Millions of dollars in savings by shifting the workplace focus from ‘me’ to ‘we’.

This book is about creating a system to design and build a collaborative workplace. The idea of collaboration being a soft management touch is nonsense. To the contrary, it needs a robust organisational system where naming real issues honestly and respectfully is invited.

The skill of fighting fair is about disagreeing openly, with respect and awareness for the other. Take on the issue, delve into the issue, but learn not to attack the person. This approach to conflict and disagreement was one of the many experiences that highlighted that this collaboration project was not going to be easy going. It was not a soft, ‘fluffy’ option.

The book explains how to make more money by collaborating. Applying what is within can not only increase profitability but could also save the Australian economy more than $5 billion per annum in waste. Beyond those benefits, it provides an alternative operating model for organisational life that is good for people.

‘At the deepest level every human being knows who they are. We gave them the opportunity to experience it… and they responded. Phenomenal change occurred with very little intervention from the consultant. There was no resistance and the high level of energy generated within the project and on site was referred to as the “force”.’

Stephen Hanman

‘I often expressed the view to my staff and contractors that work is a social process. I believe that we can learn to see how we, ourselves, behave in a business context but, just as importantly, we can learn to see “the other” if we take the opportunity. Work can therefore provide an opportunity for personal growth that is different – and at times more profound – to that found in our social or family environment.’

Ian George
From me to we: design and build collaborative workplaces

Stephen Hanman
Ian George
To Albrecht Hemming,
a man devoted to us being our best
by focusing on knowing ourselves
and our shadows.
1 Discussion

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Acknowledgments

This book is a collaboration about a collaboration. It’s about creating a system to design and build a collaborative workplace. Ian George was the client and I was the consultant, along with my other MIRA Companions for Development. I will leave it to Ian to outline the many contributors to the development of the system that is detailed herein.

The creation of the book also included input by many. It had three editors, Belinda Heys who worked with Ian and me in its initial stage, Jess Hanman who worked with me to complete the book and then David Webster who did the final edit.

The writing project was a long one. Thanks to Greg Brady who was on the path from beginning to end. Thanks to Terry for his review and comments. Thank you to Corinne for the constant support. To Richard our literary agent. And to others who read and provided comment along the way.

Stephen Hanman

Thanks to MIRA Companions for Development for their contribution to the collaborative project that is the subject of this book, in particular Stephen Hanman and Jonathan Klugman.

In all endeavours there are always special people who help make a project work successfully. I am unable to thank all those who contributed to the development of the collaborative system individually. They know who they are and can be well satisfied that their efforts made this project work. Not only am I forever indebted to them but also I am certain that their efforts will bear fruit in their future tasks.

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And finally Neil Bryson, whose trust in my judgement enabled our collaborative construction projects to flourish and, as a result, for this book to be realised.

Thank you all.

*Ian George*
Introduction

This book is about a successful, people-centred collaborative approach to business, based on moving the emphasis from ‘me’ to ‘we’. It provides an alternative operating model for organisational life that is both good for people and good for profit. We created a people-first strategy that produced lean, efficient and effective outcomes, for both employer and employee.

The approach we took to develop a collaborative design and construction system is described from two perspectives. Ian George, a founding director of the building company CGA Bryson, based in Melbourne, Australia, tells of the inspiration for the work and outlines the journey taken by his organisation throughout the course of the projects.

Stephen Hanman, from MIRA Companions for Development, an international consultancy for the development of people and organisations, was employed by Ian to facilitate the transition to this collaborative approach. He describes the steps taken to transform the cultures, structures and work processes.

Despite some initial misgivings and doubts about the collaborative approach to design and construction, it produced results that leapfrogged the typical tendering processes of the more traditional system. The CGA Bryson building sites became places where people wanted to work, so much so that other building companies began asking questions about what they were doing that was so different. One of the major differences was the strong relationships that were built between everyone engaged in the projects, from those in head office to those working on site.

Trust, clear communication, a spirit of collaboration, co-design, and shared problem solving were established as key aspects of the relationship culture, which manifested in less waste and, indeed, faster construction. Over a four-year period until 2008, the construction projects undertaken with this collaborative approach were all delivered on time (and in some cases ahead of schedule), the workmanship was of desired quality (if not above), and safety was not compromised.
To add the all-important icing to the cake, significant financial benefits were achieved across multiple projects, producing an average saving of 5 per cent on overall construction costs. Once a belief in the system had been established, some subcontractors reduced their build cost by more than 20 per cent, yet maintained their profit levels. In all, financial savings in the millions of dollars were delivered by relationships that focused on simply working together.

This ‘belief in the system’ came from the results of the first collaborative project, in which the key subcontractors were not required to tender but instead worked alongside the design team, using their individual expertise to pre-emptively solve problems before they could manifest into on-site issues. As a result, on subsequent projects, the subcontractors no longer had to include waste margins in their pricing. With less competition and a greater trust in not only the system but also their fellow subcontractors, people were positively energised and were motivated to work on these sites.

This collaborative approach is relevant to all organisations. It provides a real alternative to traditional ways of working, by creating an effective organisational environment and delivering on strategic aims while nurturing the best in people.
Discussion
In the beginning

*Ian George*

I am a founding director of CGA Bryson, a property company specialising in funds management and commercial development, which at its peak had five divisions, more than fifty staff and $250 million in projects spread across private equity initiatives, joint ventures and funds management.

Despite my digit-based education, I have a keen interest in the arts, particularly in international contemporary art. The work of the German artist Joseph Beuys and his concept of ‘social sculpture’ is particularly inspiring and I have used this and other influences to inform my leadership of CGA Bryson.

It was these influences that led me to embrace a new collaborative approach to working with and managing my own staff, as well as developing relationships with subcontractors and consultants within the construction industry.

But first I think I need to recap.

I first met the construction industry when I worked at Civil & Civic, a division of the Lend Lease Corporation. Dick Dusseldorp (1918–2000) was the founder of Lend Lease and I was inspired by his introduction to the company of superannuation for labourers (a first for Australia) and his distribution of an equal amount of profit share to all employees. This gesture said to me that each employee, whether managing director or labourer, is equally responsible for the profits of the corporation. It was an inspired idea that matches reality, because without all employees doing their job the corporate goals won’t be achieved.

I moved through the company structure, from site engineer to site manager and project manager. The projects I was involved with included hospitals, libraries and other public buildings. Ultimately I became focused on commercial office projects, both in the city centre as well as on the city fringe, and often the interior fit-outs for the tenants who occupied those buildings.

In August 1987, Civil & Civic sent me to the Mt Eliza Management School (now part of the Business School at Melbourne University),
where I attended a course designed to develop leadership and organisational skills. It was run as a six-week, live-in course with participants from overseas and around Australia. On a weekend break, our group was invited to a lunch by one of the course participants, who brought along his colleague, Neil Bryson. Neil and I played tennis together that day – badly as I recall. My memory is that I beat him. He argues the opposite; however, regardless of what happened on the tennis court, I felt an immediate and strong connection with Neil.

The start of something

After that tennis game, I kept in contact with Neil, who was then the state manager of a large publicly listed property development company, and I broached with him the idea of commencing a property development business together. My background was in building construction, his in development, so it seemed a good fit. It took a while for him to come around to the idea; I remember him saying that the people he knew in the development and real estate industries told him he was mad to go into business with me as I was unknown in the inner circles.

Eventually we agreed to get together and first formed a company in 1991; however, as the property industry in Melbourne was in a downturn we waited to put any larger plans into action. It was in 1995 that Neil called me and said he felt that interest in commercial development had begun to increase. Of course he was right and it was an ideal time to start a new development company, as the economy was about to boom. Neil has an intuitive ability that is very well developed, certainly in property. I soon discovered that he could ‘smell’ a good deal.

We commenced business in earnest and it heralded the beginning of a successful and enduring partnership.

