

Association of University Directors of Estates



Excellence in estates and facilities

Strategic Thinking for Estates

AUDE Masterclass

17 September 2018
London

Paul Wilson



provelio

Welcome

- General notices
 - Break times
 - Fire alarms and exit
 - Facilities
- Approach for the day
 - Presentation
 - Short films
 - Technical discussion
 - Real-time voting
 - Q&A as we go/as much as you like
 - Working exercises to “have a go”

Agenda

- 9.00 – 9.15 Welcome
- 9.15 – 11.00 Understanding your estate
- 11.00 – 11.15 Break
- 11.15 – 12.30 Setting the strategy
- 12.30 – 13.15 Lunch
- 13.15 – 14.15 Leadership and communication
- 14.15 – 15.15 Managing change
- 15.15 – 15.30 Break
- 15.30 – 16.30 Continuous improvement

Introduction

- Paul Wilson FRICS - Managing Director at Provelio
- Strategic project management consultancy focused on changing organisations for the better



Outcome of the day

- To feel motivated and confident to lead and/or contribute to the strategic direction of your organisation
- To be able to create an inspiring and compelling strategy
 - Awareness of supporting guidance material
 - Explore areas of interest, confusion or concern
 - To get away from the detail of day to day
 - To encourage leadership
 - Social and technical balance

Structure of the day



Initial discussion

- Collective years experience?
- What worries you about preparing a strategy/strategic contribution?
- What would have improved your last strategy/strategic contribution?
- What was the response to your last strategy/strategic contribution?
- What would you do differently?

Understand your estate



Context setting

- Second biggest cost to the organisation after salaries
- Huge potential and untapped value
- Creates significant personal and financial risk
- The estates team are an in-house consultancy

<https://youtu.be/rTqwzimaHoY>

A key part to any organisation

Context setting

- The estate is in “INSIDIOUS DECLINE”
 - “proceeding in a gradual, subtle way, but with very harmful effects”
- There will NEVER be enough money for all that needs to be done
- There will ALWAYS be more demands than cash available

Make a little go a long way

Why do academics get frustrated with “estates”?

- No customer power to shop around
- Think they can solve their own problems (and often do)
- How would that make you feel?
- You are their expert – do they trust you?
- Do you have a greater duty to find value for money?

Think like a customer

What DOESN'T the institution want from you?

- It is what it is
- We just do what the academics tell us to
- We never have enough money for backlog so what can you do
- You get the service you pay for
- No one listens to our advice
- What I call the 'Porterhouse Blue' approach

Aim to be better

What DOES the institution want from you?

- A great first impression
- Value for money
- Quality of service (but not wasteful or over the top)
- Student satisfaction
- An easy place to work and study
- IT functions



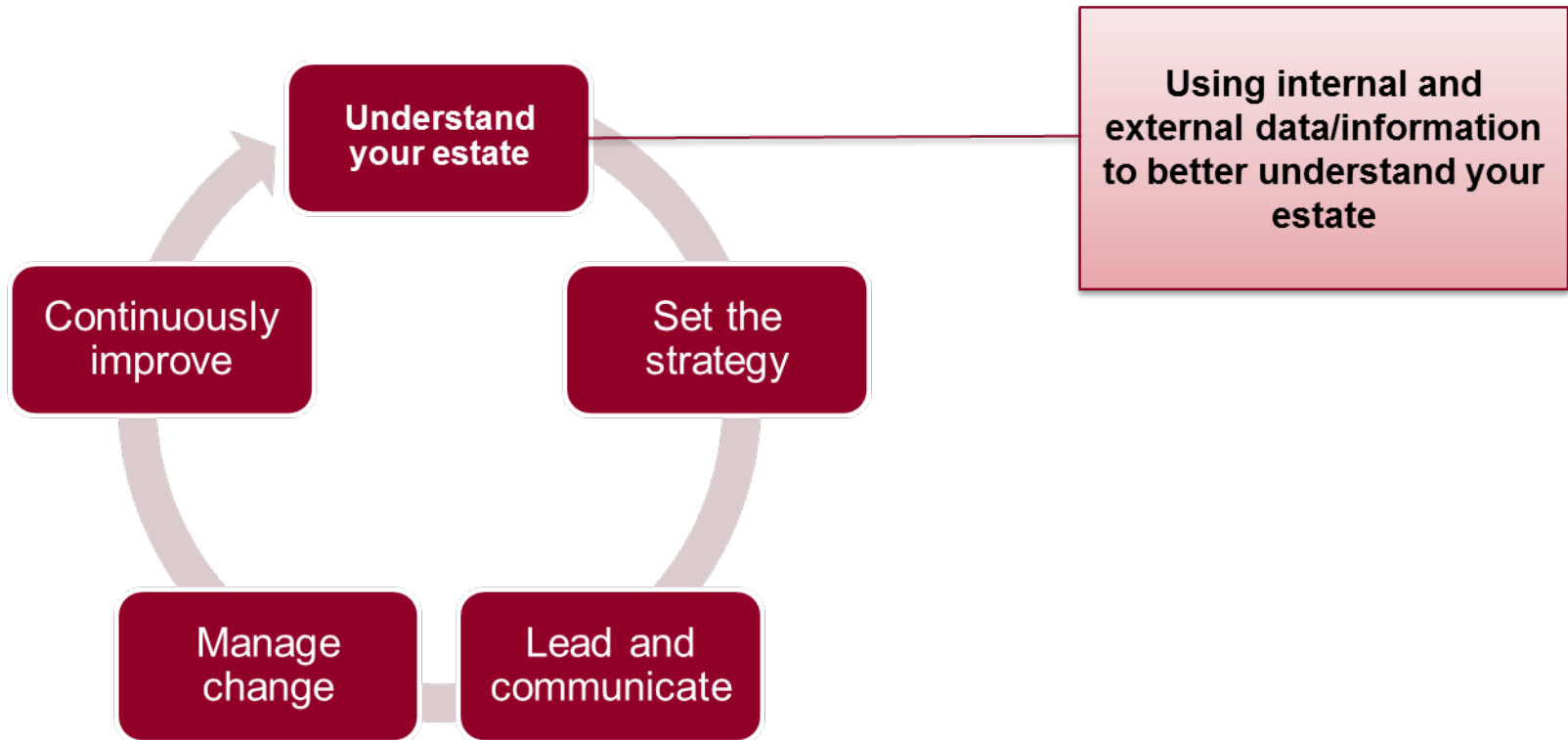
First port of call for customers

Current challenges for HE

- Higher Education and Research Act 2017
 - Office for Students
 - Teaching Excellence Framework
 - Performance data
- Brexit
 - Procurement regulations
 - Funding
 - Employees

Future changes and challenges

Understanding your estate



Estates data

- One of the most important aspects of managing an estate is understanding its data.
- Capturing and interrogating the data from an estate allows for quicker and better decision making.
- The purpose of collecting and storing data is to create a **single source of truth** that can be used multiple times.

Accurate data enables better decision making



The importance of management information

- MI is data or statistics which is collected and used to measure performance within an organisation or department
- It drives change for improvement, helps with strategic decision making and enables accurate forecasting
- Significant time wasted generating multiple data sets across the business

