

Innovation Circles Stimulating Knowledge Exchange in Partnership with ConstructionSkills

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The University of Salford's Construction Knowledge Exchange North West has been working in close collaboration with ConstructionSkills (the Sector Skills Council for the Construction Industry) in small groups known as Innovation Circles. This innovative approach, using an Action Learning methodology, has been successful in engaging businesses from the industry to work more closely with the University and ConstructionSkills in a "joined up" approach. Thus far, the concept and principles of Innovation Circles has been well received throughout the North West and has provided a means for businesses working in the construction sector to meet together in small groups in a more focused way. The ConstructionSkills groups have addressed issues such as Training Plans, Investors in People, Diversity and Business Improvement. Members have met to network, share ideas and issues surrounding their working practices, therefore offering them the opportunity to learn from each other and improve their knowledge, which they can then use in their roles and make a difference to their businesses. Innovation Circles offer businesses the time and space much needed for reflection and encourages them to work in a more innovative way, to learn from issues raised within the group and above all, to take action on these issues. They help produce creative solutions, enabling participants to gain a greater understanding of their problems via penetrating questions and continuous improvement. This paper will detail the development of the ConstructionSkills Innovation Circles in the North West, how they have helped build capacity within the ConstructionSkills team in the facilitation of the Circles and how the Construction Knowledge Exchange has worked in close partnership with a strategic partner in the construction sector in this collaborative way. It will also detail the results of an interim evaluation which was carried out into the effectiveness of these Innovation Circles in the North West.

Keywords: Action Learning, Innovation, ConstructionSkills, Knowledge Exchange

Background

In November 2003 ConstructionSkills became the Sector Skills Council (SSC) for the Construction industry. SSCs have been set up by the government to determine how training is delivered and funded in the UK and to implement a UK-wide Sector Skills Agreement (SSA). The organisation has assumed a strategic role within the construction industry, representing employers, and tackling the skills and productivity needs of the sector. ConstructionSkills' key mission is to ensure:

"A fully skilled and professional UK construction industry working safely and delivering value."

To ensure this, the organisation has developed its SSA around four key challenges: improving business performance; qualifying the existing workforce; recruiting qualified new entrants, and improving the infrastructure in support of these priorities (ConstructionSkills, 2004).

The construction industry is the UK's biggest employer and largest exporter, contributing 10% of the UK's GDP and employing 2.1 million people. In 2005, there were over 180,000 establishments classed as construction firms, with 93% of those firms employing less than 13 employees (ConstructionSkills, 2005; and DTI, 2006). Traditionally, the majority of construction firms have tended to be family run businesses, even some of the large national firms and many still are according to Druker and White (1996). Long-term strategy can be difficult in construction because the work is generally carried on a project-by-project basis, leaving uncertainty about future contracts and leading to problems with cash flow and manpower planning. Much of the work is labour intensive and is carried out on a sub-contract basis by a supply chain managed by the large national firms (Druker & White, 1996; and Langford *et al*, 1995).

The Leitch Report (2006) threatens a pessimistic outlook if UK industry is not prepared to invest in increasing and improving its skills base: "we would condemn ourselves to a lingering decline in competitiveness, diminishing economic growth and a bleaker future for all" (Leitch, 2006). He states the need to embed a culture of learning within society, which includes increasing employer awareness and strengthening the support available by ensuring a demand-led system. He also believes the impact of this will lead to a greater value in skills development for individuals, with firms (particularly small firms) improving their management skills, competitiveness and therefore productivity.

In order for the construction industry to improve its skills base, ConstructionSkills believe it is vital to invest in training and for businesses to become more strategic in considering their human resource requirements. However, they also state that 75% of the industry, mainly small to medium companies (SMEs) employing less than 13 employees, are not making this their priority (ConstructionSkills, 2007). As part of their offer to employers, ConstructionSkills advise that one solution is to get more firms to adopt a Training and Development Plan and work towards the Investors in People Standard.

