



Joint venture achieves operational excellence through dynamic planning, enhanced controls & effective leadership

This joint venture was awarded a contract to deliver works for AMP 6 Clean Water services. It was ground-breaking in its attempt to drive greater collaboration between its contract partners. But while the contract started well the magnitude of the task at hand required tight collaboration between all parties involved - the venture knew it could improve the efficiency of its operations to boost productivity and make savings.

Inconsistent methods used for planning and scheduling work meant that the frontline operatives weren't always sent to the right leaks at the right time. The supervisors often found themselves firefighting rather than planning for success, which led to wastage and unnecessary costs creeping in - particularly on fixed penalty notices (FPNs) and Section 74 fines. The inconsistent expectations of the supervisory roles meant that many lacked the confidence to take ownership of the job in hand and lead their operatives.

Managementors used a facilitative approach to jointly develop solutions with the client, based on a methodology that has been developed over the last 23-years of working in field service environments. By formalising the Management Operating System (MOS) the venture could finally sustain operational excellence.

Case study

Name: Leading Utilities
Joint Venture

Sector: Professional Engineering

Location: South East

Key challenges

- Requirement to improve productivity in line with contract expectations
- Supervisors needed confidence, structure and support to take accountability for performance
- Cost was being unnecessarily expended in fines and overtime

Key gains

- 4:1 ROI.
- 31% improvement in dig productivity.
- 48% reduction in FPNs and 38% reduction in Section 74 fines.
- Backlog reduced by 12% despite incoming work increasing.

Background

Given the scale of the contract, and the number of partners involved in delivering the works, collaboration was of paramount importance to ensure maximum effectiveness in delivery. But with so many people involved, and so many different deliverables to manage, there was always going to be room for improvement.

One area of growing concern was the management of day-to-day activities. With the operatives typically working in 2-man gangs it became apparent that there were differences in working practices. In addition, it was hard to create a common understanding of what a 'good' day's work looked like because there wasn't a robust method in the planning phase of defining the duration of the jobs the gangs were being sent to.

Furthermore frontline supervisors, with some members lacking the confidence to lead, found themselves getting too involved in helping to do the work or busying themselves with administration. This had the tendency to result in escalations and firefighting and when you're busy reacting to the world around you, it's not easy to plan for success.

Managements was called in to provide oversight of the operation. Looking objectively at how the current MOS was organised, what the day-to-day processes looked like and to identify potential areas for improvement.

"With a limited view on what constituted a 'good' day, we were struggling to articulate the actions we needed our staff to take in order to drive to the end goal and achieve consistency in contract performance."

Operations Director



The Challenge

Viewing the operation through fresh-eyes, Managementors was able to see 3 key areas where the operation wasn't running as effectively as it could be and therefore causing issues to arise:

1. Planning

Inconsistent methods used for planning and scheduling work, coupled with a lack of operational performance measures, meant there wasn't a strong link between what the gangs were doing daily and the plan. Without access to accurate and timely data, the frontline supervisors couldn't provide the insight into the real levels of performance that management needed.

Planning became very short-sighted where sequencing activities, such as enabling, repairing and reinstating, were poorly co-ordinated. This created a reactionary management style where the gangs were directed to fix issues as they occurred rather than building productive customer centric plans.

2. Control

Without a truly robust forward plan, which all parties were signed up to, it was difficult for the operational management to exercise

any form of short interval control. As a result, issues which crop up on a day to day basis remained hidden and continued to re-occur. Unfortunately, many of these had become accepted as the norm and 'the way it is around here'.

An example of this was the issues caused by jobs over-running their permit date. Without effective communication between the planner, the operatives and the supervisor, the risk of incurring costly section 74 fines on busy London roads was significant.