Business plan

I recall meeting with Neil to map out a business plan. My contribution was two pages long, typewritten, and in it I spoke about the three ways we might engage in business. Firstly, as a manager of development projects for others on a fee-for-service
basis; that is, as consultants. This was the low-risk option.
Secondly, as a sponsor of projects where we would package a
development opportunity (probably a large project) and seek others
to provide 100 per cent of the capital needed for the project. We
would then work for a percentage of the profit or an agreed success
fee. This was a concept that was very popular in the late 1980s
but, as we were to discover, was dead in the water by 1995.
Finally, as an initiator of personal equity plays where we would
provide all or part of the capital in a joint venture with another
party. These would be projects where we risked our own cash, of
which we had very little. It was the most dangerous option of all.
As you might have guessed, we went straight to the final option
despite the attendant risks. The other two options were not
considered for too long, as they generally had long lead times
before any fee or profit might be realised and we had only a couple
of years before our initial injection of equity into the business
would run out.
Neil’s business plan was less fulsome than mine, and it makes me
smile when I recall it: handwritten on five lines, listing only the
profits we would make each year for the next five years. No words,
just numbers, and very succinct – just like the man. Privately I
didn’t believe the forecasts, they seemed like telephone numbers,
but I said nothing. Five years later, when we looked back at his plan,
we found all the expectations had been exceeded-by quite a bit.
We decided on the name CGA Bryson; the CGA came from my
existing project management consultancy and the Bryson from
Neil. The journey began and we started to pay wages with the cash
flow from my business and a contribution of $50,000 cash each.
Neil went from driving a high-end Jaguar to a humble Honda Civic
(I don’t think the Melbourne property industry has ever forgotten
that) and dropped his salary to less than a third of what he had
been earning in his corporate job. He took quite a personal risk.
Neil sat in his office and no-one called, something he was not
used to. So he spoke to the real estate agents (who are the conduit
for property deals) and discovered that as far as the agents were
concerned, our fledgling company was pretty much a non-entity, even though he had a great reputation in the industry.

This initial lull got a little scary but eventually something came along: a small block of land that a local council was having trouble selling. As Australia was just coming out of a recession, many of the industrial/commercial players were still cautious, possibly waiting for stronger signals that the worst was over. We saw it as a buyer’s market.

Vendors were just starting to embrace the idea of providing purchaser options over their land, so potential buyers could do their numbers and secure finance while keeping control of the property, with the vendor providing an option for purchase at a pre-agreed price and date. Often these sorts of options come at a cost but, given the state of the property market at the time, there was no cost attached to secure the available parcel of land from the council. They really had no option if they were to have a chance of securing a sale.

We weren’t strong enough financially to buy the land and hold it indefinitely. The only play we could make was to option the land and hope to find an occupier, so we secured a three-month option period. Neil then had the task of securing a tenant, not an easy mission in the uncertain economic environment. To my amazement, and perhaps Neil’s, it was not long before he found an interested party. This was no run-of-the-mill business but a multinational corporation, a ‘triple A’ tenant who, as far as the property market is concerned, was very bankable.

We secured the lease but the corporation needed only half the parcel of land, so we thought we would develop some smaller speculative buildings on the remainder. This was not so easy, as we had to get finance. No bank we approached was in the least bit interested – too much risk they said. They also considered the project to be industrial, not a popular sector at the time. We argued that it wasn’t strictly so, as our plans included 600 m² of office space with a small warehouse of 250 m² at the rear, but the banks weren’t convinced.
That’s when Neil resorted to the Yellow Pages. There must be a backer out there, he thought. And there was, a financial institution that had just decided they were overweight in residential finance and wanted to spread their risk into industrial. But our new financial partner wasn’t about to let us build the speculative component, so once again Neil had to find us a tenant.

That’s how we had to operate for quite a few years, always struggling to lower the risk in a deal by securing tenants or owner-occupiers and pre-selling until we became strong enough financially to start taking risks and acquiring property ourselves (as opposed to optioning the land). I recall one time when we had secured a property with borrowed funds and settlement was due at 4.00 pm on a Friday. The financier wouldn’t allow us to settle unless we secured a tenant on another property. We signed the lease, with another multinational as it happens, at 2.00 pm that Friday afternoon. So while there were some scary moments, many times everything just fell into place.

In our first year, we secured a development project with an end value of $1.1 million. Within about 12 years, CGA Bryson had projects in hand worth $250 million, and 55 staff. Indeed, it was a remarkable journey.

**Building a business**

As you may have gathered, we ran our business on a very lean basis. In his role as developer, Neil sourced the projects (i.e., land suitable for our development ideas), ran feasibilities and managed sales, pre-leasing and leasing activities. His day was spent conversing with our lawyers about contracts (land and property purchase, lease and sale contracts) and briefing our architect on concept plans and options to maximise the use of sites. He also spent time contacting real estate agents about the status of leasing and sales inquiries, and identifying new opportunities.

Together we would brief a builder to provide estimates of building cost and options to assist in feasibility analysis; in fact we did many things together in the beginning, especially when purchasing a new site.
Once a deal was in place, the town planning process for the site was generally my responsibility. In addition, I would manage the architect and engineers to produce drawings suitable for obtaining a design-and-construct price from a builder. During construction I then acted as project manager, liaising with the builder to oversee any changes or issues as they arose. Another of my responsibilities was to manage the relationship with the bank, negotiating the price and terms of debt and finalising the financing agreements, with the help of our lawyers.

As we grew, most projects were based around the idea of speculative development. We would identify a site, conceive a scheme, buy the land, obtain approvals from authorities and then construct. We always led the market in setting rental levels that hadn’t previously been achieved, based on our belief that the quality of product, demographics of the project and an expanding economy would mean high-calibre tenants could be attracted to fill the space. This formula worked successfully. Some projects were purpose-built for a tenant who entered a pre-lease agreement on a site we owned, while others would be occupied by tenants after construction was complete.

Generally we had a good deal of control over the design of projects we undertook, working very closely with our architect to continuously improve the products we offered. We employed the same firm of architects for almost all our projects.

Looking back now, in the early days of our business there wasn’t a great deal to do. Once the site was purchased the lead time on a project was usually quite long. It could take two to three years before we had the keys to a new building and, while there were periods of frantic activity (e.g., signing a lease with a new tenant or finalising a new building contract), there were many times when we could have ducked out for a round or two of golf.

With only Neil and me on staff, communication was very good and we had little difficulty in making sense of what we did and understanding where each of us stood on various business issues. As the business grew however, and we began to employ staff, communications became more difficult, as often employees would do
things that were not what we, as principals, would have preferred. Many of the things we had to fix due to lack of communication were matters where a staff member was trying to help out, such as saving costs by reducing quality. Often we had to spend more money to reinstate the original intentions. Some staff had difficulty coming to terms with this, particularly those who had come from a building environment where keeping costs as low as possible was the mantra.

Neil and I travelled along together for a number of years and had our systems sorted pretty well, but business seemed to be a little boring. We would come into the office for the ‘coffee hour’ to make a few phone calls, me to the builder, the bank or the accountant and Neil to the lawyers, the architect or the real estate agents. Often, most of the calls could be done by lunchtime and we would repair to our local restaurant, Campari, to put on a little more weight.

After a while it became monotonous, not fully engaging. So we discussed ‘building the business’, and all that meant. I was less effusive about the idea than Neil, being concerned about the risk of building for ourselves rather than using an external contractor. At that time we were outsourcing all our project requirements, including architecture, services consulting, building construction and property management services. Perhaps I was enjoying the quiet life a bit too much, but with a little push we eventually agreed to proceed.

In 2003, we decided to bring construction, property management and owners corporation management in house, the plan being to grow the business with cash flows and profits from these services. We hoped that in the process of bringing these services in house we would perhaps develop more design control over what we were delivering and smooth out the cash flow, which is always an Achilles heel for a developer (at times we would have to wait up to three years for project completion and income).

One of the major opportunities to generate cash flow for the business was to operate our own building company. For a property developer, such a move can be fraught with many dangers and risks but can be a rewarding source of cash flow and provide
greater control over design, quality and costs.
We commenced down this path, not really expecting to build a big business, just one that would give us a little more to do. I recall the job interview with one of our first staff members when we told him we expected there would probably be about one $5 million construction project each year and that we would grow slowly over time. That assumption only lasted until the end of his first year in the job, after which development projects grew exponentially.
Becoming a developer who owned a building company led to a number of conversations with our bank. Banks are in favour of risk-averse solutions to business; owning and operating a building company is a high-risk strategy.
We managed to convince the bank that we could control the attendant risk by the way we went about contracting, opting for an integrated ‘design and construct’ approach to building the projects as opposed to a more traditional ‘design then build’ formula.
For those unaware of how this works, let me explain briefly the different types of methods for delivering a building in the construction industry in Australia.

**Design and construct versus the traditional approach**

Typically, an owner, proprietor or developer (the client) will engage a builder to take on the responsibility and risk of managing the construction of a project through to completion. The contract between the client and the builder is generally one of two types.

A traditional contract is one where the client’s consultants (architect and engineers) are commissioned to undertake the total design directly for the client and the resulting drawings and documents are tendered out to a number of builders, one of whom would then be engaged to complete the building. The responsibility for the design remains with the client’s consultants.

A common alternative is a ‘design and construct’ contract where the client (through their consultants) will develop concept plans to a certain level and provide a set of performance documents to the tender market. Under this arrangement, once the tender process is completed, the client’s architects and engineers are
contracted to the successful builder, who then takes responsibility for design as well as for completion of the building works. Clients in the main are either private owners or developers or government bodies and it is not uncommon that those from both sectors will put their projects out to tender, seeking design and construct contractual arrangements. The purpose of this type of arrangement is to enable the client to contract out as many of the risks on the project as possible (e.g., environmental, industrial, design, time, cost, quality and occupational health and safety), with the builder taking responsibility for all of them.