Provides clear and factual organisational information

Activity – Estates Data

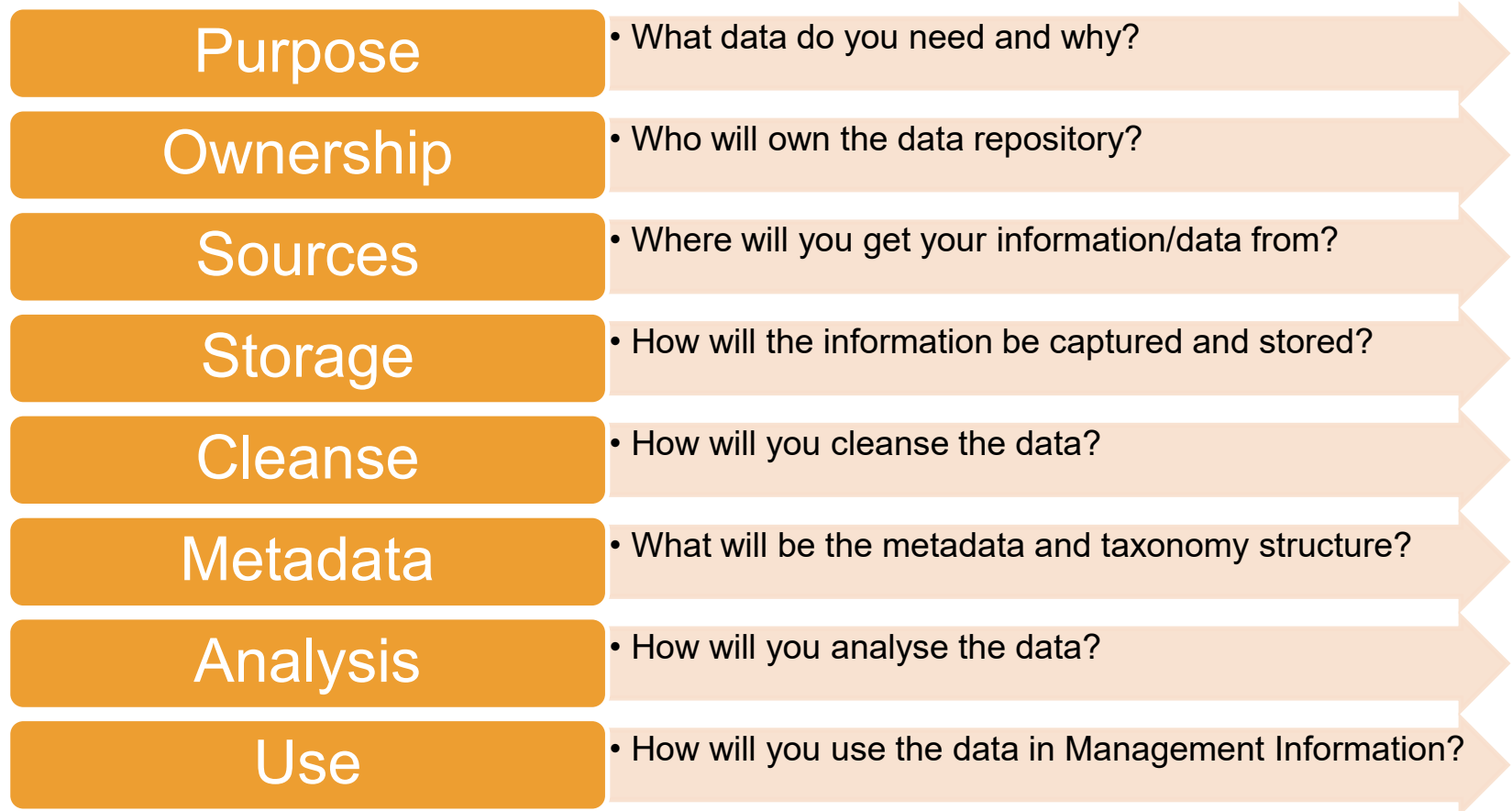
Using the template within your pack identify:

- What management information you do/want to receive
- How often you receive it
- How you use it

Estates data management



Data management process



Data skill sets

- **No skill:** Unable to read data presented in rows and columns preferring written word output of information
- **Base skill:** Able to read and interpret data in tables
- **Basic skill:** Able to populate simple base data in tables
- **Low skill:** Simple use of functions (e.g SUM, COUNT)
- **Low to medium skill:** Increased use of functions (VLOOKUP, COUNTIF), using filters, creating simple graphs
- **Medium skill:** Nesting Functions (IF(VLOOKUP(...), conditional formatting, pivot tables, more complex graphs
- **Medium to high skill:** Understanding required output and constructing data to create efficient use of nested functions
- **High skill:** Problem solving required outputs from raw data and constructing data models and outputs for end users, using array formula and/or high level multifunction nested formula
- **Master level 1 skills:** Basic VBA, complex Array, matrix, and data construction / modelling

Examples of MI

- OBS
- HESA

Follow the money

Understanding your data

- What are the patterns in the data?
- Present in lay man fashion – diagrams, graphs
- Work being done to establish if there is a statistical relationship between state of premises and academic performance or student satisfaction
- What does every £ spent do to your rankings?
- Where are you relative to others – top quartile target?
- Are you a good value estate?
- Do you properly understand it?

Data will inform strategy

Good data sources

- Performance in HE is transparent (good or bad thing?)
- Benchmarking
 - HESA <http://www.hesa.ac.uk/>
 - HEFCE <http://www.hefce.ac.uk/funding/efficient/bench/>
 - AMHEC <http://www.amhec.org.uk/>
 - CIPFA <http://www.cipfa.org/services/benchmarking/vfm-indicators/estates-management>
 - AUDE SAT (to follow)

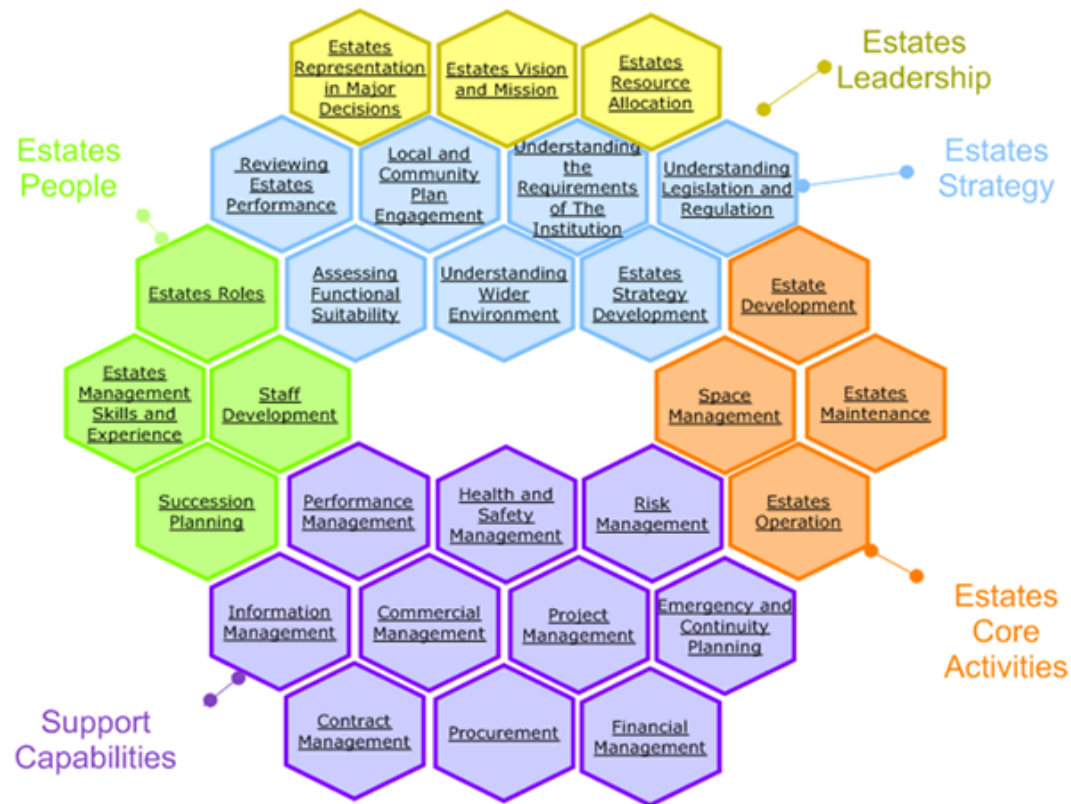
Use well regarded data sources

Rankings

- Ranking systems
 - QS Top Universities – Star rating
 - Compare Universities (let's explore the website:
<http://www.thecompleteuniversityguide.co.uk/league-tables/>)
 - Times HE
 - NSS survey
- Methodology – review and understand
- Compare universities on website
 - Spend on facilities
 - How accurate is your HESA data?
 - How seriously do you monitor your HESA data?

