



Collaboration matters – taking an integrated approach



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Australia's fragmented approach to infrastructure projects is one of the major roadblocks to success. It is often treated as a 'zero-sum game' as reflected in unbalanced risk allocation and penalty-laden commercial models. As a result, designers, consultants, contractors, and supply chains are frequently kept at arm's length from each other. Only when it's 'their turn' do these participants become fully invested in the project.

However, integrated practices, integrated teams, and integrated design processes are fundamental approaches to enhancing collaboration.

Increased Complexity and Integration

Delivering on the \$20 billion of infrastructure investment across Western Parkland City long-term requires collaboration and integration across the infrastructure ecosystem.

The heart of the city will be established around the new

international Western Sydney Airport and Aerotropolis and include housing diversity around centres and transit nodes. New city-shaping transport will make the city the most connected place in Australia, and the population is likely to grow to 1.1 million by 2036¹. Strong commerce, freight, logistics, advanced manufacturing, health, education, and scientific sectors will benefit from the creation of a Western Economic Corridor. This will create knowledge-intensive jobs near areas of significant population growth, propelling the corridor and metropolitan cluster forward.

This example demonstrates how infrastructure is becoming more complex and integrated than ever. It underlines that we can't keep doing what we're doing – infrastructure projects and programs in Australia are primarily procured on a project-by-project basis, with few examples of long-term, collaborative partnerships. It's difficult to imagine any other industry taking such a disjointed approach to major projects, which could explain why construction productivity hasn't increased in thirty years. A new delivery model is required to transform the infrastructure sector, founded in long-term, collaborative and trust-based relationships.

A Need for Collaboration

By shifting towards long-term, collaborative relationships focusing on outcomes, there are significant benefits for both owners and the ecosystem. While this adds a new degree of discipline to the process, it also allows contractors to offer real-world experience to the project from the start. In addition, there is potential to identify novel approaches to achieve client requirements (such as energy efficiency or natural lighting) while reducing project complexity, expense, and unpredictability.

Implementing collaborative models with longer-term relationships is supported by international best practice including Project 13 and the UK Construction Playbook.

The benefits of developing long-term relationships are myriad, including lower project costs for the owner, increased profitability for contractors, faster completion, and fewer contract disputes. Effective communication and understanding can also help to correct plan and specification problems while reducing delays. Cooperation and coordination of operations engender better decision-making and the prevention of final product flaws, assuring the owner's satisfaction.

Focusing on collaboration rather than transactions makes it possible to build support for continual improvement and long-term relationships that will extend into future projects. By investing in a long-term relationship, owners provide certainty for the supply chain and help to establish a more financially sustainable, healthier ecosystem.

The Rise of the Delivery Enterprise

High-performing teams form the foundation of successful infrastructure delivery, and industry best practice calls for integrated teams that drive collaboration and achieve better outcomes. This model was adopted by pioneering projects such as LXP (the Victorian Level Crossing Removal Project) and the Sydney Water P4S (Partnering for Success). It's a model that stands in stark contrast to the fragmented approach, which stifles genuine collaboration and leaves room for misunderstandings about customer goals and project specifications.

Sydney Water chose NEC4 contracts² to support its P4S program. The focus on collaborative behaviours will enable delivery of up to \$4 billion in building works and services between 2020 and 2030. It is the first significant infrastructure provider in the country to employ NEC as its primary procurement method.

The new NEC4-based strategy entailed replacing its traditional transaction-based supply chain with three regional delivery consortia. Each consortium currently offers a comprehensive spectrum of design, building, maintenance, and facilities management services for each region's water and wastewater assets, resulting in projected annual program savings of 5-10%.

This integrated teams approach encourages collaboration and thus helps to optimise business processes, reduces costs and eradicates bottlenecks.

Removing boundaries between the parties involved while integrating their capabilities and functions produces better outcomes for everyone concerned.

A collaborative approach

When teams recognise their work is interconnected, they more easily see that they're striving for the same goals. Consequently, transparency is at the heart of integration. Integrated teams are open about their work and appreciate the work of others. Integrity, active listening and teamwork are all required. When done correctly, they ensure that everyone is working together rather than against each other.

The most effective teams function as networks of collaborative partnerships, fostering information exchange and complementing each other's talents to get superior results.

Effective delivery enterprises are characterised across three key integrated streams: information, organisation, and process. This involves determining what work is needed to accomplish the goal, assigning those tasks to contractors, and arranging those contractors in a decision-making framework. The result is an organisation consisting of unified parties acting in harmony to execute tasks to deliver outcomes for people and places.

A collaborative approach is vital in a country implementing a \$110 billion infrastructure program³, so infrastructure clients need to develop collaborative, high-performing teams to get the most out of the integrated approach.

The stakes are extraordinary. The actions we take now will influence future generations for decades to come. So we must get it right.

References

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