Our building company would enter into a design and construct contract with our development company, whereby the client and builder were separate corporate entities but related by common ownership.

• • •

During the year before we commenced our building company, I had begun attending a course on organisational development conducted by MIRA Companions for Development. The course was to run over a three-year period and involved meeting for intensive lectures and workshops three times a year, with follow-ups by the course leaders in between.

The intention was to integrate the theories presented in the course with the reality of what was happening in the participants’ workplaces. Almost as an afterthought, I began to feel that what I was learning might actually be useful in our business at the time, but it was destined to play a larger role than I had ever imagined.

• • •
Collaboration

*Stephen Hanman*

Ian George and I met at an Organisational Development (OD) course conducted by MIRA Companions for Development. MIRA is a global organisational development consultancy and I am one of 13 members. I was attending the course after selling my business, Benchmarking Success, which I pioneered in 1992. It originally started as a joint venture between RMIT University and a consulting organisation and became my own in 1999. My client base included global organisations such as Dulux, BP, HP, Energizer and General Mills.

My work as a MIRA companion is diverse, with the common link being collaborative practice. Assignments range from assisting the world’s largest miner with outbound supply chain operational excellence to the local community house and community college where I facilitate a monthly organisational review meeting with the committee of management, the CEO and CFO.

I am also chairman of the board of a privately owned family bus company, where my responsibilities include an organisational development role aimed at maximising the human potential of more than 300 employees, including 27 family members. As well, I work with a premium hardware supplier, developing high-performance teams with a focus on emotional intelligence and integrated collaborative practice.

MIRA has a unique and sophisticated organisational framework that is based on a developmental model illustrated in the two graphics on the next page. This model guides our organisational development work. We develop our processes and interventions for clients based on the premise that every human being has inherent inner wisdom. We identify the patterns of the organisation and get inside from three perspectives: the issue, the person and the organisation. This is done in a dignified, respectful way via what we refer to as the difficult or courageous conversation.
We get to the bottom of the issue or challenge in order to then create the opportunity for a conscious growth journey for the individual, the team and the organisation.

The MIRA framework incorporates four phases of organisational development and seven organisational beacons, which are discussed later in this book.

Early on in the OD course, Ian’s interest was sparked by the idea of formulating a system that could pave the way towards changing the culture of not just his business but the whole construction industry. He wanted to move his own company away from the dog-eat-dog environment to one that worked more holistically with people and the construction system. During the course, he engaged MIRA to work with his organisation. Due to my previous collaboration experience, and my stated intention to join MIRA, I was invited to become part of the team on Ian’s project.

Whether Ian was aware of it or not, MIRA had pre-established tools and outlines for a collaborative organisational system. It holds the people at its core and every activity flows from this starting position. Such a system assumedly revolves around people who are constantly in healthy and productive conversation with one another. Sounds easy, but to create a smooth system in which subcontractors were to work together, we had to establish a
common understanding of the most basic principles of respectful and professional conversation.

The health of any conversation in the workplace is relationship based; it depends on the level of trust that exists between those having the conversation. Think of the health of a relationship on a continuum between distrust and trust. We all play on this continuum in our relationships. The level of trust determines the type of workplace culture and the type of relationships we have with suppliers and customers.

At the beginning of a relationship people trust more or less, based on their previous experiences and view of life. The amount of trust in an existing relationship also depends on what has happened in the past between both parties. In the collaborative system, an upward spiral is created when people build trust between each other. Obviously this begins on a personal level and then expands to the system. People who are inducted into it are told that they can trust each other to do what is promised. With experience that supports this trust, people then build on this trust again. This means we can design together, plan together and build together, as well as resolve issues as they present.

A relationship that is based on trust is a healthy relationship. Relationships that are healthy enable people to be at their best. A key ingredient of such a relationship is warmth between people; how it feels between them. The distance between people often determines the amount of warmth. Too far away people don’t care for each other, too close and it becomes constrictive and they don’t have any space to move. One concept that helps in getting the distance right is that of ‘porcupinity’.

**Learning from porcupines**

The idea of porcupinity originated in the 19th century, in a parable by the German philosopher Arthur Schopenhauer (1788–1860). Through his story he suggested that every human being was prickly, given certain circumstances. We are all soft on the inside and use our quills to protect ourselves when we feel threatened or vulnerable. I have found this to be a really useful image to work
with when deciding how best to interact with people working in an organisation.

Working with the idea of developing a collaborative system means seeing others as both soft and prickly. As we get to know people we learn what makes them prickly. Obviously, we all have different degrees of prickliness, based on the issue, the circumstances or how we are approached or dealt with – we learn how far we can push each other. This prickliness may lead, for example, to relationship breakdown, either via direct conflict or avoidance.

An unpublished book, ‘The Organisation for Porcupines’, written in 1992 by Elaine Beadle and Albrecht Hemming, the founders of MIRA, expands on Schopenhauer’s concepts. The following is a summary of their ideas.

Porcupinity is connected with a practical psychology and the need to work with each person’s individuality, including our own. The question that needs to be answered is: what is the best way to work with a group of individuals collaborating on a project who are each focused on achieving their own aims?

We have all met individuals who are very difficult to deal with. Sometimes their social skills are less than what they need for healthy relationships to flourish. They are often driven people and sometimes have little regard for others. They are on their own path and feel no-one should get in their way. Often they do not see the whole picture.

This type of person needs to experience the consequences of their actions, for example the turnover of their management team due to their poor approach to communication and engagement. They need feedback from others who they trust and respect. To work collaboratively with others, they need to be woken up at an emotional level. The project consultant must aim to achieve this while maintaining the person’s engagement and interest. The pictures on the following page illustrate various relationship outcomes as a result of our porcupinity.
The picture at top left conveys direct confrontation. To the right is an example where people give up on each other. The picture of the locked house indicates where one party locks out someone else. The bottom picture is what is possible if the right distance can be found.

In organisational life, we observe re-enactments of these pictures all the time. To nurture a collaborative environment we need to create the right distance between people and ensure that the appropriate boundaries between others and ourselves are maintained. Achieving the right distance depends on finding the balance; getting close enough to feel a sense of warmth and connection to one another but still far enough away to avoid activating the other’s quills.

**Effective relationships**

When someone experiences interest and warmth from another person they can let their guard down. People trust that they will be heard in this environment. This nurtures deeper and more honest conversation, and with this comes connection – a fundamental human need. This connection is based on respect and dignity for
others. When the relationship is easy and honest we are better at avoiding the other’s sensitivities. In this environment people can remain creative and engaged, rather than acting from a defensive position.

The key is to learn to work with the social space between people. Some need to get closer to other people by resolving past issues or acknowledging the need for a healthy interface. Others need to be aware of not getting too close, being more sensitive to others. In his book ‘Emotional Intelligence’, Daniel Goleman suggests that what is required for emotional and social intelligence are self-awareness, self-management, ‘other’ awareness and relationship management. Current neuroscience research about how the brain works and how emotions are managed is adding to our knowledge about how emotional intelligence impacts in the workplace.

Forming good working relationships takes courage, as people need to speak honestly. Often this demands sensitivity and an ability to talk about feelings. It also demands that each person takes an interest in the other. This interest and awareness manifests itself in people knowing when their ‘quills’ are activated, or will become so. If people reach this stage of development, then it becomes possible for them to adjust to one another.

People need to identify when they themselves become prickly and to see it as an opportunity for growth. Humour enables this process and is critical if discussion and understanding are to occur in the work context. An effective relationship is about self-knowledge, self-management and self-development, as well as communicating our triggers and vulnerabilities to our co-workers. It demands disclosure of our outer expressions and our inner workings.

Various personality profiling systems, such as the Myers-Briggs Type Indicator, DiSC, HBDI, and Belbin, introduce the idea of diversity among people and relationships. We are all different and we need to learn to deal with this diversity in organisational life. I have recently been involved with Matrix Impact, an organisation that has taken this profiling a step further. The company uses a four-quadrant framework to identify a person’s style on the ‘open’ to ‘self-contained’ continuum and then on the ‘direct to indirect’ continuum.
It then asks that person to identify a key relationship that would benefit from improved communication effectiveness. They then indicate where they think they are within this relationship and nominate where they think the other person is in the relationship. This analysis creates a situational perspective and supports those interested in working in what Matrix Impact call the ‘performance zone’.