The Construction Knowledge Exchange

The Construction Knowledge Exchange (CKE) is a project which assists businesses to improve their business processes, achieved through the creation of networks between themselves, regionally focussed national agencies and regional universities. The University of Salford won its bid for a Construction Knowledge Exchange in August 2004. This is one of 22 knowledge exchanges that have been created by the UK Higher Education Funding Council across a range of disciplines. The project has the vision to promote knowledge exchange between industry and universities in the UK's construction industry and aims to promote and enhance engagement in activities that establish industry needs, capture and share knowledge and build capacity and resource through enabled networks and links that reach out to all levels of business and higher

education. The project is a partnership between four national agencies, which is supported by a regional framework of universities. The national agencies are Constructing Excellence (CE); the Construction Industry Council (CIC); the Construction Industry Training Board (CITB), which together with CITB Northern Ireland and CIC form ConstructionSkills the new Sector Skills Council; and the Centre for Education in the Built Environment (CEBE). CKE North West also received additional funding from the North West Development Agency (NWDA) for CKE NW and the European Regional Development Fund (ERDF) for the Construction Partnership, in order to further develop Small Businesses in the North West's Construction Industry.

Innovation Circles and Action Learning

CKE NW use Innovation Circles as a practical tool for developing small businesses. They allow small groups of people to share knowledge and solve problems together using the principles of Action Learning methodology to ensure that action is taken to put ideas into practice. The Circles typically comprise between six and eight members, who meet regularly, e.g. monthly, on 3 to 6 occasions to share and apply knowledge on an important business issue, e.g. training plans, Investors in People (IIP) standard. The process of Action Learning involves:

- identifying needs;
- planning and taking action;
- reflecting on the results; and,
- if necessary, addressing further issues.

Pedler (1996) refers to Action Learning sets or groups as bringing people together in order to:

“...work on problems which personally engage the set members ...take action in the light of new insight. This insight begins to change the situation. An account of the effects of the action are brought back to the set for further shared reflection and exploration...provide the balance of support and challenge (warm and light) which will enable each member to act and learn effectively” (p.21).

Innovation Circles are facilitated by the CKE and supported by advisers from partner organisations. In order to recruit members the partner organisations work together to target companies who would both benefit from joining, whilst at the same time provide their own valuable contribution. There were no exclusion criteria, and although the majority of members tended to come from smaller organizations, there were also contributors from larger companies.

Collaboration between the Construction Knowledge Exchange North West and the ConstructionSkills North West

The University of Salford's Construction Knowledge Exchange (CKE) North West teamed up with ConstructionSkills to jointly run Innovation Circles in order to help construction companies improve their businesses and to share best practice with other companies within the industry.

Following a meeting between the University of Salford and ConstructionSkills in May 2005, it was agreed that they would work collaboratively with selected businesses within the construction sector and help these companies work towards completing their training plans, as this is a key target for ConstructionSkills in respect to improving the construction industry. These Innovation Circles would consist of four workshops, each lasting between two and three hours. The meetings were organised by ConstructionSkills and facilitated by CKE North West. All costs associated with the running of these groups (i.e. room hire, refreshments, facilitation) was provided by the University of Salford's CKE North West Project and provided free of charge to businesses. The Business Improvement Adviser from ConstructionSkills acted as the conduit between the University of Salford and the rest of the ConstructionSkills team. As a result of this collaboration, 14 Innovation Circles covering several key themes were formed over a period of two years, in partnership with ConstructionSkills in the North West. There was no limit to the number, frequency and size of the circles, however the project was bound by certain funding restrictions.

Training Plan Groups in the North West

The Training Plan Innovation Circles followed a set pattern of four planned workshops with the intention of helping participating companies complete a training plan, apply for ConstructionSkills grant funding, and introduce them to the Investors in People (IiP) standard where they did not already have it. Investors in People is a nationally recognised framework that businesses can use to improve their performance. It enables companies to plan their business activities and aligns training and development of staff with business needs. ConstructionSkills recognises the importance of IiP as a business improvement tool and therefore offers both support and grant funding to assist construction companies to achieve the standard.