Understand your ranking data

AUDE SAT

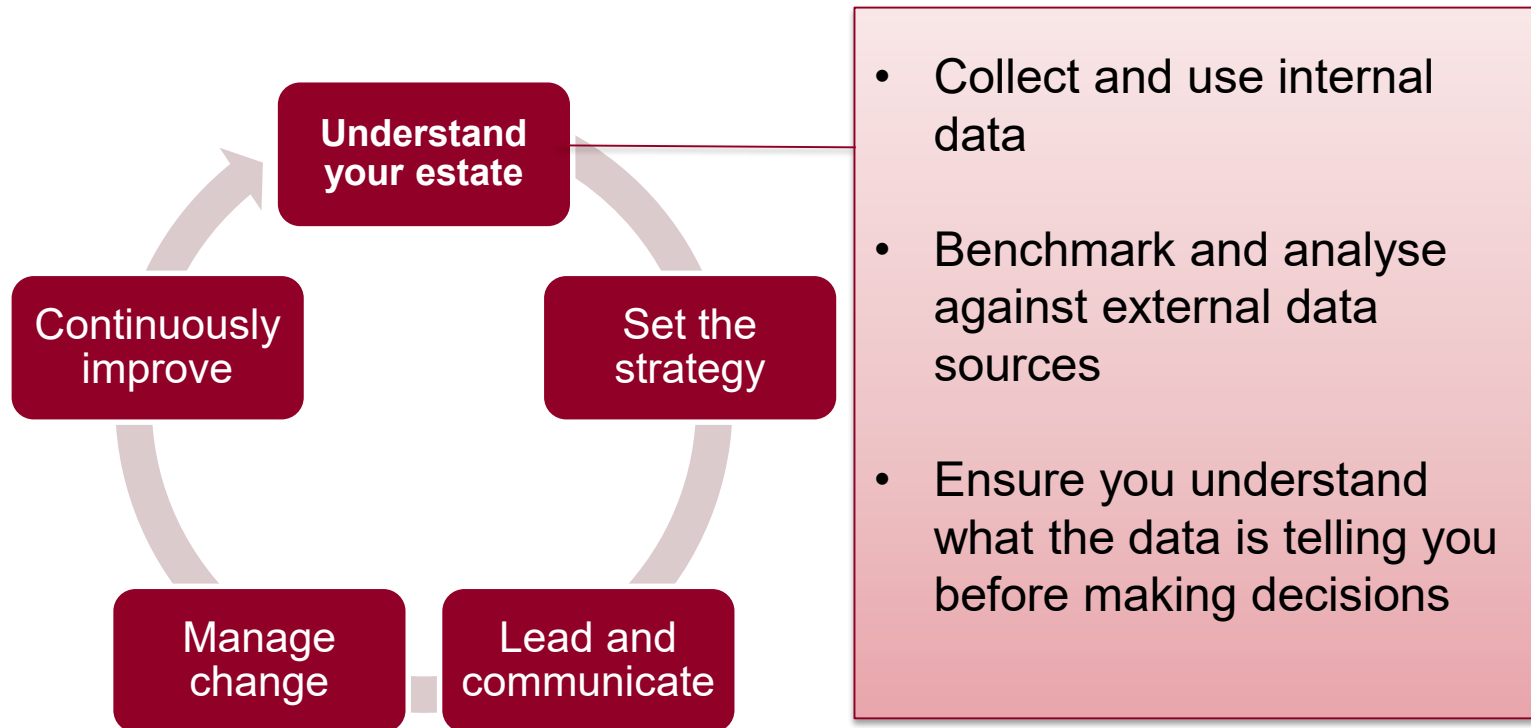


Self reflection

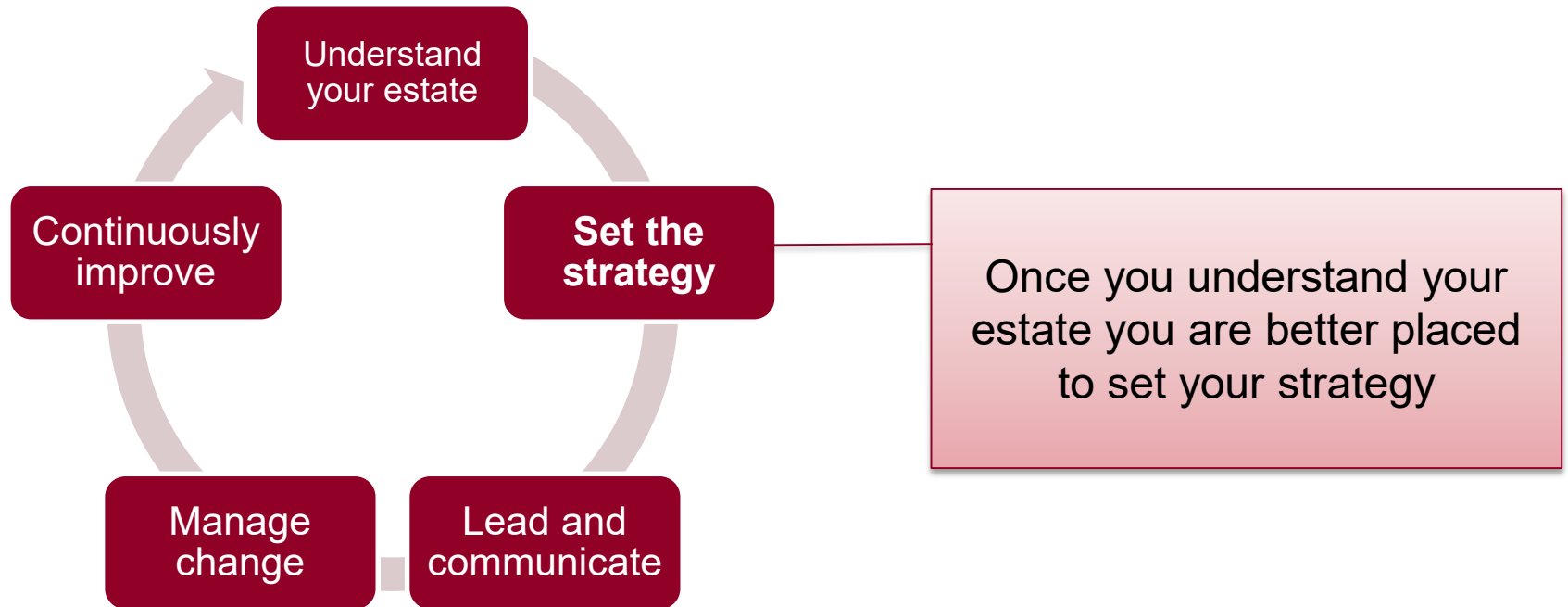
- Would you buy your services?
 - at your prices?
 - from your people?
 - with your systems?
- Are you a top performing estates team?
- How do you be the best?
 - Address the challenges, concerns and improvements you have identified

Always seek to be the best

Summary



Setting the strategy



Strategy poll

Do you have a current estates strategy?

1. Yes

2. No

Strategy poll

If yes, does your estates strategy align with the overall Strategic Plan?

1. Yes

2. No

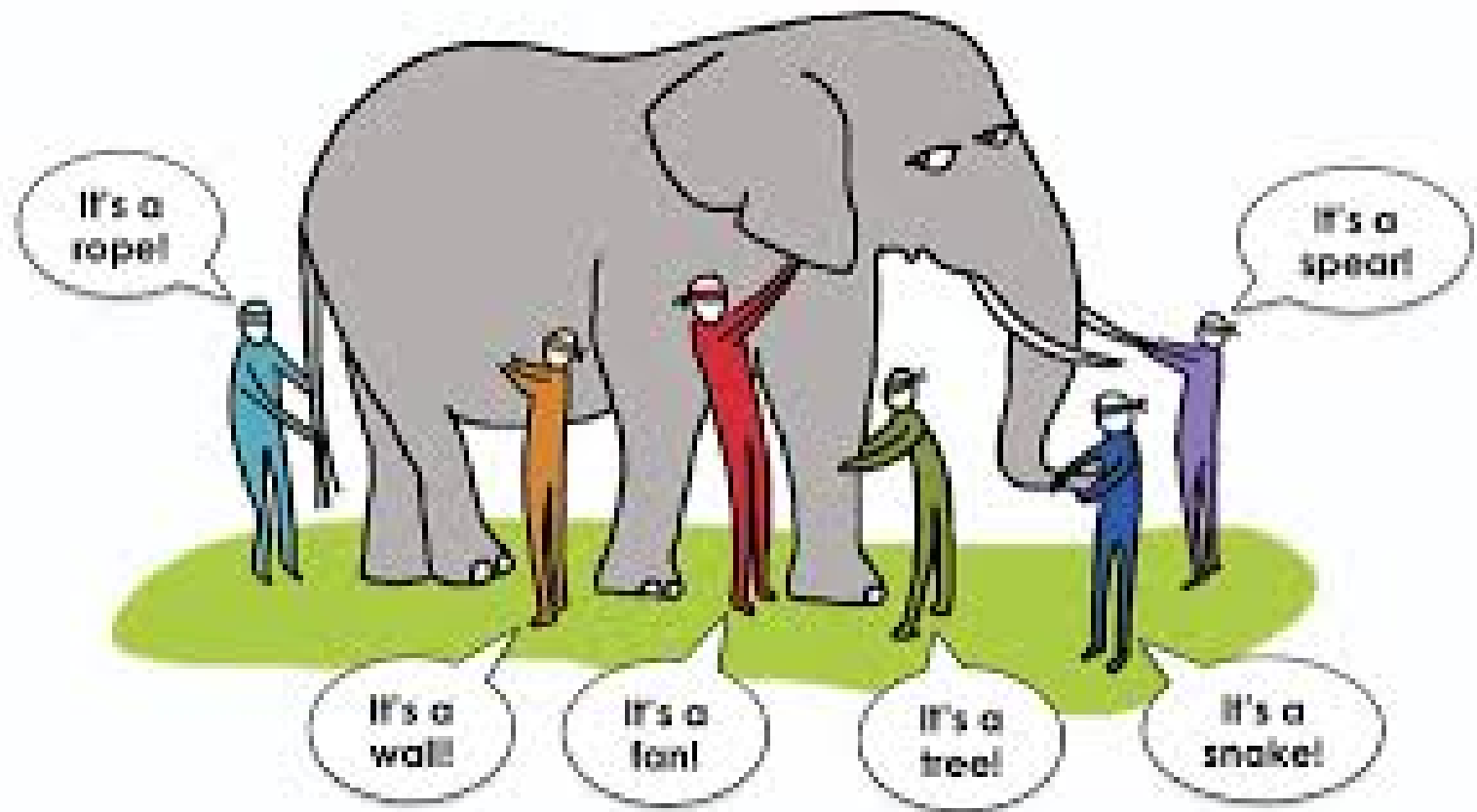
Strategy poll

Does your organisation report on estates data at the most senior board level?