**Performance zone**

The performance zone introduced by the Matrix Impact process is a zone where two people can say what needs to be said without any fence-sitting or disengagement. In this zone, people are not too direct or aggressive but they do say what they need to say. Being productive can be defined as being direct enough with others to name and resolve issues in order to enable efficient and effective outcomes. Everyone knows where they stand and it is clear what is required. Interestingly, people often overcompensate for others and can unintentionally move the relationship out of the performance zone.

For example, people sometimes move themselves out of the performance zone to communicate with someone who is, for example, indirect. They start to communicate less directly. The relationship feels easier but is in fact now further away from the performance zone. This is not ideal and does not lead to clear communication and robust, strong relationships. A person in a collaborative environment needs to have interest in the other and build rapport. This relationship connection then enables a move towards the performance zone, as people feel safe to be more direct about their needs. The vehicle for movement is trust. The Matrix Impact process can enable any interaction to operate in the performance zone. This is what collaboration is about.

The process of leading a person to the performance zone incorporates three interventions that nurture communication effectiveness by building healthier relationships.

- The first intervention is showing interest in the other by asking, ‘What can I do to make our relationship even better?’
• Building rapport is nurtured by conducting conversations that build awareness of mutual objectives and always checking that nothing is left unsaid. Do we have the whole picture? Is everything on the table to enable a sustainable decision? The best place for this intervention is during the decision-making process, by considering multiple options rather than just one. This concept, along with interest, builds trust.

• The third intervention is building your influence by asking questions rather than telling your story. Seek first to understand and then be understood. Questions maximise your influence within relationships and across an organisation.

Collaboration exists inside this performance zone. Many organisational leaders can be seen as bullies – they tend to be too direct. In ‘The Age’ newspaper on 17 September 2011 it was reported in the Odd Spot section that US researchers had found that one in 25 company bosses are psychopaths; they disguise it by using their status, charm and manipulation. They show little interest in other people in the workplace. According to the researchers, corporate culture helps these psychopaths by rewarding callousness and the disregard of people’s feelings.

Managers can be overly directive just by telling others what to do. They need to be less direct, ask more questions, and know their team members. Understanding the other person’s life story (biography) enables a more robust relationship to be built, as it can work with people’s strengths and weaknesses. This approach demonstrates interest, creates rapport and builds influence. When leaders ask questions with genuine interest it engages people and moves the relationship back into the performance zone.

One starting point by which to nurture a workplace that operates in the performance zone is to gather the organisational people together to determine their important principles, values and behaviours. This is becoming more common in organisational life. The group defines and articulates the values and behaviours by which they are willing to live. This creates the rules within which relationships can flourish and also consciously creates the conditions for the desired workplace
culture to prosper. The culture can be simply described as ‘how things get done around here’.

Values and behaviours are a core element of a collaborative environment, as they assist us in creating the best possibilities. Clearly articulated values and well-defined behaviours state what our intentions are and express what being our best looks like. The following quote, largely attributed to Johann Wolfgang von Goethe (1749–1832), reflects this notion and suggests we are the decisive element.

*I have come to the frightening conclusion that I am the decisive element.*

*It is my personal approach that creates the climate.*

*It is my daily mood that makes the weather.*

*I possess the tremendous power to make a life miserable or joyous.*

*I can be a tool of torture or an instrument of inspiration.*

*I can humiliate or humour, hurt or heal.*

*In all situations, it is my response that decides whether a crisis will be escalated or de-escalated.*

*And a person humanised or de-humanised.*

*If we treat people as they are, we make them worse.*

*If we treat people as they ought to be, we can help them become what they are capable of becoming.*

The eminent psychotherapist Viktor Frankl (1905–1997), who wrote ‘Man’s Search for Meaning’ which chronicles his experiences in a German concentration camp, refers to the quote in a 1972 speech (available on YouTube). In the video he also details research that found 78 per cent of American students are interested in finding meaning and purpose in their life.

The Goethe quote, along with the research findings, begins to explain why Ian George’s collaborative construction projects at CGA Bryson were so powerful for many of the participants.

The idea of an individual search for meaning and purpose leaves us with a key question to answer. How do leaders deliver on
organisational goals and those demanded by stock markets, while still providing meaning and purpose for the most valuable element in the business: their people? To develop and maintain a collaborative way of working with people, leaders and managers need to work in a middle ground between organisational power and trust. In this system, the manager, with full understanding of their own responsibility, is able to maintain a relationship with their subordinates in such a way that empowers, engages and motivates them to deliver on their jointly developed aims and create a successful management system.

Power is managed cleanly, while the outcomes are delivered in a trust-filled environment. In delivering on agreed aims, people stay engaged and committed as they are given the freedom to decide how to deliver on those aims. How the formal power of organisational leaders is deployed determines the type of relationships they have with each other and with the workers.

Healthy resolution is critical if collaboration is to be maintained when difficult and sensitive issues arise between people and organisations. Managers need to keep people engaged, with each other and their work, while simultaneously dealing with the current issues. Resolution of the issues is not successful if it disengages and de-motivates the people involved.

Resolution, engagement and motivation are typically not seen as coexisting; successful collaboration nurtures this coexistence. Learning how to fight fair is a critical skill in maintaining ongoing collaboration. The concept of ‘fairness’ conjures up ideas like respect, honesty and straight talking. This increases the organisation’s capacity for change while still delivering what is required.

Forming healthy working relationships takes courage, as people need to work with the content of the conversation while being aware of maintaining good relationship practice. Issues between people and groups need to be named and then resolved. Often relationships break down because of assumptions made (and you know what they say about an assumption, it makes an ass out of you and me: ass+u+me). There is a need to find time for
conversation to establish where things are at. This requires people to name issues and detail the impact they will have. If this is done respectfully it keeps everyone engaged in the process.

Again and again I observe the busyness of corporate and organisational life and the lack of time given to building relationships. Mostly relationships are kept at a superficial level. Why is this the case? Is time simply an excuse? Building healthy relationships takes effort because you can’t control what the other person will do or how they will react. Working with this unpredictability can raise individual issues and concerns, and speaking your feelings can make you vulnerable. Often there is a presumption that the other person intentionally didn’t keep their side of the promise, when perhaps they thought they were committing to something else entirely when the promise was originally made.

**Communication practices**

When two people are communicating, to ensure there is common understanding the use of the LACE model, developed by community and organisational change consultant Bob Dick, can be of assistance. LACE is an acronym for Listening, Acknowledging, Checking and Enquiring, in order to improve communication.

Listening can be affected by the emotions of a given topic. To this communication process, Dick also offers FIDO: Feelings, Information, Decision and Outcome. It’s a process that supports healthy and sustainable decision-making. When feelings are emotionally charged, participants need to stay with the feelings until everyone feels they are being heard. This ‘feelings’ step of the FIDO decision-making process is about interest and relationship connection.

We actively care about others through listening, and clarifying and asking questions to ensure a good and sustainable decision is made. After the situation becomes less charged, the group can move to the next step of ‘information’ and then on to the ‘decision’. Key stakeholders who have established good communication habits typically deliver better decisions. The majority then support these decisions and a successful outcome is the result.
The use of the LACE model is relevant to effective communication, no matter what the situation. When using this process, differences between people (how they see things or how they plan to approach things) become visible to the group, allowing them to be resolved in a healthy manner.

Within CGA Bryson, Ian encouraged the use of his own communication practice: the three W’s and the big A. This involved ensuring clarity about ‘What’, ‘Why’ and ‘When’ you want something. The big A is the first question and relates to ‘Asking’ for help. This creates empathy (most people are happy to provide their help as this empowers them).

The MIRA decision-making process is illustrated below. You’ll see it has similarities to Bob Dick’s FIDO model. The picture-building phase incorporates feelings and information and the judgement-forming phase incorporates the decision, leading to an outcome.

<table>
<thead>
<tr>
<th>Planning</th>
<th>Picture building</th>
<th>Judgement forming</th>
<th>Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>Theme / Set aim / Roles / Chair / Time plan</td>
<td>Build a common picture about the situation</td>
<td>Set criteria to enable judgement on situation</td>
<td>Decision made. Review decision and successful implementation</td>
</tr>
</tbody>
</table>

The need to be in control can entrench people in the pursuit of independence rather than acknowledging and working actively with their known interdependence. Less than best decision-making can be the outcome. The pursuit of independence can sometimes stem from a fear of intimacy. The Matrix Impact process deals with this. Collaborative frameworks can only work if we take time with each other to build trusting relationships that are resilient.

The saying by the English poet Alexander Pope (1688–1744) that
'to err is human; to forgive, divine’ has relevance in the workplace. As humans we make mistakes, but when we have connection and trusting relationships we can effectively handle such events. This process needs more time if the work group is more diverse. For some people, these workplace relationships are very important, because work is the core part of their lives.