The first "taster" workshop for each group explained the purpose of the group, introduced the members to each other, and encouraged them to start to share the issues facing them when trying to put together a training plan within their companies. The second workshop took companies through the process from Business Planning through to what they had in terms of skills and what they needed, identifying any skills gaps. This and the third session also took businesses through the process needed to complete a training plan matrix, using the Training Plan CD Rom as an example. Some companies chose to use their own Training Matrix which was also acceptable. The fourth workshop was then used to bring in their final training plans for submission or to discuss further help needed to get the plan to its final stages. In between each workshop, which was usually between 3 and 4 weeks, ConstructionSkills advisers were on hand to visit and assist in completion of the plans. They also produced a Training Needs Analysis Toolkit and a Framework document both of which had some examples and case studies which further assisted companies in preparing their training plans. Participants discussed the objectives of the group, looked at the benefits and barriers associated with training plans and then decided on what action to take to move forward. The following is a synopsis of these issues and how they dealt with them during the workshops:

Training Plan Groups – Shared Objectives (Agreed at the start):

- Develop or formalise training needs analysis process
- Put together a manageable Training Plan
- Look at methods of keeping records for both internal and verification purposes
- Improve productivity by getting the training and development of individuals up to date
- Investigate the different ways of meeting the training and development needs of the company other than traditional external “off the job” courses
- Aim to get maximum support from ConstructionSkills through the grant scheme

Common Barriers and Issues Faced When Trying to Put Together a Training Plan:

- Finding the time
- Companies currently organise training on a reactive basis
- Running a business on the minimum staff
- How to record “on the job” training
- Staff retention/turnover
- Can’t attract skilled workers
- Mainly employ sub contractors who have no role ownership
- Need the support of senior management to implement change
- Employees have a fear of change
- Basic skills issues
- Don’t like being taken “off the job” to do training

What are the Benefits of Training?

Group members were asked to consider what they felt would be the benefits of having a more strategic approach to training, despite the barriers and issues they had already voiced.

- Helps staff retention
- Fewer accidents
- Better staff motivation
- Increased productivity
- Helps maintain accurate training records, keeps refresher dates recorded
- Higher profits
- Positive culture change within the company

Actions were always agreed upon at the end of each meeting and notes circulated to each member promptly before the next meeting so that individuals could take ownership of any actions they needed to take.

Examples of Action Taken:

- Evaluate training currently being undertaken in the company (both internally and externally)
- Investigate current appraisal processes sharing examples of documentation used by companies
- Start to identify gaps in training – Training Needs Analysis
- Examine how training is evaluated in companies
- Share evaluation documentation
- Put together a training matrix of “ideal skills”
- Produce a Training Plan with the help of ConstructionSkills visits in between meetings
- Put Training Plan maintenance procedures in place and plan to review in 6 months time

Summary of Training Plan Innovation Circles

Most companies have been successful in working together in this collaborative way to help them complete and submit their training plans to ConstructionSkills. The companies that had not already achieved Investors in People were also been introduced to the concept and were able to share experiences with other members of the group in a focussed way. This collaborative approach of working together in the training plan groups has proved to be very successful and following are comments made by some members on how the groups have helped them:

“Being a member of this Innovation Circle has provided me with the focus I needed to get my training plan done. It has given me the opportunity to share and learn from other companies and it has also been useful to have ConstructionSkills advisers involved to help resolve any issues I had in formulating my plan.”

“This group helped me to think through my ideas with other members and it has encouraged me to complete my training plan – it made me take the action I needed to get it finished.”

“It has taken me away from the day-to day job and made me think more about how do things better – It has really been worthwhile taking two to three hours out for each of these meetings and I am determined to continue with this time out to get things done.”