1. Yes

2. No

What is strategy?



Why is strategy important?

- Opportunity to step outside of the detail - helicopter
- Thinking about the long term NOT the immediate horizon
- Thinking about the big picture and NOT the detail
- A strategy is not a plan. A plan has “big picture” AND “detail” (7:100 ratio)
- If you know where you are heading you have better chance of achieving your strategic objectives

Creating a long term vision

What do we mean by “strategy”?

- Strategy is war – think in terms of battles and campaigns
- A vision statement
- A mission statement
- A values statement
- A list of strategic objectives (achieving them is detail)
- Gap analysis

Key strategic components

Future history telling

- A great way to about the estate
- Lay people can understand it
- Your customers can understand it
- Describe in normal language a future day, week or term in estates (for you and your customers)

Creating the compelling story

Activity – Future history

Using the template within your pack describe a typical day in the estates team 10 years from now...

What does the future hold?



- An Avalanche is Coming: <http://www.pearson.com/avalanche/>
- What is the solution for India?
- What do we think our customers will want in the future?
 - International campus, MOOCs, impact of IT, social media?
- What additional services should we provide?
 - Knowhow, transfer to academics?
- What is the economic outlook?
- What will this do to the size of the estate and the team?

Explore future opportunities

HE Estates Strategy

- Estates Strategies: guide to good practice. 2000. HEFCE
www.hefce.ac.uk/pubs/hefce/2000/00_04.htm
- Estate Strategy Good Practice Guidance 2013. AUDE
http://www.sustainabilityexchange.ac.uk/files/aude_estate_strategy_good_practice_guidance_2013.pdf
Examples: Google – “university estate strategy”
- Suggested format – not prescriptive
- A focus on the plan rather than the strategy

Examine available resources

A typical HE estate strategy

- More “plan” than “strategy”?
- Renewed every 3-5 years or so
- Problem stating?
- Space improvements slow or static?
- Capital masterplan bias?
- Backlog and condition status unchanged?
- Inadequate maintenance budget?
- Energy and sustainability – costs rising or falling?



Emphasis on planning

Refresh this approach

- Inspirational and aspirational
- Outcomes focussed
- Fit for a fast moving future
- Not get knocked off course
- Set a compelling new course
- Four skills to be mastered for good strategic thinking

Emphasis on future

What makes a good strategy?



Vision Statement

Clearly states the result or outcome you would like to see from the organisation.



Mission Statement

Describes the specific role the organisation plays in delivering the vision.



Values Statement

Defines how you conduct your affairs and want to be perceived.



Strategic Objectives

The measurable aims and objectives of how the vision will be achieved.

Vision

- Relevant now AND in the future
- Touchstone for decision-making
- Not an absolute requirement but a substantial ambition needs a powerful vision
- Outward looking and unselfish
 - NOT “To be the best in the world”
- Clearly describes a result or outcome you would like to see

How you see the future

Mission

- Briefly describes the purpose of your organisation
- More readily understood than vision statements
- What you do now
- What you will do in the future
- Inspire and motivate people
- Describes the specific role your organisation plays in delivering the vision
- Poorly worded can act as a brake on your organisation

How you be your future

Examples

- Microsoft
 - Vision
 - A computer on every desk and in every home
 - Mission
 - To help people and businesses throughout the world achieve their potential
- Google
 - Vision
 - No
 - Mission
 - To organise the world's information and make it universally accessible and useful

Values



- Defines how you conduct your affairs
- Work in a consistent and acceptable way
- The larger the organisation, the more important it is to have a values statement
- Do your people represent your estate as you want them to?
 - Smart, smile, pick up litter, respond quickly etc
- What would you like to see?

How you and your team are perceived

Activity – Values statement

In your workbook write down the 5 values you would like your estates department to be described as.

Strategic objectives/goals



- Outcomes: do not fix solutions
- Operationalise the mission statement
- More specific
- Defined time frame
- Money tip:
 - Every “£” spent should contribute to the strategic goals
 - Every “£” saved should contribute to the strategic goals

Improve your aim

The FOUR strategic questions

- Defining the business you are in is vital
- What is the current environment?
- What are our competitors doing?
- What are our current SWOTs?
- How do we need to change our strategic plan?

Understand your current position

Evaluating existing position

- AUDE SAT <http://www.aude.ac.uk/info-centre/AUDESAT>
- Who has done this SAT?



Gap analysis



- Where are we now?
 - Established performance
 - Evaluated existing performance
- Where do we want to go?
 - Future history
 - Vision, mission
- So, how and when will we get there?
- Options and choices
- Presenting the strategy

Gap analysis determines the required next steps

Activity – Gap Analysis

In your workbook conduct a GAP analysis for your estate.

Everyone must “contribute”

- Role of the people is:
 - To effectively and efficiently perform (contribute) for sustainability and growth of the University
- Role of the central function (HR, facilities, IT) is:
 - To create an environment in which people can effectively and efficiently perform
- Be clear to each other if you cannot keep your end of the bargain or if you need something from them in order to

Contribute, contribute, contribute

The plan (appendices to the strategy) 7:100

- Consider and plan every aspect of your estate
- Test your thoughts on paper before committing
- Identify flaws in thinking before implementation
- Plan the management structure
- Business case for financing and investment
- Plan to measure progress and remain on target
- Overall plan for departments to detail their activities
- Attract new people, partners or suppliers
- Identify your priorities

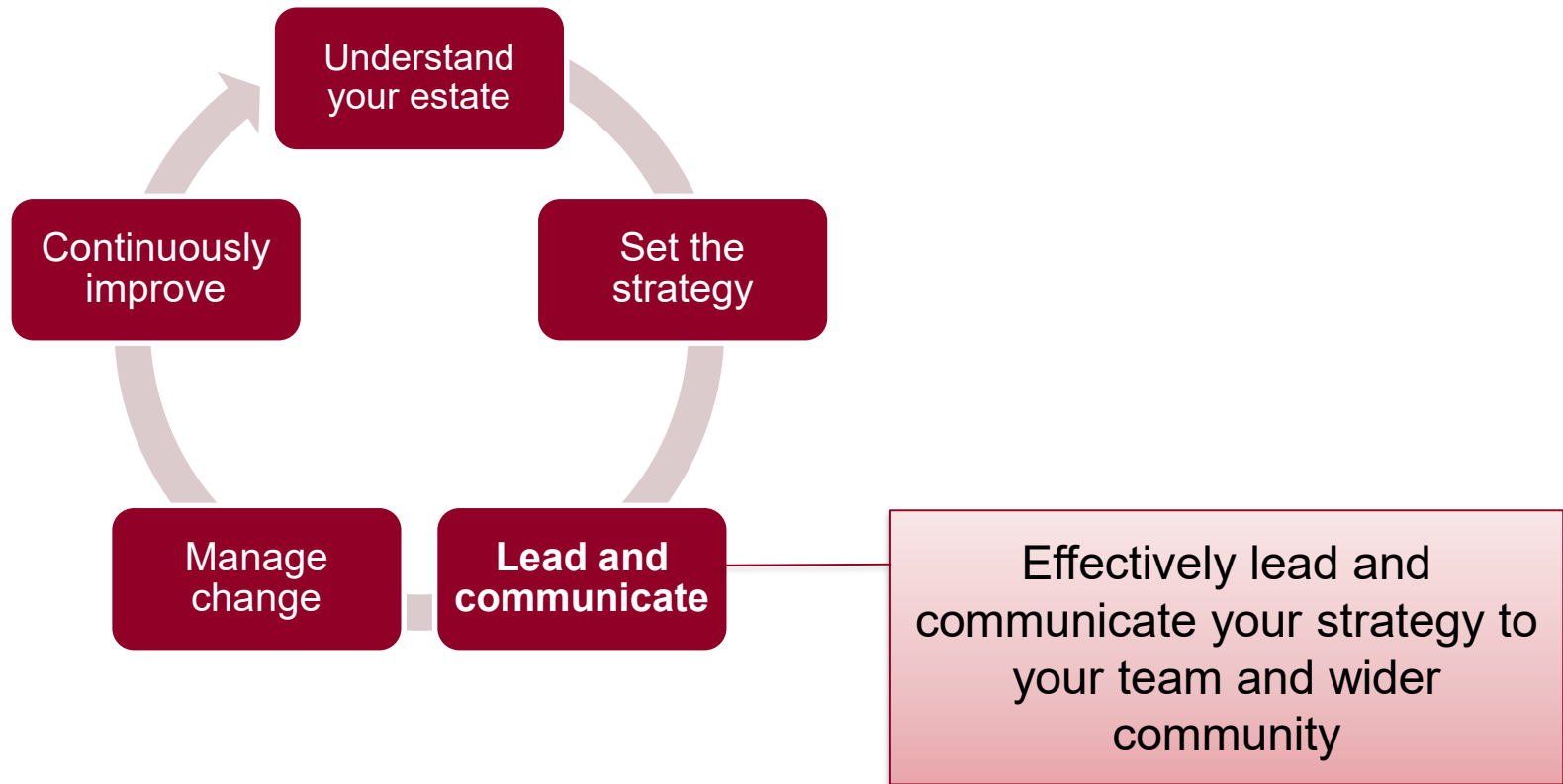
Create and develop a supporting plan

Summary



- Establish where you are
- Set the vision of where you want to be
- Identify the gaps
- Determine the steps to achieve your vision

Leadership and communication



Take ownership

- Improvements in your working day are your responsibility
- Show that you care by proposing solutions
- Pick up your boss' "worries" and do something about them
- Help them to not have to look over their shoulder

Have a get things done mentality

Job description and role

- If it's going well, do more of it
- If it's not going well, change it
- If it's not needed, stop it
- Don't be limited by your JD

Seek to add value in all you do

Your responsibility

- High performing professionals have:
 - Enthusiasm
 - Expertise
 - Empathy
- The aim is:
 - Improve your performance
 - Save time
 - Enhance your career
- Don't wait to be fed...