Over the past 20 years there have been major advances in our understanding of the brain, the mind and how everything is connected. Dr Daniel Siegel, the author of ‘Mindsight: The New Science of Personal Transformation’, presents the picture of a triangle with ‘brain’, ‘mind’ and ‘relationships’ at its three points. His research suggests that the brain is the mechanism by which information flows, the mind is the process that regulates the flow of energy and information, and it is through relationships that we share the information.

Siegel proposes that the educational curriculum should be about three new ‘R’s: Reflection, Relationship and Resilience. He speaks about the new science of personal transformation and suggests mindsight activities can decrease bullying and increase empathy.

Literature on happiness and wellbeing contains many links to the latest research on this theme. We are social beings. It seems that organisational life attempts to minimise the connections between people. That’s because organisations are vertically structured into silos and this often nurtures feral rather than federal behaviours. Why? It could be because there is a sense of inappropriateness about getting too close, so we keep our distance and this results in limited interest and warmth between people.

In relationships, people often work out of a ‘like’ through to ‘dislike’ continuum. Naturally, we have better relationships with those we like whereas we tend to avoid those we dislike. The focus in organisational life is to be interested in everyone, as this nurtures diversity. It builds and strengthens the web of relationships in an organisation. This allows all types of people to work productively in a collaborative environment, while also moving the organisation away from a personality-based culture.
(where relationships are based on like or dislike) towards a diverse culture where interest in the other is the norm. This does not equate to being nosy and prying. It means being interested in who they are, what their story is. Is not the human biography sacred? The fear of diversity changes to a need for diversity. Working with interest is a key principle of collaboration, because it nurtures each person’s own development. The challenge is to embrace those who are not like us. Our focus is on being professional, and not personality based. When people do not agree with us, the opportunity is to be interested in why they disagree. This environment is one of openness and tolerance for the other – it is not egocentric.

**Life stories**

The opportunity arises to know both sides of each other: the professional and the personal. When we know someone else we can work actively with the person’s strengths and weaknesses. This concept became blatantly obvious to me in a recent coaching experience. A middle manager missed out on a role in senior management and was given feedback by a senior manager that he needed to improve his marketing and presentation skills, how he carried himself. Most of the other senior managers saw him as someone with high potential. I coached him on these issues and opportunities for a few sessions.

We started by sharing our life stories over a two-hour process. The culture of the organisation was very outcomes-focused and before we began I explained that there would be no outcome to our sessions except that of meeting each other as people. I think he thought I was joking. Afterwards I asked for feedback and his response was that no-one in the organisation to which he had devoted ten years of his life knew him as well as I did. Within months he had a second attempt at applying for the position and received the promotion he wanted. In the coaching sessions he had got to understand himself in a way that enabled him to work with his challenges and overcome the aspects that another was not able to work with constructively.
My experience is that senior management teams often know very little about each other or about the people who work for them. What could be the reasons for this? My sense is that most senior managers do not consider their role as being any more than that of a manager. They see no need to relate to each team member’s personal life. Or maybe they keep their distance because one day they may need to give marching orders. This is a very negative picture and not one that enables us to be our best. In contrast, a more mature approach is to energise and engage the team. If the market and organisational conditions change and wholesale restructuring needs to occur then that issue can be managed openly and humanely. People who spend time nurturing healthy relationships across the organisation are more influential.

Given the chance, many people have the necessary understanding and experience to work with these relationship ideas; it just takes the right conditions to put them into practice. Often the competitive system is against a relationship approach. Mainstream thinking says that you need competition to get the best outcome, which is why tendering is the dominant practice across industries. But this approach mostly flies in the face of finding the right strategic partner. There is no doubt that competition pushes the boundaries and keeps us focused. It is absolutely critical. But it is sometimes applied in a nonsensical way to nurture internal competition, when collaboration would be the preferred approach.
A living process

*Stephen Hanman*

To understand the right amount of relationship connection, Albrecht Hemming, one of the founders of MIRA, created a four-element model. When the four elements are in the right balance they nurture collaborative processes that deliver sustainably great outcomes. The four elements of the model are:

- Relationship
- Information exchange
- Process and consultation
- Structure and resource deployment

My experience with most organisational settings is that the first element, relationship, tends to be missing.

**Relationship**

The coaching example in the previous section highlights that both interest and warmth in professional relationships was missing from the organisational model in that business. Another example is how some organisations select strategic partners. They do this without really knowing them. They undertake significant analysis of the requirements around information, process and structure/resource deployment, but quite often the relationship aspect is unsophisticated.

Leaving the relationship analysis out of the selection process is fraught with danger, as many a supplier will submit a quote with a low margin in order to win the work, believing they can claw it back later. This is not a good starting point for a long-term relationship. Imagine starting a marriage like that! In the competitive model, this is the typical approach and it is seen as rational and sensible. However, in a collaborative framework, it simply does not make sense.

In the competitive model, organisations typically begin the relationship only after they have selected the strategic partner. Then they wonder why it goes wrong, which it so often does. They take that approach with the thought that it delivers the
lowest price and is seen to satisfy probity requirements. Often, the retributions then begin as the supplier questions the accuracy of the information that was provided in the tender, particularly with regard to the scope of the work.

This miscommunication between the two organisations can then escalate to a point where it becomes personal, and conflict breaks out. The two parties have no capacity to resolve the issues as no relationship was developed prior to them working together. There is limited understanding of each other and no solid foundation on which to work. Contractual issues and supplier demands can lead to the breakdown of the relationship, with disputes over what is fair payment for the required scope of work leading to conflicts that can’t be resolved.

The organisations may continue with the relationship but it becomes cold and conflicted, a tit for tat where everyone loses. At the first opportunity, each organisation will look for a new strategic partner or, even worse, will be put off the idea of working collaboratively and move back to a more transactional relationship. They then tend to stick with the competitive model, believing the devil you know is better than the devil you don’t. The challenge is to see the systemic faults in the competitive model and decide to improve the collaborative model.

In working collaboratively when you are doing business with incumbents, the task is to build the relationship with all service and product suppliers. Organisations should continue to ask questions about deepening their relationships and the value of collaborating more.

Another example of lack of relationship can be seen in any organisational meeting. They typically start with information exchange and not relationship connection. The relationship focus is missing. The meeting chair moves to the ‘information exchange’ element without building any interpersonal connection. Doing this presumes that everyone is fully attentive, irrespective of what else is happening in their lives.
I have been in meetings where it is clear that people are disconnected but the chair ploughs through the agenda regardless, as this is considered the most important thing to do. The relationship element creates a more human, sustainable approach. A healthy meeting begins with a people ‘check in’. How are the people in attendance feeling? Are they all present and engaged in the meeting agenda?

I often begin meetings by requesting a personal contribution. One option is to ask, ‘How much is each individual able to be fully present?’ People often look confused but soon embrace the idea that we each have our good days and our bad days, based on what else is happening in our lives. The feeling of confusion often turns into relief as they have the chance to share what is happening in their lives. This then enables them to concentrate on the task at hand.

As the facilitator, I work with what I know. If someone has been up all night caring for their ill child I may not expect as much from them as from the others. I share the load based on who is capable. In a collaborative human environment I know that the person who is feeling under par one day is likely to improve the next. I often see people relax as they feel that they have been seen in a different way. They engage because their state of mind has been considered.

The first time this people ‘check in’ takes place, about ten minutes needs to be allocated but thereafter it takes only a few minutes. The session creates conditions for a successful meeting where the decisions tend to stick, as they have the input and support of all those who are present. There’s a sense that everyone knows each other, and when we know each other we care more about the commitments we make to each other.

Spending time building relationships is a critical starting point of any meeting and involves the art of conversation and interest. The objective is to weave the social fabric between the meeting’s participants.

Another aspect of a healthy meeting is that the agenda must be consciously developed, ensuring that all relevant issues are on the table. This builds trust among the participants. If people know that
major issues are not on the agenda it tends to create distance and suspicion. The meeting conversation needs to be real in terms of dealing with all relevant issues, including making commitments and agreeing to the next steps. In my experience, transparency builds trust; a lack of transparency builds distrust.

To nurture a healthy meeting, the facilitator can simply ask the following questions: How are you? Have we said everything? Is there anything that has not been said in this conversation that needs to be said? What will stop us from delivering on this promise? Who needs to be informed of this decision?

A healthy relationship does not include false warmth; pretending to be friendly is not the objective. Having genuine interest in the other person is the goal. Building this relationship focus enables any group to operate as a powerful unit that will stand strongly together and pursue and achieve their stated aims. A motivated team is always more productive.

In our collaborative construction projects with CGA Bryson, the builder developed healthy relationships with partners and resolved issues before they ended in court. They sensed that implementing a process of not tendering for services could be an advantage.