“You can pick up pointers on how to deal with a Training Needs Analysis and listening to others opens up doors on different methods available.”

“It’s good to know that other people share the same problems. It has shown me other options and given me some light at the end of the tunnel.”

“It worked for me at a practical level and came at just the right time with my job role of training planning, helping me to move forward with the company training plan.”

“Small is better – you feel more at ease to ask questions relevant to us a construction business.”

“I have enjoyed talking and listening to other people about how they deal with things in their businesses. It also enabled me to get together with another of the companies to sort out some CSCS training together.”

Employer Network Forum Innovation Circle

This group met between November 2005 and January 2007. An overarching strategy for the group was to ensure that the companies participating were working towards retaining (or achieving) the Investors in People (IiP) standard and the new challenges it presented. The main point was that they should gain a better understanding of the requirement of the new IiP standard and how to achieve this.

They looked at defining supervisor / first line managers' job role together, including skills, knowledge and behaviours; they also examined management and leadership training available to the group, exploring the possibility of sharing the procurement of training. Questions surrounding ConstructionSkills Certification Scheme (CSCS) card renewal was also discussed. On two occasions, the group was joined by an Investors in People assessor from Chamberlink Manchester, to discuss IiP and courses on construction management and leadership.

The group also invited a company member who had recently been successful in completing the new IiP standard. She discussed this process with the rest of the group and spoke about how they had improved staff / management communication by holding regular focus group meetings. Evaluation of training and documents used to capture this was shared with the rest of the group.

The Employer Network Forum Innovation Circle brought people to the group who could help them plan for the new IiP accreditation and they discussed collaborative procurement of training. They also held joint meetings with another ConstructionSkills group, the Blueprint group for further networking and sharing of best practice. Again, this group approach of working together on business issues in an Innovation Circle has proved to be very successful and these are comments made by some members of the group on how this approach has helped them:

“Being part of the group has helped me get to know other people in industry and find out how they are tackling similar problems. Sharing problems has helped me get more of a helicopter view of the business.”

“The group has helped me crystallise our training needs for NVQ's and it has also helped me source training providers via networking with other group members.”

Following the success of Employer Network Forum, a more recent group was formed by companies who understand the benefits of business improvement tools such as IiP but wish to get more out of using them. With their first meeting in January 2008 the Continuous Improvement Innovation Circle membership was made up of some of the more forward thinking

companies who have previously engaged with Innovation Circles and have realized the benefits of this collaborative approach.

Diversity Group

In September 2006, an Innovation Circle was formed to look at Diversity issues within the construction industry. The group was made up of businesses from the North West's construction sector, New East Manchester, Job Centre Plus, and ConstructionSkills. The contractors spoke about the work they had already done and were still doing in order to attract minority groups into their workforces. Although they felt that there were no barriers from a recruitment point of view, there were cultural issues and parental influences which may have prevented minority individuals from entering the construction industry. One company discussed the work they had done with Accent Group and Youthbuild in Bradford and Blackburn, where they gave BME students help and advice as well as some basic training to make them more job ready. This can make a difference to both the candidate and the recruiting organisation. The group felt that the construction industry needed to work more with schools so that they could start influencing the younger age groups at school level.

At the second meeting in October 2006, the group was joined by a ConstructionSkills Education team representative and she gave a review of their activities. She spoke about their work with Construction Ambassadors but noted that there were very few Ambassadors from craft based occupations as there was the assumption that employers would be less inclined to release craftspeople to take part. One of the group's contactors offered to run a Construction Ambassador's course in the New Year in Manchester. Another company discussed the work they had been doing with Youth Centres in trying to attract 14 and 15 year old girls into the industry.

Group members thought that most of the larger contactors engaged fairly well with Equality and Diversity but did not think that the smaller SME's would have the same resources or staff to be able to fully address this area. In order to share the good practice already being carried out in the larger organisations, they agreed to try and bring along at least one SME sub-contactor from their supply chain to a future meeting, in order to capture their issues and position in relation to Diversity. Unfortunately despite best efforts this did not happen and the group felt they could achieve nothing further in their present form at that time.