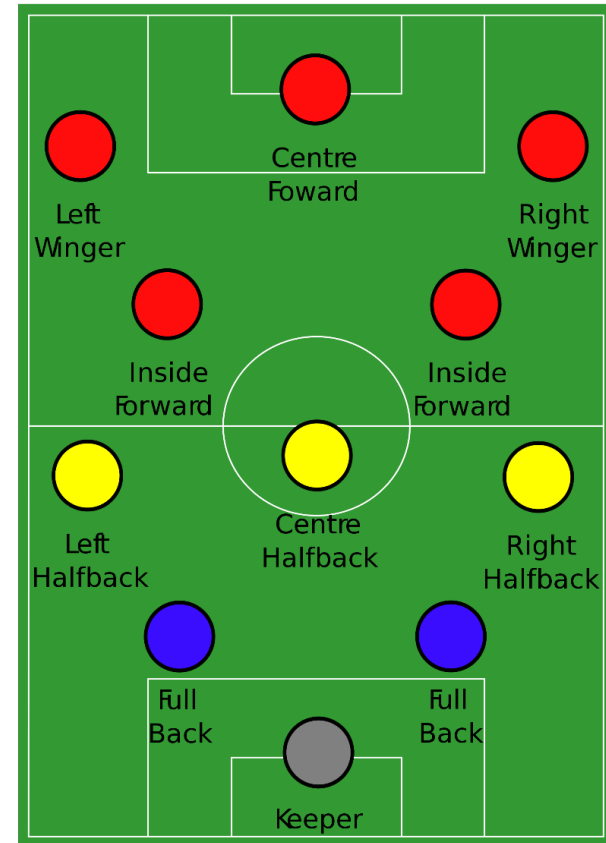
You determine your own performance

Contribution to the team

- You must make a “positive” contribution:
 - You are clear what is expected from your role
 - You have all the right skills to carry out your role
 - You all share the same goal

Incremental improvements in the right direction

Think role and position



Leading vs managing



How much of your day in each one?



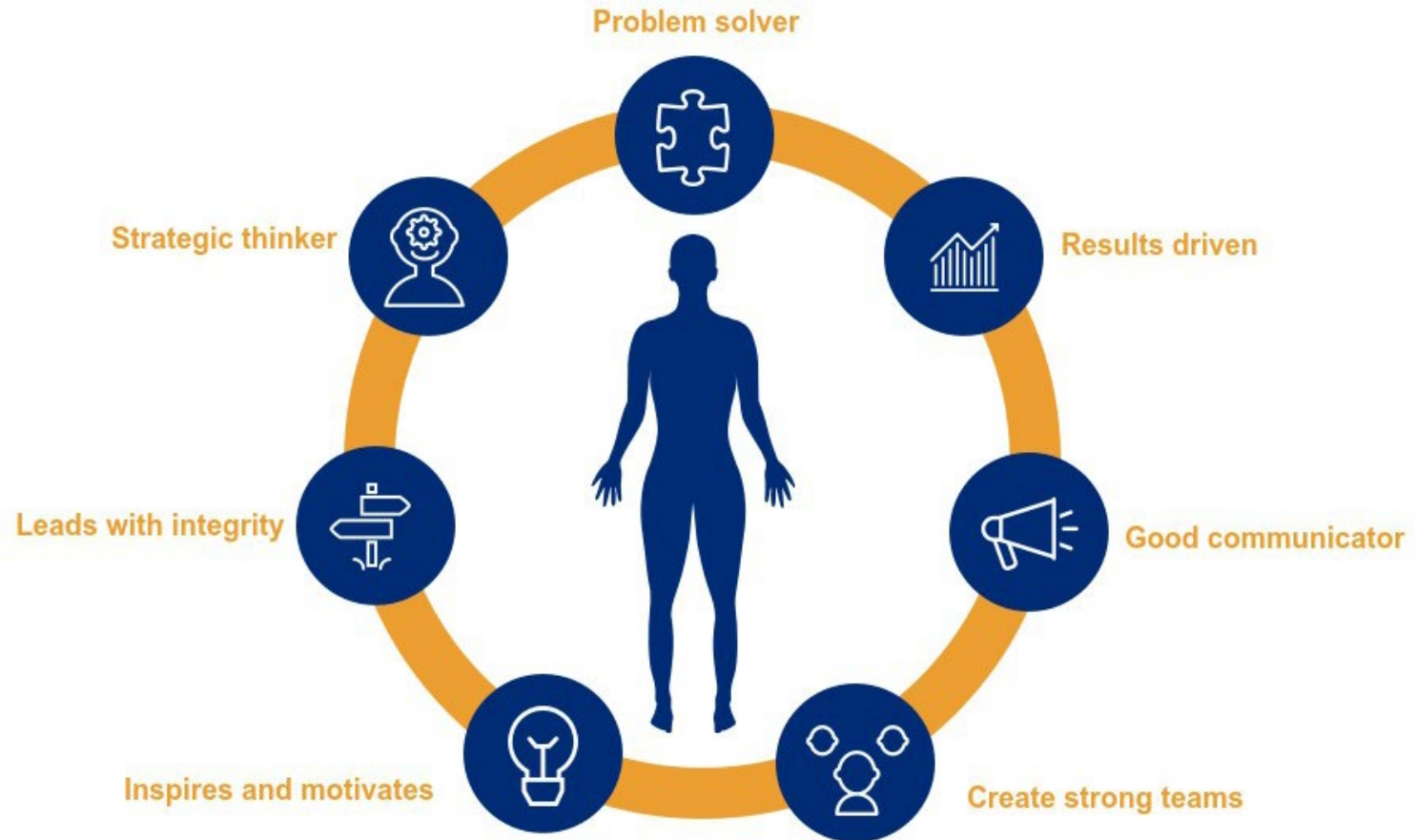
Leadership or Management?

	Leadership	Management
Purpose:	Lead	Manage
Primary focus:	Vision, strategy, people	Operations, process, activities
Period of focus:	Long-term impact/future	Short-term goals/current
Tasks:	Mentor, motivate, inspire, produce change	Budget, organize and staff, control and solve problems, produce order
Planning:	Establish direction	Execute plan
Work with:	Abstract concepts	Details
Use data to:	Synthesize	Analyze
Identification:	Earn title	May be appointed or promoted
Descriptors:	Visionaries, trail-blazers	Productive, efficient

Midwest Center for Nonprofit Leadership / UMKC

3

7 essential leadership skills



Getting it right

**Management is linked to efficiency –
getting it right**

**Leadership is linked to effectiveness –
doing the right thing**

**‘Management is doing things right;
leadership is doing the right things’**

Peter Drucker

	Not Efficient	Efficient
Not Effective	Doing the wrong thing and doing it in the wrong way	Doing the wrong thing but doing it in the right way
Effective	Doing the right thing but doing it in the wrong way	Doing the right thing and doing it in the right way

Goleman's 6 leadership styles

Style	In practice	In a phrase	Competencies	When to use
Coercive	Demands compliance	'Do what I tell you'	Drive to achieve, self-control	In a crisis, with problem people
Authoritative	Mobilizes people	'Come with me'	Self-confidence, change catalysts	When new vision and direction is needed
Affiliative	Creates harmony	'People come first'	Empathy, communication	To heal wounds, to motivate people under stress
Democratic	Forges consensus	What do you think?'	Collaboration, teambuilding	To build consensus, to get contributions
Pacesetting	Sets high standards	'Do as I do, now'	Initiative, drive to achieve	To get fast results from a motivated team
Coaching	Develops people	'Try this'	Empathy, self-awareness	To improve performance, to develop strengths

Coaching and authoritative

- These two complementary styles can be considered as fulfilling different requirements:
 - ‘command’, by which we mean authority, responsibility and direction (the healthy version of command) not authoritarian micro-management (the unhealthy version), and
 - ‘leadership’ by which we mean asking questions, getting others to achieve objectives.
- Different contexts mean that you need to flex