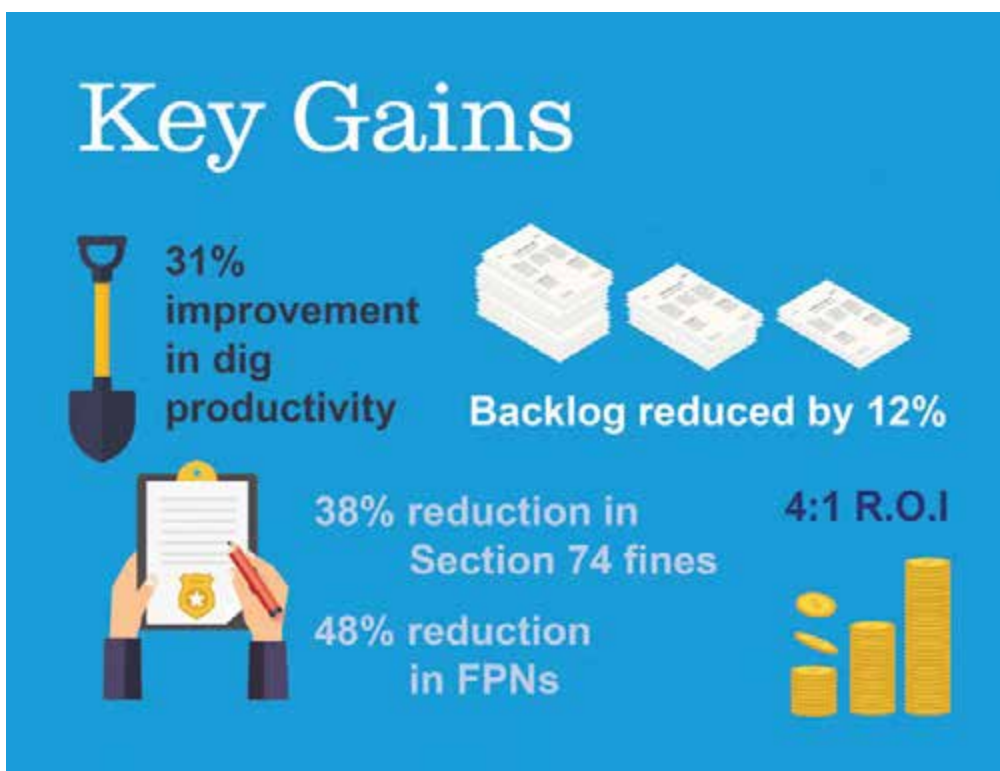
3. Roles and responsibilities

Many supervisors had started their career on the frontline. For some, making the switch from being one of the gang to now managing the gang was tough. Lacking the confidence and tools to lead their team in the field, some frontline supervisors struggled to effectively challenge the gangs on their quality and productivity.

A key challenge for this level of management was feeling they were accountable for the day to day performance. Without the visibility of daily performance measures, and an effective daily review, by the time the weekly KPIs were produced it was too late to identify the issues impacting performance.

"We knew we needed to switch management's behaviours from passive to active so we could start to plan for success. We also recognised that the frontline supervisors had a tough job to do and it was our responsibility to help give them the confidence to take ownership of their role."

Operations Director



Approach

Managementors was tasked with developing new ways of working to ensure efficient end-to-end processes around the planning, control and co-ordination of the work. As part of this, it needed to implement an effective MOS to improve the productivity of the workforce.

The 22-week project was broken down into 5 phases:

1. Project start-up and tactical development
2. Quick wins programme
3. Target areas
4. Training
5. Follow up

Each phase finished with a milestone review to ensure the project was on track, that the sponsoring management remained fully engaged, and any high-level decisions were made in a timely manner. Working in this way secured the highest level of understanding, ownership and sustainability of the implemented solution.

Implementing consistent methods for planning and scheduling

The over-arching improvements to the MOS had a dramatic and far-reaching impact across the project. Managementors began by breaking the project down into different target areas. It then evaluated the current working practices within each area and identified potential areas for improvement.

Critically, time was spent with the planning function to upskill staff and ensure jobs were planned to succeed rather than just allocated. This involved creating an enhanced planning tool which enabled planning staff to ensure all pre-requisites for a successful job were considered. Focusing on planning further forward enabled better stakeholder management with their client and also the councils.

Additionally, job standards were developed to instil consistency and enable greater science in the planning process, to move away from planning a number of jobs to planning to a target utilisation. Daily plan commitment calls were held to call out issues in advance of the plan and ensure everyone was clear on sequencing and targets.

Identifying issues systematically

Initially, Managementors undertook an exercise to review the existing processes and identify any potential areas for improvement. Part of this involved a programme of 'day in the life of' studies where managers shadowed their staff to help them see the work in a different light and appreciate the issues that occur every day, as well as the impact they have.

This was part of the critical transition from a passive and reactionary style of management to a more active style where issues are proactively identified. Once identified the project focused on empowering managers and staff at all levels to create and implement the necessary fixes. A good example was an enhanced approach to traffic management and cone offs, as well as reduced cost of fines through shortening the interval of management control to a job by job basis.

However, it was also important to enable these processes to continue improving over time. Through the MOS, the venture now has deeper insight into its operations through more accurate reporting. Able to evaluate performance at a more granular level it can quickly identify potential issues to drive root cause elimination.

Coaching in how to drive performance

Although a series of KPIs were already in place, a key focus of the project was to train & coach first line team leaders and managers in how to effectively use them to drive performance. Running effective reviews, reviewing the data daily by individual and being able to have challenging conversations were all areas in which Managementors provided significant 1-2-1 coaching. One of the key outcomes of such coaching was a greater sense of accountability for performance and a deeper understanding of the first line manager's role in achieving the targets set.

Throughout the project, Managementors placed a strong focus on transferring its skills to the staff to ensure that when they left, the change would stick as part of business-as-usual. And all formal classroom training material was handed over, so that any new staff coming on-board could be brought up-to-speed quickly on how to get the best from their team.

"The most significant gain we've seen is having an engaged frontline supervisory workforce. They now know exactly what's expected of them and want to be involved in leading the team. When it comes to our weekly and fortnightly reviews, they're proud to represent their team and

Operations Director

Outcomes

Upon the project completion, the business received a return-on-investment (ROI) of 4:1.

Through creating an effective MOS and addressing issues within the operational processes, the venture was able to improve its dig productivity by 31% – this was 11% more than the 20% Managementors had initially proposed. In addition, by driving efficiencies, it reduced its backlog by 12% despite the incoming workload increasing.

With greater control over the operation, upskilled and accountable managers, the venture significantly reduced wastage. Overall, FPNs were reduced by 48% (proposed 10%), and Section 74 fines were reduced by 38% (proposed 10%).

And finally, by clarifying the roles and responsibilities, creating a clear structure for them to work within and providing the necessary training, the management team finally had the confidence and the tools required to succeed.

“Working with Managementors we’ve been able to clearly articulate what’s important to the team, and why, and how they contribute to our overall success. Now we’re seeing the outputs from that because everyone’s bought into the new way of working. And because we can now measure and benchmark performance, we can easily capture the information that our client needs to see to be confident about how the contract is running overall.”

Operations Director

Contact us to find out what Managementors can do for you

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