Business Improvement Master Classes

These workshops were developed in response to a need, identified by ConstructionSkills and CKE North West, for a programme of workshops on the key issues faced by companies when they pursue effective and sustainable business improvement, namely, setting a vision, planning, acting, and reviewing. They also captured members from the Training Plan and Employer Network Forum groups who wanted to continue to meet for continuous business improvement. The workshop facilitators used Action Learning techniques to help (initially thirteen) companies to identify and address their particular business issues. The issues included getting Investors in

People status, the role of IIP in delivering effective business improvement, and the integration of the training plan with the general business plan.

The Programme

The programme consisted of four workshops, each lasting three hours. The workshops were run by ConstructionSkills and facilitated by a representative from CKE North West. The workshops were provided free of charge to companies as the facilitation and provision of a venue were paid for by CKE North West. Between each workshop, the companies received a scheduled visit or telephone call from a ConstructionSkills Adviser to help them address particular business matters. In addition, the group shared their email addresses to allow for ongoing contact throughout the programme.

The Workshops

Based on the previous Innovation Circles, and feedback from member companies, the workshops were given a set format, which assisted companies in working through the issues and making best use of available resources, including the Training Plan CD Rom/Toolkit produced by ConstructionSkills. The format involved introductions by the workshop facilitators, sharing of experiences and discussions on why and how to address the key issues. The workshops generally proceeded as follows:

Workshop One: Setting a Vision

- Introduced Action Learning and business improvement
- Discussed the importance of setting a vision
- Shared experience: A company's view on the role of setting a vision in achieving Investors in People status and realising effective and sustainable business improvement
- Discussed the development of a vision within each of the companies

Workshop Two: Planning

- Further discussions on Action Learning and business improvement
- Discussed the basics of planning
- Shared experience: A company's experience of planning effective change
- Explored the use of popular planning tools and models

Workshop Three: Performance

- Further discussions on Action Learning and business improvement
- Discussed effective performance
- Shared experience: A company's view on the role of IIP in delivering effective performance
- Discussed ways to get extraordinary results and the barriers to getting things done

Workshop Four: Evaluation

- Further discussions on Action Learning and business improvement
- Discussed the plan-do-review process
- Shared experience: The view of an IIP assessor
- Discussed individual business issues
- Reviewed the programme of workshops

Summary of Business Improvement Masterclass

Since the first Masterclass group met in early 2007, a further group has now completed their cycle of workshops (January 2008). Having realised the benefits of a collaborative approach the group has nominated to continue meeting and are happy to host these sessions at their own premises, with CKE NW providing the facilitation. Comments from this group include:

“The most useful this about attending this group has been the realisation that I need to start making time when back in a working environment for reflection. In fact I found the process so useful we’ve developed our own action learning set at the office to look at IiP”

“After a group meeting I’ve been more energised on my return to the workplace”

Conclusions

To date the program of Innovation Circles and the CKE NW project as a whole has indeed strengthened relationships between the University and construction industry particularly with small businesses, which in the past had failed to engage with the university to such a degree. The groups have made the university more accessible and more understanding of the needs of small businesses. The network includes nearly 200 small to medium sized construction companies who have either attended an Innovation Circle, or who access the virtual network of support and advice provided by both CKE NW and its project partners. Funding for the project is available until November 2008, however unless further monies can be secured beyond this, businesses and partner organisations will need to be able to sustain their own Innovation Circles’ existence. In order to determine the true value of the Innovation Circles from both a short and long term perspective, the project is now moving into its final evaluative phase. Data is currently being gathered in relation to improvements in turnover, sales and jobs created to enable a quantitative evaluation to take place. In addition a qualitative evaluation will be carried out with group members to assist in determining the benefits to the individual’s personal development.

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