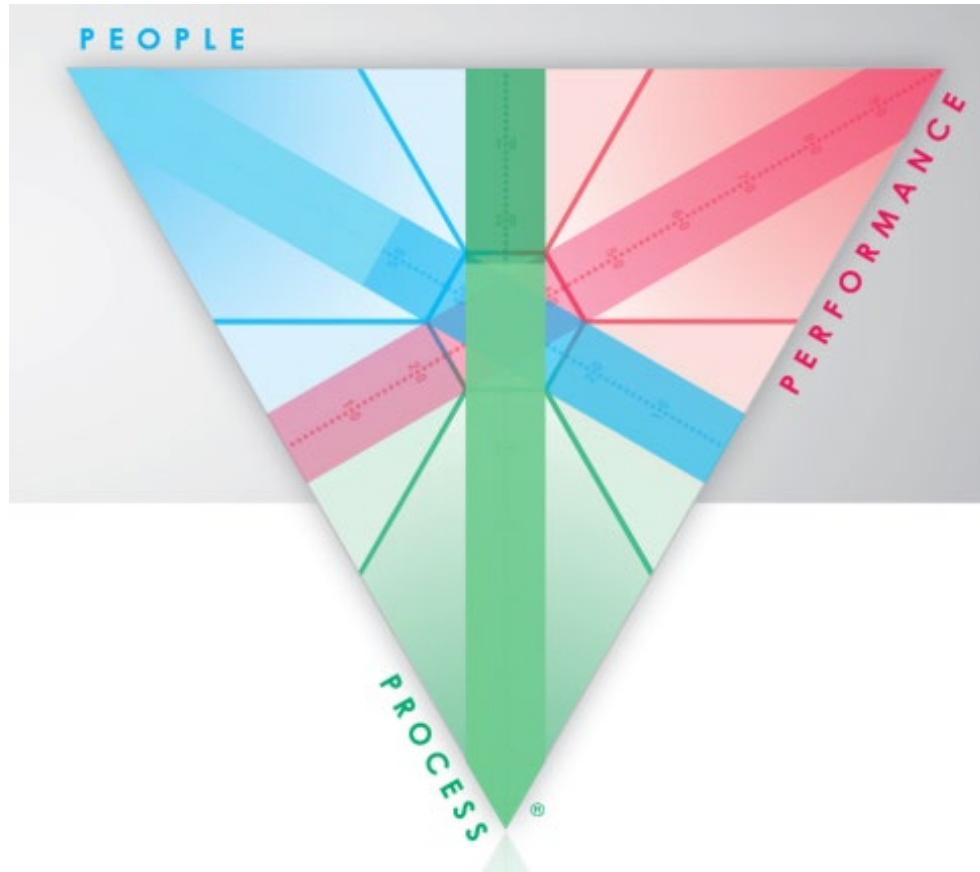
Adapting styles to motivate your team

Leadership reflection

- What kind of leader do you want and need to be?
- What do you do now?
- What stops you / needs to happen for you to close any gaps?
- Who can support you? Who can you learn from?
- Who could be your mentor?

Create an environment where everyone can succeed

Understand yours and others behaviours



Activity - Shorthand SDI profiling

To what extent do you recognise these behavioural styles in yourself?

Nurturing (People)

(Not at all me) 0 1 2 3 4 5 6 7 8 9 10 (Absolutely me)

Directing (Performance)

(Not at all me) 0 1 2 3 4 5 6 7 8 9 10 (Absolutely me)

Autonomising (Process)

(Not at all me) 0 1 2 3 4 5 6 7 8 9 10 (Absolutely me)

Communication



- How do you communicate the good work you do?
- How do you react to criticism?
- How do you communicate the services you provide?
- How do you get feedback?
- What do the other leaders expect to hear from you?
- Relationship with academics – spend personal time
- External relationships and influence – LA planners, Mayors, 10 year plans, AUDE, Constructing Excellence

Relationship management

- Everyone acts and responds differently in certain situations.
- It is your role to understand how to effectively manage relationships through:
 - **A**ssessing the situation
 - **B**orrowing the most appropriate behaviour
 - **C**ommunicating in that style

Understand your team

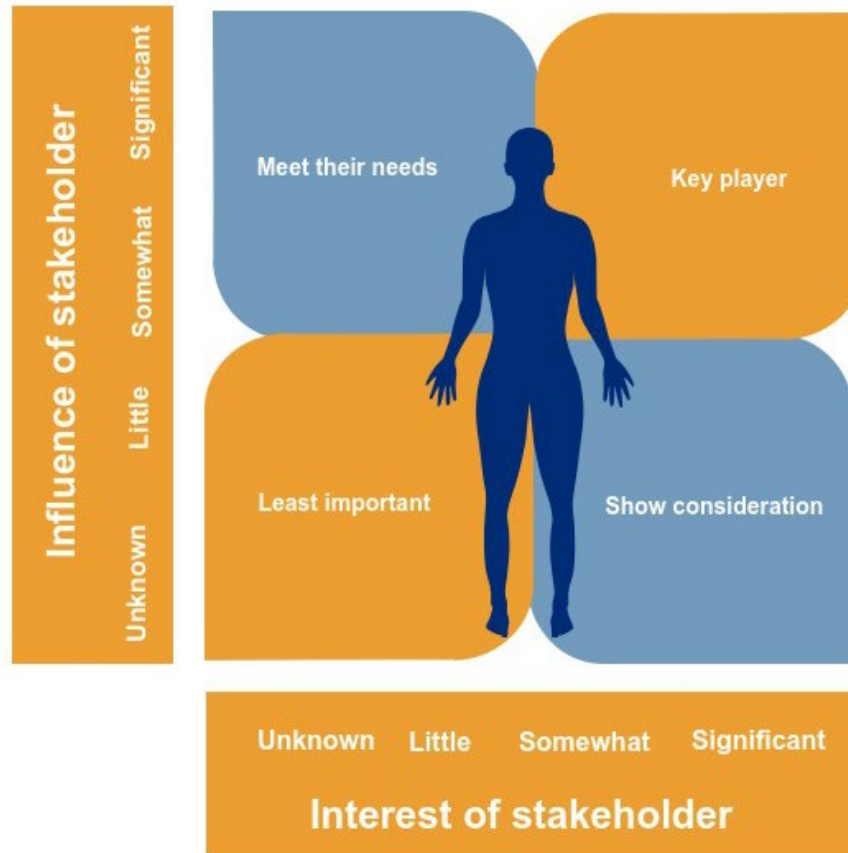
When things are going well

Personality	Behaviours	Effective style	Avoid
Nurturing	<ul style="list-style-type: none">• Motivated by the welfare of others.• Sincere, trusting, accommodating.	<ul style="list-style-type: none">• Open, honest and personal• Express feeling and emotion• Show benefit to others	<ul style="list-style-type: none">• Hostility and negativity towards others• Dismissing their helpfulness
Directing	<ul style="list-style-type: none">• Motivated by task accomplishment• Purposeful, clear, direct.	<ul style="list-style-type: none">• Clear, brief, direct, positive.• Focus on results, outcomes and actions	<ul style="list-style-type: none">• Wasting time and indecisiveness• Focusing on social issues
Autonomising	<ul style="list-style-type: none">• Motivated by the practical analysis and order.• Systematic, reserved, organised, concerned with procedure.	<ul style="list-style-type: none">• Objective, fair, logical• Respect principles and procedure• Analyse the impact	<ul style="list-style-type: none">• Use broad, unsubstantiated statements• Rushing their decision

When in conflict

Personality	Behaviours	Effective style	Avoid
Nurturing	<ul style="list-style-type: none">• Accommodating of others• Uncomfortable with confrontation	<ul style="list-style-type: none">• Calm and gentle• Depersonalise the conflict• Listen	<ul style="list-style-type: none">• Being aggressive, sarcastic or patronising• Resolving conflict quickly without facts
Directing	<ul style="list-style-type: none">• Want to take immediate action• Confrontational and challenging	<ul style="list-style-type: none">• Direct, purposeful, confident, passionate• Focus on resolution and action	<ul style="list-style-type: none">• Focusing on minor issues or emotion• Telling them to calm down
Autonomising	<ul style="list-style-type: none">• Seek rational explanation• Calm, logical and tentative	<ul style="list-style-type: none">• Listen, calm, unemotional• Prove you are listening• State ideas in logical order	<ul style="list-style-type: none">• Focusing on how others feel• Forcing a quick decision