The collaboration formally began when they announced that they would not tender for a group of seven contracts that equated to about 75 per cent of the construction spend. Instead they took the non-tendering route with suppliers they knew and trusted. In fact, with many of these relationships, non-tendering was seen as a natural next step. Even so, the builder was demonstrating considerable faith in these suppliers. It was a huge leap and one that the subcontractors had never experienced previously.

**Information exchange**

We followed a process of giving time and attention to developing the relationship element in the collaborative construction projects. In nurturing and deepening relationships, we observed that the necessary information was shared openly with the people who needed to know. Because each party ‘knew’ each other they learnt what the others needed to be successful.
Through this open exchange of information, the promises that were made in the decision-making process were kept, and planned outcomes were delivered punctually and for the most part without hiccup.

With good relationships established, the exchange of information typically looks after itself. A flow is created when people involved have the required authority to keep the process moving.

**Process and consultation**

Typically, in a vertically based organisation the authority needs to flow up the silo or department.

Often this process is fragmented and driven by political content. What needs to happen, and who needs to know, gets lost in the power games. In the collaborative construction process, the people who attended the weekly site meetings had the authority to decide. They did not need to stop the flow by having to refer the issue to head office. This required a conscious review of decision-making power across all the subcontractors.

Process also relates to how people and information are connected. Does the process flow? Does it make sense to the participants? Are the right people at the meeting? Whether the right people are in the room is often determined by the health of the relationships. If the right people are not there, the outcome is far from best.

**Structure and resource deployment**

The fourth element in the Hemming model is structure and resource deployment. The required structure for the process should be dynamic, based on the requirements. The organisational structure should also be an outcome of these other three elements. As well, the deployment of resources needs to align to the other three elements.

What are the physical infrastructure, systems and IT support required to deliver success? Balance is required; you don’t need a sledgehammer to crack a nut. Structure is needed but only enough to enable the other three elements. If strategic decisions are made in the meeting, they often come about without a broad-based, picture-building process that develops criteria for making the right
decision. They are often made by the highest-ranked person in the meeting. When implementation begins, problems present.

Successful organisational outcomes can be sourced from a healthier decision-making processes that engages each participant in the steps of planning, building the picture, forming a judgement, setting criteria, making the decision, and then reviewing that decision. Often, such decisions on the CGA Bryson collaborative construction projects involved multiple actions by a range of people. Success was determined by people doing what they said they would do in a timely fashion.

Making decisions and then reviewing the success of that decision is part of a living process. Success can be measured by achieving the aim. Reviewing the outcomes is an intrinsic part of the 'plan, do, review' process. Collaborative participants learn to see the meeting agenda and how the meeting is conducted as success factors. The decision is the outcome.

In the case of CGA Bryson, getting these four elements in balance went to the heart of creating deep collaborative processes. A conscious focus on the elements of relationship, information, process and consultation, and structure/resource deployment created an ongoing vibrant environment that delivered improved design and construction outcomes across all the construction projects. A balance between the four elements was achieved through the art of facilitation, and engaging with all participants nurtured this.

These four elements can interact like a living system that enables us to be our best. Living systems are capable of learning and growing. They are living because they are open, self-organising and interact with their environment, maintained by flows of information, energy and matter. This concept applies to organisations and to the collaborative construction system.

Perhaps the idea of the four elements can be likened to Dr Siegel’s research about the three brains in the human body: one in the skull, another around the heart and the third around the intestines. It gives new meaning to 'gut-felt’ and 'heart-felt’ connections.
Siegel says that all bodily cells are connected; one can’t live without the other, they are interdependent.

The four-element living process combines the vertical system of information exchange and structure, and resource deployment, with the horizontal system of relationship connection and process flow and consultation. In my work, I observe people who are mostly competent with one or the other. They are strong vertically or horizontally but it is not common that they balance all the four elements. This is the skill that is needed for collaboration to prosper.

The outcomes that flow from a balance between these four elements can be profound. They are illustrated below. Imagine the human being in the middle of this arrangement, which is in the form of an asteroid. Noted under each element are, firstly, the benefits it brings to the balance process and, secondly, the negatives that can manifest if balance does not occur.

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**Information**
- Transparency and clarity.
- Leads to consciousness.
- Makes differences visible.

**Negative:**
- Cold light. Leads to rigidity.

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**Processes**
- Connects. Movement is healing – flow.

**Negative:**
- Breathless processes.
- No stability.

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**Relationship/Warmth**
- Penetrates everything.
- Makes development possible.
- Builds trust.

**Negative:**
- Creates false ‘we’.
- Cowshed syndrome.
- Too hot: False enthusiasm.

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**Structure/Resources**
- Firm forms. Instruments.
- Methods.

**Negative:**
- Unchangeable. Stubborn.
- Dominance of matter.

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**Interface conversations**

MIRA recently worked with a company that provided fuel to a chain of service station retailers. There were problems in maintaining
product delivery to the service stations. The impact was that the retailers were not viable without fuel at the bowsers.

The issue escalated until the global CEOs brought the matter to a head. ‘Get it sorted!’ was the demand. A power play around organisational structure had led to a ludicrous situation. The logistics group had been asked not to communicate with the transport carrier. MIRA provided a path to sort out the problem.

In line with the four-element model, we brought together the 20 people, from four different organisations, who managed the fuel delivery and administration processes. They attended a four-day workshop with the aim of resolving the issues. The problems needed fixing at the source and it was crucial that middle managers supported this goal. Given the depth of the problem, senior management made the decision to proceed. United in purpose, the organisations empowered the people who ran the processes to fix the issues.

The framework for the workshop was an ‘interface conversation’ that deploys the four elements. This approach enabled those involved in the process of fuel delivery to meet, discuss the issues and then identify solutions to improve fuel availability at each retail outlet.

The workshop began with a check in and a ‘getting to know you’ exercise. The next step was a ‘spring clean’ process, a review of each organisation to identify opportunities for internal improvement. Each organisation was asked to present their improvement opportunities to the broader group. When the other parties heard the ideas presented, they moved from a position of blame to one of responsibility.

The spring clean enables the interface conversation to go deeper and focus on the roots of the issue and what the parties can do together to fix it. The technical outcome of the spring clean was the list of improvement ideas. The relationship outcome was that the organisations were committed and motivated to deliver the changes that were agreed.

After the four days, the participants left the workshop with a
common view of the issues and clarity about who was going to do what and by when. Their aim was to achieve a quantum leap in terms of improvement. There was excitement about being empowered to fix the problems but there were also some reservations about whether the group could deliver what had been outlined. One middle manager openly mocked the possibility of any improvement in delivery.

His pessimism was misguided. Two months after the workshop, the group gathered to review the result of the project: the problem had been resolved. The senior manager responsible for the improvement project succinctly summarised what he thought had happened, and it aligned with our four-element model. He said, ‘It is like we now have the right relationship with the others. We decided together what information we needed to share and who should share it and we identified who should communicate with whom. The process we created at the interface meetings flows effectively and the whole system is now working and giving us the desired and targeted outcomes’.

In this statement, the manager described the four elements – relationship, information exchange, process and consultation, and structure/resource deployment – all working in balance. The feeling in the room about what had been achieved was profound. It also challenged the organisational hierarchies that had created the whole, bizarre situation. Prior to the workshop, the people only ‘knew’ each other over the phone; they had never met face to face. I remember the initial feeling of anxiety and embarrassment within the group about the situation. Two months later they were proud of what they had achieved and excitedly celebrated the amazing success that they, as a team, had delivered.

Both organisational success and personal success were delivered simultaneously. This solution was achieved by managers supporting the process workers to implement the improvements identified two months earlier.
Grounds for a new management approach

Stephen Hanman

Before delving into some intricacies of a concept for a new approach to management, I will first try to express an ongoing thought that has developed out of my experience in furthering collaboration. I feel that education, in all its rigorous, system-based structure, is dehumanising people.

Some years ago there was a hoax perpetrated that suggested a co-founder of Oracle and one of the wealthiest people in America, was asked to present the MBA awards speech at a prestigious USA college. He asked each student to look to the left and think ‘loser’, then turn to the right and think ‘loser’. He went on to claim that all the really successful people have not been educated formally. Something huge and crucial to humanity in everyday life had been missed, he said, and ruthless profit-making machines were in quick production. He was asked to leave the stage.

Perhaps his was a bleak and rather blunt outlook on the issue, I’ll admit, and after all it was a hoax, but maybe it was what Albert Einstein meant when he said, ‘The only thing that interferes with my learning is my education’. I wonder whether this also translates to the workplace, where people in some way have to give up some of their humanity as they move up the organisation’s hierarchy.

