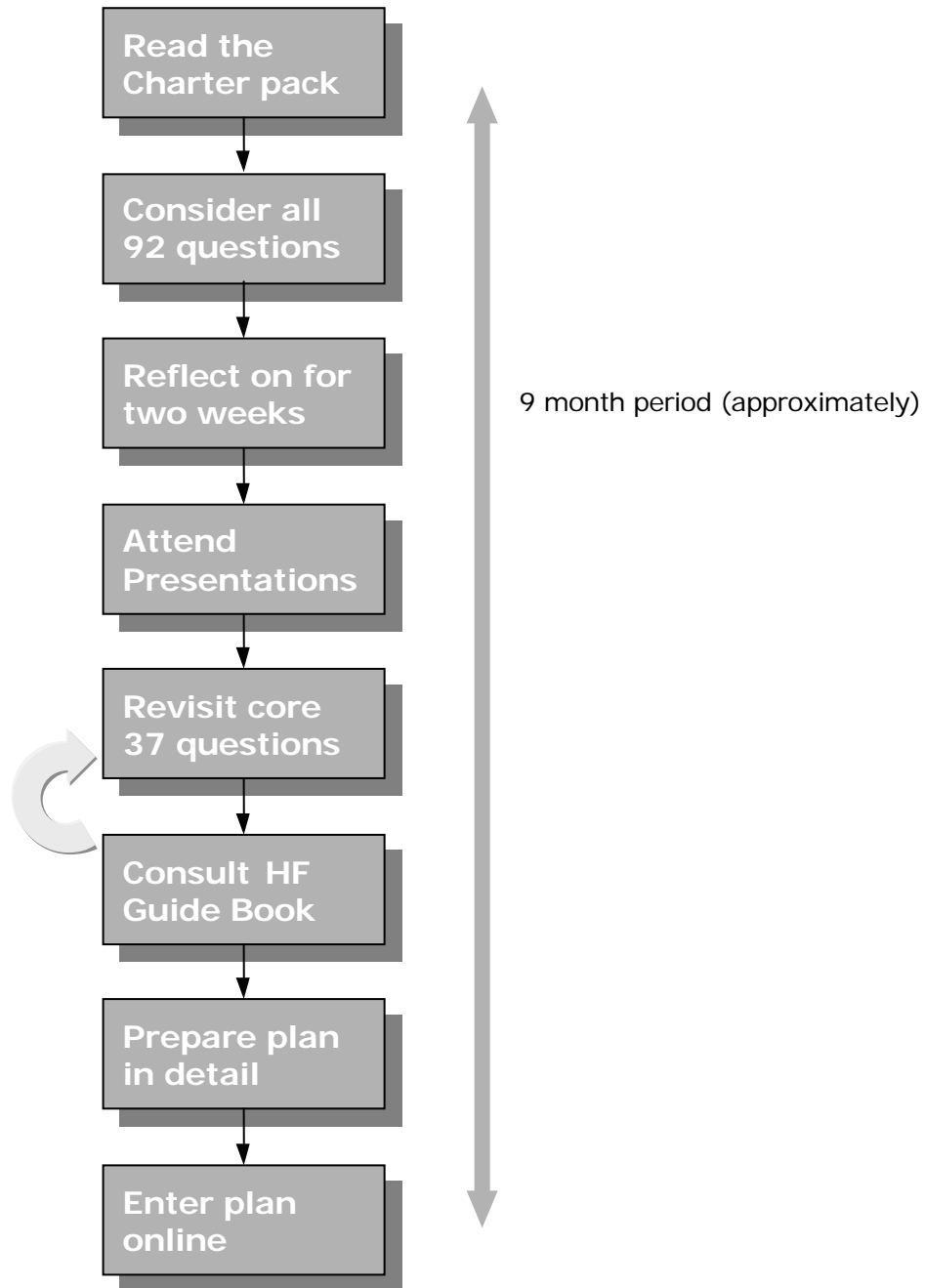
Some of the recommendations for the Charter were not possible or practical to implement straight away. For example it was not deemed appropriate to install a site canteen on a local small project, even though the Site Welfare checklists encourage this. However, the Charter made the company aware of this issue and so efforts were made to encourage the use of local shops and services, which met the requirements of the workforce and had the added benefit of making local traders more sympathetic to having a development close by.

You Have to Allow Enough Time

When looking back on the overall experience of developing their charter plan, Wiltshire Rural HA felt that the key element of their success was allowing enough time to develop their plan properly. As will be seen in the following section, the process they went through included lots of time for reflection. This meant that the company were able to fully understand the Charter and how it applied to their unique situation. It also meant there was sufficient opportunity for other departments to input ideas into the plan.

How do I use this?

Process Flowchart



Read the Charter Pack

Although the full Charter pack looked quite daunting when it arrived, the Director responsible decided the most sensible way to start was to read through the whole pack. Realising that there were lots of pull out sections designed to be used while developing a plan, these were photocopied and used for the first

attempts. At this stage the Charter was still seen as quite confusing and it was not immediately apparent how it applied to Wiltshire Rural HA.