Rigorous and deliberate communication

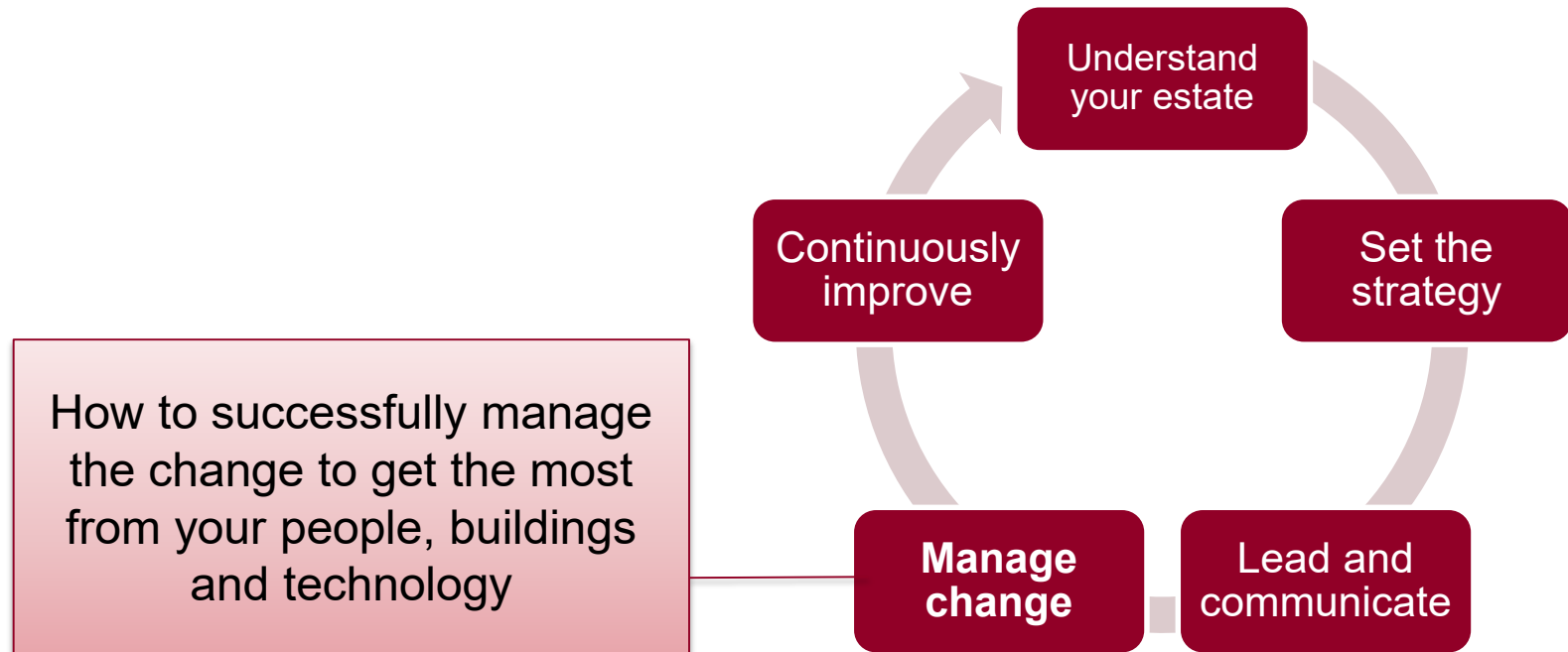


Summary

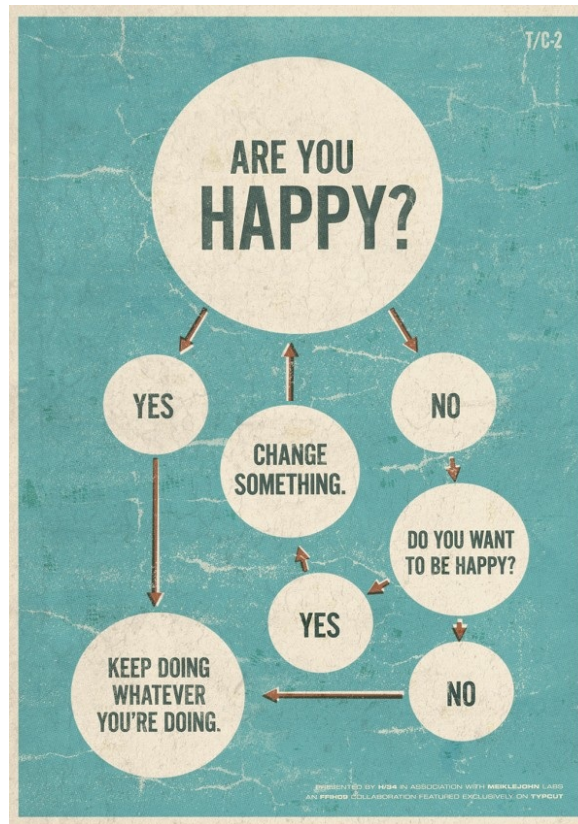


- Lead the strategy (do not manage it)
- Establish the most effective leadership style
- Communicate with people effectively

Managing change



Constant change



What can you do?

- Spend, save and/or change
- Your people, buildings and/or technology
- Change the :
 - way you are structured
 - goods or services you provide
 - way you operate
- People, then IT and last option is to build
- Don't worry about what you can't control

Always seek to be the best

How to approach change

- You cannot plan what you don't know
- Don't worry about things out of your control
- Lots of little moves (but in the right direction)
- Simply stop things and see what happens (costs nothing)
- Some things will work well and others not
- Big announcements lead to big resistance
- Use relentless logic in your persuasion

Constant steps in the right direction

Zero cost options analysis

- Change people and processes first
- Zero cost thinking:
 - No money
 - £5k - benefits
 - £10k - benefits
 - £50k - benefits
 - £100k – benefits etc

Think like there is a war going on

What can you do about it?

- Research – develop your expertise
- Find great examples of new ideas and pilot them
- Scenario plan for different space outcomes
 - What if we closed a building?
 - What if we installed new technology?
 - What if the estate was to be cheaper to run in future?
 - What if we stopped (or started) doing that?
- Build consensus based on future benefit (easy with little changes)
- Wriggle room

Describe the future

Your worries

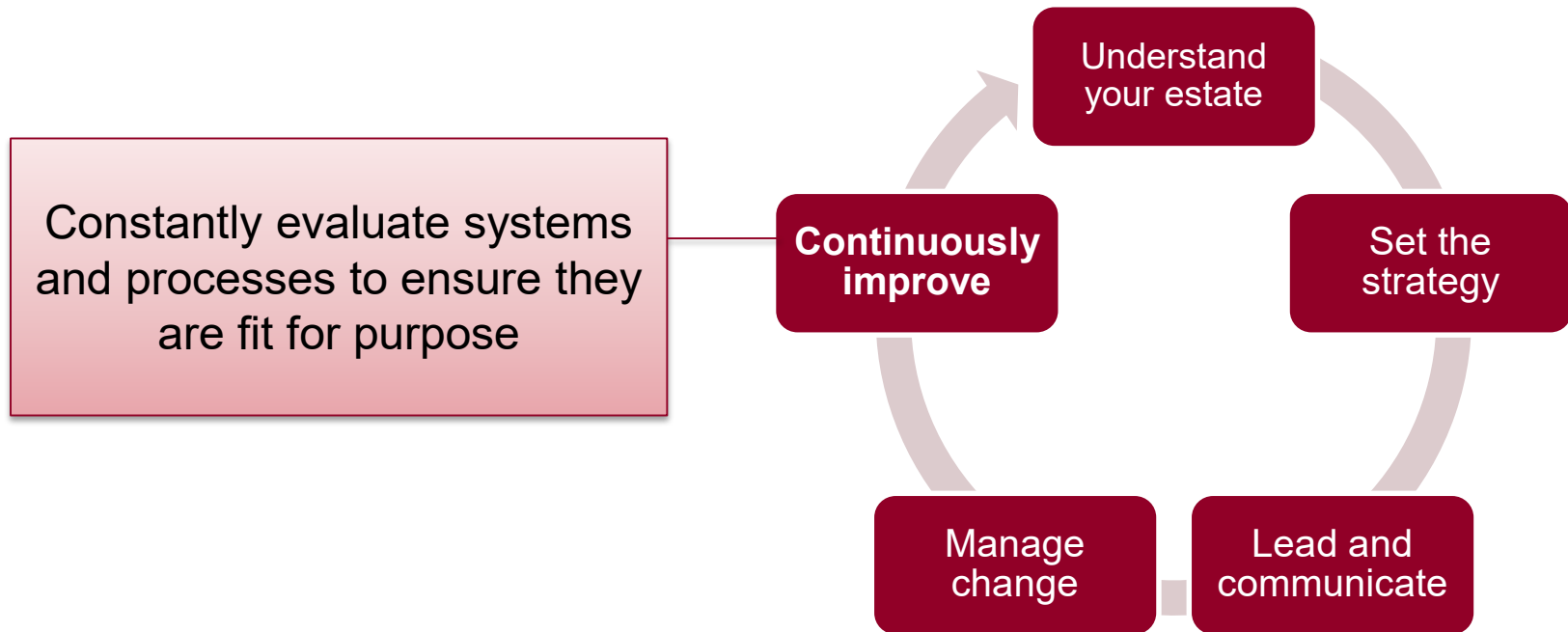
- What financially sustainable options are there for institutions to continue to invest in the estate in order to attract students and maintain the good building condition of a world class estate?
- The impact of Brexit, reducing student numbers and uncertainty with government ruling raises concerns over the ability to continue to maintain the level of financial support that is needed to maintain teaching standards and generate new developments so the University can remain competitive and achieve student growth.
- Effective use of space in relation to:
 - Increasing space utilisation
 - Changing culture of cellular office to open plan
 - Trends in classroom sizes and use of lecture theatres
 - Charging for space
 - Room booking and use of IT
 - Space audits and analysis
 - Reducing carbon footprint by increasing use of space