When I am designing and facilitating collaborative processes I am also reminded of a 1996 article, ‘The New Science of Management: Chaos and Quantum Theory and Method’, by E Sam Overman, which was published in the Journal of Public Administration Research and Theory. In the article he discusses a brave new world, a key thrust being that the new sciences of chaos and quantum theory offer valuable metaphors and methods that can inform organisational theory into the next century. Chaos administration evokes the image of self-organisation, dissipative structures and dynamic complexity. Quantum administration provides a new logic of complementarity and participatory collusion in organisation and management.

These new theories characterise the universe as a dynamic,
unpredictable, subjective, self-organising system rather than as a static, predictable, objective machine. Embedded within these theories is the assumption that change is the catalyst for evolution and the basic operating principle of all living systems. Chaos and quantum theories are relevant to collaboration. Is it possible to operate in the uncertainty of not knowing what will happen but create a system where everyone can offer their best and enhance the overall performance of the system?

Charlotte Shelton, in her 1999 book, ‘Quantum Leaps: 7 Skills for Workplace ReCreation’, states that, ‘These skills are called Quantum Skills, not solely because they are derived from key principles of the new sciences but, more importantly, because they require a quantum leap into a new management paradigm. They provide managers with a more whole-brained approach to managing people and conflict’. The new skills are not intended to replace the traditional Newtonian management skills of maintaining order and control; they are meant to complement them.

The seven skills detailed below were present in the CGA Bryson collaborative construction project.

Shelton’s seven new skills are:
1. Quantum seeing – ability to see intentionally
2. Quantum thinking – ability to think paradoxically
3. Quantum feeling – ability to feel vitally alive
4. Quantum knowing – ability to know intuitively
5. Quantum acting – ability to act responsibly
6. Quantum trusting – ability to trust life’s process
7. Quantum being – ability to be in relationships.

**Quantum seeing – ability to see intentionally**

The application of this skill to the collaborative construction process requires people to consciously choose collaboration as the preferred path for doing business and keep that uppermost as their intention. Shelton states, ‘This is based on the premise that reality is inherently subjective, it shows up according to the expectations and beliefs (intentions) of the observer’.
This may go some way to explaining why collaboration is not a mainstream activity in organisational life. It needs constant awareness and a persistent approach towards the collaborative intention. Shelton supports this by stating, ‘[The] intention is the psychological process through which reality is constructed. The skill of quantum seeing enables managers to consciously select their intentions’.

**Quantum thinking – ability to think paradoxically**

Shelton states that quantum physics research suggests the universe often functions in illogical, paradoxical ways. One example, I suggest, is the win-win thinking that managers require in a collaborative environment. Managers need to awaken the capacities of the right hemisphere of the brain, to practice thinking in images rather than in words, beyond language and logic (left brain).

Recently I experienced an example of this in a workshop for two organisations that were supplier and customer to one another. I asked each participant to share something that they carry from their father, and each person spoke around the theme of being your best. I then enquired about the reality of why we were together. The answer came that it was a relationship workshop for two organisations that had been working against each other for more than ten years, and there had been some very nasty moments between people. Even though individually they had all consciously carried the intention of being the best, they could not work in that way. It seemed that existing organisational structures and systems disabled people from being their best.

**Quantum feeling – ability to feel vitally alive**

The idea behind quantum feeling is that humans are composed of the same quantum energy as the rest of the universe and, therefore, are subject to universal laws of energy excitation. Research conducted by the Institute of HeartMath confirms what most managers intuitively know: negative emotions enervate while positive emotions energise. The Oxford English Dictionary provides an insight into how to understand these two words when considering a collaborative environment:
• To enervate – make (someone) feel drained of energy or vitality.
• To energise – to give vitality and enthusiasm to; people were energised by his ideas.

This is consistent with the overall objective in my organisational development work: to energise people, teams and organisations and to remove activities that enervate. Shelton explains that quantum feeling ‘enables managers to feel good internally, regardless of what happens externally’. In my experience, successful collaboration creates positive energy. People are motivated to live and work in a collaborative system, as it feels fundamentally right and human.

**Quantum knowing – ability to know intuitively**

Research indicates that the majority of CEOs acknowledge they use their intuition; however, few of them make their intuitive abilities public and even fewer attempt to integrate intuitive knowing into daily organisational practices. In contrast, Ian George’s behaviour in launching into the collaborative construction projects fits with knowing intuitively. Shelton states, ‘Managers who utilise the skill of quantum knowing not only treat people respectfully with deep intuitive insight, they intentionally create a climate of mindfulness’.

**Quantum acting – ability to act responsibly**

This is about interconnectivity and interdependence. What impact will my actions have on others in the organisational system? The quantum acting approach manifested itself in the collaborative construction projects in that we encouraged people to understand the consequences of their actions. During the first collaborative project, in a weekly construction meeting, the steel fabricator announced that she had changed her production schedule so she could keep up with the project plan, something she had never done before. The reason that she gave was, ‘I was not going to be the one to let the team down (by holding up the construction process)’.

**Quantum trusting – ability to trust life’s process**

At times, the challenge is to do nothing and trust. This skill of creating the conditions for change is a far cry from the traditional
Newtonian pursuit of maintaining order and control. If leaders are there to set strategy, align the business to the chosen strategy and then support the people who deliver the products and services for which customers pay, then a horizontal process model is necessary to enable the integrated organisation.

Quantum trusting is the skill that enables managers to work constructively with people and with conflict. Utilising this skill equates to appreciating the world, not just manipulating it. Quantum trusting enables self-organisation but the challenge in traditional workplaces is that stability and predictability are highly valued. The quantum trusting skill asks managers to confront their own internal demons around the use of power and control. This is a challenging notion as it places development front and centre. It is certainly the road less travelled.

**Quantum being – ability to be in relationships**

This skill requires a high level of emotional intelligence. According to Rooke and Torbert (1998), fewer than 15 per cent of leaders have developed to a level where they are capable of the vulnerability required to create learning relationships. Being more emotionally competent equates to owning the emotions you feel rather than projecting them. It may lead to seeing conflict as a development opportunity: it happened so we could learn. Your least favoured people may be your best learning opportunity.

Application of these new skills equates to consciously choosing what is best for the situation. Organisations interested in the collaborative way of working will transition from a hierarchical top-down system to a cross-functional organisational process model. After a lifetime spent in workplace cultures created by the hierarchical structure, such as passive defensive or aggressive defensive, this change takes time for people to embrace. Annual research conducted by the international organisational development firm Human Synergistics on three different workplace cultures provides insight into the desire to be one culture while living another.

The three cultures they define are: constructive, passive defensive
and aggressive defensive. The firm conducts annual research and produces research books that quantify the prevalence of these three workplace cultures and what links they have with organisational effectiveness. The three types of workplace cultures are described as follows:

- **Constructive** – a culture that pursues a standard of excellence while maintaining personal integrity and where people support and cooperate with each other.

- **Passive defensive** – a culture where people don’t rock the boat and they go along with what everyone else thinks (group-think). They wait for others to act first and put energy into pleasing those in positions of authority.

- **Aggressive defensive** – a culture where people oppose new ideas and advance by playing politics and competing with each other. The most important attributes are to appear competent and independent.

Their 2013 research results book included data from 2,800 organisations and some 20,000 individual leaders in Australia and New Zealand. The thrust of the research reports is that, ‘Executives want people to behave in constructive ways, but are unwittingly leading people in ways that cause them to behave in aggressive defensive and passive defensive ways. Those in leadership and management positions then get caught up in defensive thinking and behave in ways that ensure their own security by using aggressive defensive and passive defensive behaviours. This is associated with the use of organisational practices that encourage people to behave this way’.

In the traditional hierarchical model, most people are not part of the decision-making process. They are neither respected nor asked for their opinions. They simply have to do what is stated in the contract. In these negative cultures, people disengage and move to basic existence. They learn that a quiet life is preferable and rocking the boat will come with a negative consequence.
Conversation! Or lack thereof

Stephen Hanman

A case study in the Harvard Business Review about the cement company CEMEX Mexico poses a question about whether the organisation’s economic success was delivered by its business systems or its people. The study, which reads like an IT success story, details the ability of the organisation to start up and globalise in a very short period of time. But digging deeper, it reveals that a core element of the success was the conversations conducted within the organisation about what to become.

Those conversations led to a restructure of CEMEX based on putting the necessary authority into the operations centre. Core to the company’s success were both the business systems and the collaboration. Taking time for conversations is inextricably linked with collaboration; however, most organisations don’t have time for either.

Collaborative success stories talk about the way people work together and how this approach differs from the normal modus operandi. Often these success stories are project-based. Once people finish working in the collaborative environment on a project, they move back into a more traditional workplace. What if the collaborative environment was the norm? Given collaboration has everything to do with people and relationships, the conversation is a core element of success.

