

LEAN SIGMA INTERVENTION

HEADLINE

Find savings and improve processes within the Decent Homes programme.

THE CHALLENGE

CWC was commissioned in March 2009 to find savings and improve processes within a client's Decent Homes programme working with the client and the two contracting partners. The client involved had a stock of 4,500 properties in the centre of Manchester; they are into the second year of the programme and were refurbishing windows, kitchens, bathrooms & heating and undertaking rewires.

THE APPROACH

Through the initial workshops the Core Improvement Team (CIT) was exposed to lean thinking and identification of 'waste'. It was important to explain some of the tools and to have this team participate in games that showed that working together is the way to achieve more enduring and effective results.

Through these workshops some of the scepticism was addressed and enthusiasm for our work together was engendered. Consensus building about where we might use lean Sigma was necessary and the Hoshin process was adopted for a workshop. 'Hoshin' combines 'Ho' meaning method or form and 'Shin' meaning shiny needle or compass. Hoshin goals are customer focused, based on company-wide information, and measurable.

This resulted in maps that were generated and circulated; this identified the issues pertinent to the key questions above and established a consensus.

OUTCOME

Each of the partners had their own workshops and CWC established early in the dialogue with the partners some key areas that lean Sigma might pursue to address: scope, specification and survey regime. Clarification of the specification and scope was commenced with the addition to the CIT of Contract Administrators, Clerk of Works and the Development Team. Here each internal element was reviewed and the issues debated & concluded. This involved further occasional mapping and the resolution of detail to arrive at the publication of a new 'Contractor Guidance Notes/Output Specification' document. This was again 'tested' by its structured and formal introduction to the sub-contractor base who were invited for its launch.

The number of surveys necessary was identified. There might be up to seven visits to a tenant's property to survey for Housetype, Asbestos, Building, Kitchen Design, Electrical Design & Mechanical Design with sub-contractors and pre-entry RLO. Not only was this intrusive, but it was over what might be an extended period of time. The partners agreed on working collaboratively, pooling their survey resource to have a new standard template and process. A new joint approach was devised and implemented.

VALUE CREATED

After these improvements the contracting partners were better equipped to plan their work more efficiently by having a larger pool of fully surveyed properties, had more consistent specifications and scope of works across the work streams and were able to release savings of variously between 5% and 10% for future committed work (this saving was on top of a baseline analysis, indicating that the client was already receiving prices that placed them at the top end of Decent Homes (Value for Money procurement).

THE DELIVERY TEAM

Jonathan Gilmore was responsible for the work.