

CLIP

Two companies used CLIP to create a virtual team that fast track off-site manufactured solutions



A completed cladding panel being stored at the factory



Using stickle-bricks for a building simulation exercise at a CLIP workshop

THE PROJECT

Developing a strategy to set up a virtual team

MANUFACTURER:

FI Systems

DISTRIBUTOR:

Taylor Maxwell & Co Ltd

Andrew Carpenter of FI Systems and Paul Richards of Taylor Maxwell together tell how CLIP helped them to get the two companies working together as a virtual team, to deliver an off-site manufactured cladding system that assists lean, fast-track, construction processes.

VIEW FROM THE TEAM

Background to the project

FI Systems is a new business unit within CRH, a major building materials group. It was set up to provide a new solution for cladding buildings using off-site construction. Pre-assembly is growing as the industry embraces the 'lean construction' movement.

FI Systems was deliberately kept separate from other group businesses to distinguish its cladding solutions from traditional brickwork.

But the best route to market for this new business was to harness an existing channel – brick distributors. These have existing relationships with specifiers. But the new cladding solution required a completely different approach to selling the product.

What attracted us to the CLIP programme

FI Systems was set up to deliver 'lean solutions' to the industry. So, it was logical to use 'lean principles' to develop the partnership with Taylor Maxwell, the only truly national brick distributor, to get the product to market throughout the UK. CLIP was the sensible route to take, because it matched our ideals.

In particular, we knew that we had to change the ingrained way that brick salespeople do things. They are used to

By using CLIP...
“We have seen the level of enquiries increasing and we actually started generating income from the system in 2005”



Cladding panel being fitted on site

a market where the designer and the contractor understand the product. But the new cladding system needed a different approach involving the whole construction process.

We had heard of CLIP through Martin Watson at BRE. So, we knew that CLIP's focus on change management and in particular reducing waste, not just on site but in the whole construction process, would be right for us.

“Look outside the box, think big. Lean construction impacts on the designers as well as the contractors, and affects your internal processes as a supplier”

Andrew Carpenter of FI Systems

What our aims & expectations were

We wanted to accelerate the development of an open and honest partnership between FI Systems and Taylor Maxwell. We also wanted this to be based on a good level of understanding of ‘lean thinking’. We could then use this partnership approach to bring benefits to the supply chain. We also decided that we should use the latest thinking on ‘lean construction’ to develop a new ‘lean proposition’ for the cladding system.

Overall, we wanted to:

- Define how we would work together and create an action plan
- Agree a partnership framework and achieve the buy-in of our staff
- Explain ‘lean’ practice and change behaviours
- Be able to demonstrate savings to other supply chain members.

How the CLIP process worked for us

From the outset, we had agreed that we would have an open mutually-supportive relationship. This means open books and honesty about our issues. From this we had decided that a new approach to selling and delivering the product was required.

So, we held two workshops run by a CLIP facilitator. These were attended by the Taylor Maxwell cladding sales team and we involved their directors to create buy-in from the top.

The first workshop used a simple questionnaire and feedback to build a list of values and cultural elements on a flip chart. This was to define how the virtual team would work. This was subsequently used to create the partnership agreement.

We weren't surprised to find that the salesmen were cynical about the process. And it's probably true to say that a third of them still are. This is going to be a slow process and it will be seeing the success of others that will change their minds.

The CLIP facilitator got everyone to join in a building simulation exercise to demonstrate the inherent waste in the traditional approach to construction. It was quite a bit of fun because it used stickle-bricks to build a specific shape. These require an accurate specification and can't just be ‘lobbed together’. It focused people on the process and the financial constraints of the virtual team.

This exercise illustrated perfectly that off-site fabrication can eliminate significant waste all through the supply chain. It showed the need to understand the drivers and where the ‘value-added’ lies for the client and designer in making fundamental design decisions and for the contractor on-site.

‘The way forward is to improve profitability – waste anywhere has a cost. CLIP helps you to identify this – it doesn’t mean that you have to increase turnover to be more profitable’

Paul Richards of Taylor Maxwell

These are the areas where our sales team has got to be able to discuss the wastes that can be eliminated.