Consider all 92 Questions

The company later realised they were entitled to the mini charter route (15 questions) and were only expected to answer the 37 RSL questions as a maximum. When this realisation was made they initially felt that the time working through the full 92 questions had been wasted. However, upon further reflection they decided that it had actually been a very useful exercise in that it helped to put the whole charter into context and made the company aware of all of the issues covered.

Reflect on for Two Weeks

Most of the early work had been completed in isolation by the Director responsible. During this period they started to discuss some of the broader issues with staff from all parts of Wiltshire Rural HA especially maintenance. These discussions were very informal, open and aimed to discover what other people thought about the company's current position. It also allowed time for some of the ideas in the Charter to sink in.

Attend Charter Presentations

Wiltshire Rural HA requested a special session about the charter for themselves and other small organisations to show how it related to them and how they should set about producing a plan. This session was provided by Achilles and left most of the attendees full of enthusiasm although slightly daunted by the prospect of producing a full plan. Having already spent some time getting to understand the charter, the company was able to use this session more effectively. They could interact more effectively with the trainer and knew which issues needed further explanation. It was felt that the full Charter Training might also help.

Revisit Core 37 Questions

Once the company realised that they would only need to produce a plan based on the core RSL questions, the Director responsible decided to start developing a new plan based on the full Housing Charter of 37 questions. This new plan was able to take advantage of the knowledge and understanding that had been generated by the earlier efforts. It was also now deemed appropriate to more fully involve the rest of the organisation's staff.

This involvement was achieved by using a very informal approach. The themes were worked through over a number of weeks with each question being discussed in terms of where the company was and where it should aim to be. Wiltshire Rural HA's development team and housing management were all based in the same office so it was very easy to include everyone in these discussions. Rather than form a separate Charter Team it was seen as something that everyone could contribute to as and when needed. Therefore,

although the senior manager predominantly headed it, all staff including the secretary were able to and encouraged to contribute.

This stage of the process was also iterative in that it was gradually refined as new information and experiences were gained. The experience came from the new development project the company was involved with. While new information came from various best practices sources such as the Housing Federation Guidebook. Each time around the company became more familiar with the ideas and how they related to their own situation.

Consult HF Guide Book

The Housing Federation Guidebook proved a very useful source of information for the company but they were glad that they did not have it at the start of their Charter application. They found that it was very useful to have thought through the Charter issues on their own before reading the guide. This meant that they were not tempted to just copy the ideas it contained without considering how they related to their own needs.

However, revisiting their Charter plan after seeing the guide did help to clear up some areas of confusion and to provide some useful additional ideas. The guide's single paragraph summary for each question also helped the company to understand what the Assessors were looking for and so helped overcome some of the difficulties of choosing the correct rating score.

Prepare Plan in Detail

Eventually, all of the information and ideas were collected into a final improvement plan. The Director responsible decided that they would type this out themselves to give them a final chance to revisit the ideas and make sure it all made sense before committing it online. Once completed, the plan was distributed to the Board and staff in case there were any last minute suggestions. The draft plan was also used to finalise the company's new Development Protocols.

Enter Plan Online

Finally, the plan was entered onto the Charter's online database.

Why do this?

The Benefits

The most obvious benefit of the approach used by Wiltshire Rural HA is that they ended up with a Charter improvement plan that was suited to their business needs, was practical and directly helped with their new development and the production of new Development Protocols.

Tied into this, there were other benefits such as the relationship developed with the local contractor. For example, as a smaller RSL the company does not have a large construction spend with which to attract good contractors for future projects. However, the success of this project has made the contractor enthusiastic to work with Wiltshire Rural HA on future projects. The understanding established also meant that the contractor was willing to help with the scheme launch by providing Foremen to show off the features of the completed properties. This helped to create positive publicity for the client and contractors. The Architect also sees the benefit of repeat business and the convenience of re-using standard designs on future projects.

Perhaps a more tangible aspect of the success of the Client's process is that the new development has turned out so nicely that people have enquired about buying them. There has also been considerable interest from potential tenants and this extra demand makes it easier to justify future applications for development funding.

Examples of success

Although this was Wiltshire Rural HA's first Development for 5 years, they have managed to produce a completed project that has won many admirers. The development also manages to blend in with the local village style while incorporating many of the latest building features. For example, Secure by Design, Lifetime Homes, water saving features, low energy lighting, triple glazing, handmade bricks, Solar heating and hot water, adaptable roof space, and Timber frame construction.

At the start of the development, one of the main objectives was to build houses that the team would like to live in. The feedback from the Tenants seems to suggest that they have achieved this aim with one commenting that 'you've thought of everything.'

How might I apply it?

Checklist

- Make sure you allow enough time to develop the plan properly, nine months is not uncommon.
- Try to develop a rough plan for your own circumstances before relying too much on other sources.
- Then read all of the information that is available to help you and refine your plan as necessary.
- Make sure you encourage and listen to input from various sources such as the Board, staff and suppliers.
- If possible, develop your application in parallel with a new development project – this makes it a real experience that people can relate to.

Key Performance Indicators & Outcomes to look for

If you have developed a sensible improvement plan for your Charter application, you would expect to see an improvement in all of the key performance indicators.

If you have followed the approach outlined in this study, you should expect to see greater interest in the development process by staff from maintenance, development and housing management. You should also expect the annual assessment process of your charter to run much more smoothly.