Managing change

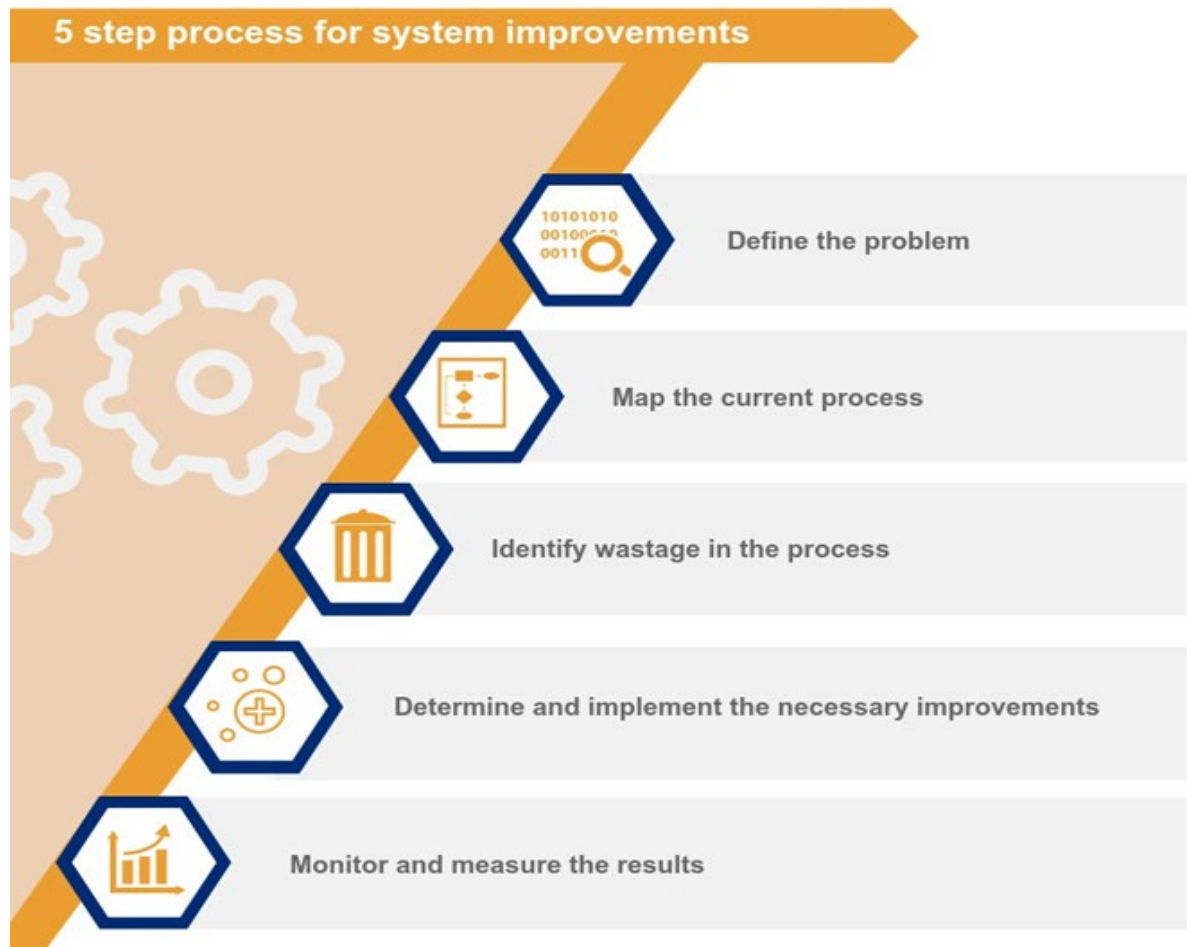
- Can change:
 - Structure
 - Goods/services
 - Operations
- Think zero cost
- Don't worry about what you cannot control



Continuous improvement



Continuous improvement



Purpose of systems and processes

- Efficiency
- Quality
- Standards
- Consistency
- Protection
- Logic
- Methodology

Streamline your systems



Streamline processes

- Make sure you take a good, honest look at what your business is doing and see whether you think each process is good enough
- Concentrate on weeding out procedures that waste more time and money than they are worth
- Work your way systematically through every part of your business to find ways to improve it

Determine areas for improvement

Implementing change

- Remember that you do not have to turn every part of your business upside down to get vast improvements in performance
- The accumulated effects of incremental improvements can deliver equal rewards
- Formula 1 teams work hard to shave a fraction of a second off a time in every aspect of the design, construction and driving of their cars

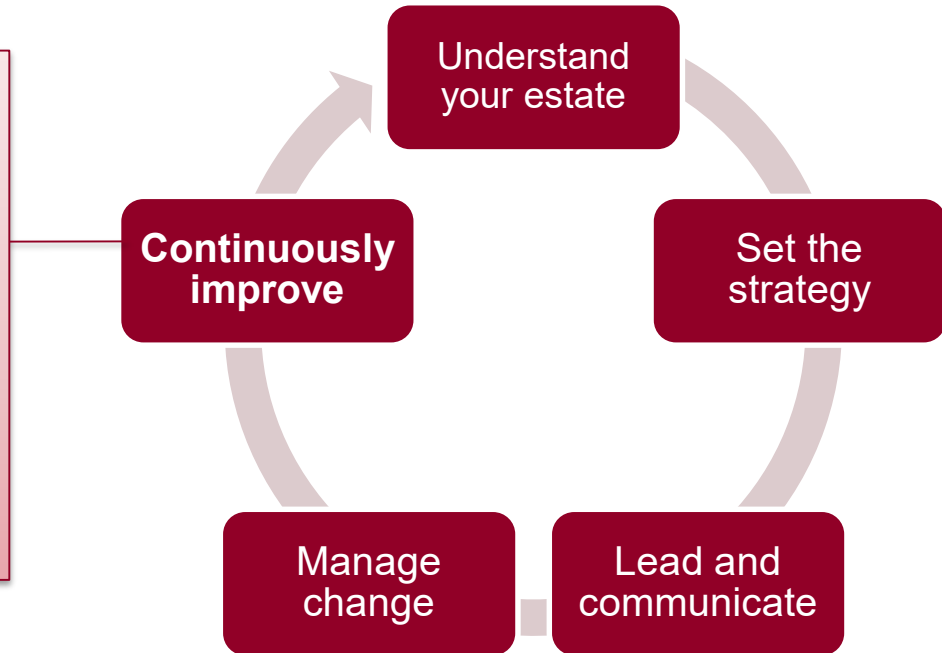
Small steps go a long way

Activity – Areas for improvement

Using the template within your pack detail the top three processes/systems within your department which you think could be improved and the steps required to achieve them.

Summary

- Processes/system must be lean
- Remove wastage
- Identify the steps for improvement
- Small incremental steps



A word on procurement...

Effective purchasing and buying

- Good customers are good at buying
- They know what they want
- They know what its worth
- They know where to get it from
- Aim to be an expert in your field

Be an intelligent client

Know what you want

- Be clear about what product or service you want and how it needs to work
- Define the services you need from others
- Understand the organisational changes e.g. to buildings, people and technology
- Demand high standards of the supply chain
- Be explicit about your requirements

Be clear of requirements

Know what its worth

- Establish a budget – what are you expecting the price to be?
- Compare apples with apples in reconciliations
- Determine what “value for money” means to your organisation
- Would you spend your money on your recommendations?
- Tease out the risks that will influence price

Understand commercial pricing

Know how and where to buy

- Keep informed about the supply chain
- Keep abreast of innovations
- What is the best way to buy what you want?
- Develop effective systems for tendering, negotiating and evaluation
- Help de-risk the price by explaining the risks
- Be open to engagement – it does not increase commitment

Understand what is available in the market

Manage your supply chain

- What do your suppliers want from the relationship?
- Forward look of workload is good for both parties
- Manage the contract fairly and robustly:
 - Variations
 - KPIs
 - Performance reviews
- Maintain good working relationships with good suppliers
- Don't put up with poor service

Firm but fair

Summary

- Good clients get certainty of service and cost
- Build long term relationships based on performance
- Be clear what you want
- Understand the market and the impact on pricing
- Manage contracts robustly

Create certainty and value



Wrap up

Summary

- Set course
- Create an environment to perform
- Run a robust business
- Right people in the right places
- Leadership

And finally....

- Feedback forms
- Proceedings from today will follow
- Further queries:
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