In the second workshop we brought in a client, an architect and a contractor to endorse the ‘lean approach’ to construction. Their message was to think big and look further up the supply chain – not just what happens on site. They helped to convince everyone that this was the way forward and that things have to change, especially when they identified the role of ‘middlemen’ (like brick distributors) as a potential waste!

The whole point of the workshops is that the team members have to become evangelists for ‘lean construction’. With the savings we expect to create for others, we can both improve our profits without pushing down margins to sell more.

How we benefited from this initiative

We now get the sales team to put over the CLIP values early enough to designers, so that they see the benefits that can be achieved with the FI Systems product. We have seen the level of enquiries increasing and we actually started generating income from the system in 2005.

As a virtual team, it has helped us achieve better control over our actions and to cut out anything wasteful. We continue to meet regularly and to spend time with the salesmen more on a ‘one-to-one’ basis, to reinforce the message individually. It is a drip-drip process with constant reminders.

How we plan to use the skills & lessons learned

We have only run two workshops, although there have been a lot of meetings in between. We felt constrained about taking the people ‘off the road’. But it might have been better to have more workshop time – purely because we started from scratch.

Over time we hope to distinguish Taylor Maxwell as a specialist lean solution provider for cladding in the construction industry, rather than as simply a brick distributor, where margins are traditionally low. We are taking a long term view and are prepared to be open with each other on this journey. There will be problems to be solved as we keep going round the continuous improvement cycle. It’s a team development process of forming, storming and performing.



The cladding system in use on a Tesco superstore extension

LEARNING POINTS

- Don’t be too ambitious in what can be achieved in a given time. Prioritise the messages and the things that you want to get out of a CLIP workshop. Focus on what’s important.
- Look at the whole supply chain and not just at the site processes, particularly to influence the early design decisions.
- Involve senior people in the business to get their buy-in and support.
- Use practical simulations in the CLIP workshops to demonstrate the benefits.
- Make sure that the improvement cycle never stops.

JARGON BUSTING BOX

■ **7Ws – look for seven wastes that can never be added value:**

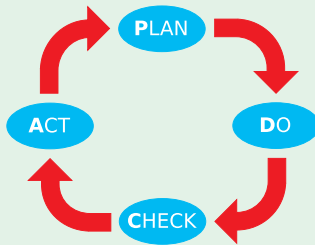
- Motion ■ Transport
- Waiting ■ Overproduction
- Defects ■ Unnecessary inventory
- Inappropriate work or processing.

■ **5Cs – check these to lay the foundations for continuous improvement:**

- **Clear out** – separate the essential from the non-essential
- **Configure** – a place for everything, and everything in its place
- **Clean & check** – assess the current condition of the environment
- **Conformity** – ensure standard easily maintained
- **Custom & Practice** – ensure everyone follows the rules.

■ **THE PLAN-DO-CHECK-ACT (PDCA) CYCLE –**

a way of thinking which encourages continuous improvement



■ **THE CLIP – ‘standard structured approach’ – which is made up of four main stages:**

- **Pre-diagnostic** – setting the aims and training the team in lean tools and techniques
- **Diagnostic** – practically applying the tools to analyse the situation
- **Improvement activity** – looking at the data for opportunities to improve processes
- **Follow up** – identify barriers to success and set improvement actions in place.

■ **VISUAL CONTROL –**

a major part of the CLIP process is to use visual tools to display data, highlight improvements and record ideas. These include:

- **Key Performance Indicators** – are the measure of performance of activities that are critical to the success of an organisation
- **Pareto Chart** – a comparative bar chart that shows the number of defects for each chosen area of work, and the cumulative total of defects over the whole project
- **Fishbone Diagrams** – are used to identify the possible causes of problems. Start by defining the problem to be investigated and write it down. Then draw lines (bones) to represent each cause that runs into it. Finally you can brainstorm what is actually the cause of the problem
- **Priority Matrix** – a quadrant chart used to prioritise which improvement areas to focus on first. For example, you can place activities that will have a high impact at a low cost in one quadrant and focus on these first.

GETTING HELP

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