In summary, the key aspects of a collaborative workplace are people, relationships and conversations. Allow me to compare this workplace model to a butterfly. We’ll call relationships and conversations the wings of an organisation and the people the body. Without one of its wings, a butterfly can’t fly. Sure it can crawl around on the ground in circles but in the end it is going nowhere. All three parts, working in unison, enable the butterfly to get its feet off the ground.

People are the core, as they build trusting relationships via conversations that connect and develop the interdependence that enables collaboration. In this collaborative environment, people
become aware that their own behaviour impacts on the level of engagement and commitment across the whole organisational system. This awareness develops through courageous conversations that name the impact people have on each other, both the gains and the pains. Questions and respectful conversations take precedence over someone telling others what to do.

The traditional hierarchical model of boss and employee is transformed to a collegial model. In collaborative workplaces, equality of people within the system becomes the norm. What is absolutely critical in the system is accountability and feedback based on promises people make to each other. In the case of CGA Bryson, the steel fabricator announced that she had changed her own internal production schedule to ensure she was not the subcontractor who held up the construction process. The connection to the builder and fellow subcontractors was her motivation; her action built a stronger ‘we’ in the collaborative system.

**Collaboration energises**

Collaboration creates an upward spiral that motivates and builds future success. The management framework is built on the trust developed between people in the system. It might sound strange, but challenging and difficult conversations about accountability energise the overall process. Why? Because these conversations are based on the truth, and the truth helps people focus on being their best.

When people promise to deliver, and do so, it then becomes an expectation. If that expectation becomes the norm, then it creates the upward spiral that enables a successful management system built on trust, with little or no waste. People learn that when they do not deliver on a promise it costs others time and money. In a collaborative environment, each person cares about the others in the system.

As part of this management system, we taught, nurtured and modelled the skills required to have difficult conversations. Issues were identified up front in a constructive way. When someone did not keep a promise it was discussed openly. This
Part 1, Discussion

approach is the essence of the collaborative system. Respectful relationships built on constructive conversations keep the channels of communication open.

People know in their bones when half-truths are told to them. If all the information is put on the table it enables the whole issue to be discussed fully, and then resolved. The question to ask is, ‘What impact does this issue have on the identity of the organisation, the people and relationships, the processes and the resources?’

A collaborative system needs people to live out values and behaviours that support people to be at their best. Values and behaviours such as equality, respect, dignity and resolving issues fairly all help to nurture empowered and responsible people, because they foster trust, care and courage. These three elements are vital.

- Trust – because certainty is created via promises made and kept.
- Care – because we start to see the other and this builds our motivation to deliver on our promises.
- Courage – because it enables difficult issues to be named and resolved.

These elements create the upward spiral. All it takes for the spiral to begin is for an organisation to be brave enough to use a more horizontal approach to management, despite the risk, and move away from the traditional, vertical, silo methods of management.

I see dysfunctional relationships in all the industries I get involved with. I apply similar approaches with all clients, although the deployment, tools and frameworks are always customised to suit each organisation’s circumstances.

In the next section, Ian talks about issues relevant to the construction industry. My experience is that the management style predominant in construction is common across industries. The move away from a hierarchical top-down approach to a horizontal focus that engages and motivates is an opportunity for all industries.
From me to we: design and build collaborative workplaces.

The Cole Report

Ian George

One of the major issues for building and construction in Australia is the condition of industrial relations and the behaviour of some of the participants in the industry. There has long been a call by owners and builders, particularly the larger builders, to try and stamp out some of the more undesirable practices of unions.

In 2000/2001, the federal government established a royal commission into the building and construction industry, headed by The Honourable Justice Terence Cole. The content of the resultant Cole Report makes interesting reading and gives a picture of the sorts of practices prevalent in the industry at that time, some, allegedly, bordering on the illegal.

A number of the recommendations contained in the report were adopted by the government of the day. The Australian Building and Construction Commission was established with a brief to stamp out or at least curtail some of the unacceptable behaviour within the industry. What is not often considered is the role of employers in their relationship with employees and, while it didn’t intend to review this aspect of the industry, the report is illuminating in this regard. It is these aspects of the report that I present for consideration.

It seems, on careful reading, that the report lays much of the blame for a dysfunctional industry on the trade unions, which may be true; many of their practices are unhelpful at best and downright belligerent or perhaps illegal at worst. On the other hand, it highlights a number of management practices that could be described as poor business behaviour. Many continue to this day and it raises a question as to what extent management could be adding to the problem.

Perhaps there is fault on both sides, and no wonder, as neither side trusts the other. They are at war. This sort of relationship does not create a harmonious and productive industry, and never will. As a result of the warring, the built-in waste in the industry is significant. It can be measured in terms of thousands of lost
people hours, through both union disruption and ineffective management practices.

The price tag is enormous and clearly a good starting point for any discussion about reform and improvement. The cost to the Australian economy in terms of Gross Domestic Product (GDP) is huge. The construction industry is the fourth largest contributor to GDP and employs 9 per cent of the workforce. According to Australian Bureau of Statistics figures, of the total value of work done, residential construction represents 25 per cent and other work (building, engineering and non-residential) represents 75 per cent.

The residential sector has different work arrangements to much of the non-residential sector, as most of those who work in it are self-employed, rather that employees, and so only get paid when working. Accordingly, only the non-residential sector is considered here.

Findings

Some of the findings of the Cole Report are worth reporting and of particular interest is the section titled ‘Overview of Private Meetings’. The commissioner wrote to 143 leading participants in the building industry, inviting them to meet privately with him so he could hear their views on (then) current practices and suggestions for change. Among the invitees were representatives of government, building company owners, financiers, head contractors, subcontractors, employer bodies, the Australian Council of Trade Unions (ACTU) and union officials. The outcomes of the meetings were recorded in a final report.

The ACTU and union representatives attended one meeting with the commissioner and the first notable disclosure within the report was that they failed to reveal ‘…the nature or detail of [their] complaints or views on any possible solutions…’. This is regrettable but probably reflects the unions’ view of the commission’s purpose. As a result, the ‘Overview of Private Meetings’ does not contain the views of the union movement.

Here, in italics, are some interesting quotes from the ‘Overview of Private Meetings’, and my take on their relevance to our project.
'Competition is fierce, profit margins are small and the industry, at all levels, is dominated by the “low bid syndrome”.'

'This practice is prevalent in many industries, none more so than the building industry. It arises from the idea that competition for the lowest price always provides the best deal. With construction projects, most clients want completion at the cheapest price. But is this always the best or does it, in fact, just lead to a cheap (i.e., low value) result? What sort of work environment arises on a site as the result of such an approach?'

'Throughout all levels of the industry, contractors and subcontractors operate on very small profit margins. This originates at the top level, where head contractors tender on the basis of small profit margins or, often, at cost. Representatives of governments and other industry clients said that major contractors may sometimes “buy work”… As a result, for a head contractor to ensure a profit at the end of the project, considerable pressure is often applied by the head contractor with the aim of reducing the costings provided by tendering subcontractors. This same process is then replicated down the chain of sub-subcontractors.'

Head contractors engage in the practice of ‘buying work’, undertaking projects with zero or negative profit margins in the expectation that they will be able to secure a margin in one of two ways: by pushing down the tender prices they have received from subcontractors or by loading the cost of any variations made by the client to achieve a profit. Either way it seems a fruitless exercise, bound to produce disharmony in the industry.

It is not uncommon for at least one subcontractor to be bankrupted on a large building project, as some are not able to withstand the price reductions sought by the head contractor or the effect that lack of cash flow has on an undercapitalised business. Contractors and subcontractors who apply the low-bid approach as a preferred business model, and who perhaps don’t have the systems in place to track cash flow and profit, find that they lose margin on most projects and dig themselves into a hole from which they can’t escape. This eventually leads to bankruptcy.
'The highly competitive nature of the industry … has a direct effect upon quality of workmanship and safety.'

My view is that proprietors play a significant part in this price-driven behaviour. In driving down the price, an owner can’t expect to achieve the quality of workmanship or level of safety that they may want from their contractor. Even if the specification is tightly written, contractors and subcontractors have their ways to recover costs from the owner. It may be that the owner ends up paying a higher price than would otherwise have been expected if they had negotiated differently. As is often said, there’s no such thing as a free lunch.

'It leads to a culture within all levels of the industry of considering only short-term commercial solutions to problems which arise.'

It would seem we have set up a system where nobody wants to build up relationships that last, or implement a system where good service can be provided, because everything is driven by the bottom line. There is anecdotal evidence that building projects are not managed well, perhaps because of the short-term ‘get-in-and-out’ mentality of a large section of the building industry.

**Proposals for reform**

Here is a significant quote from the Cole Report:

‘One view expressed was that cultural improvement would occur if it were possible to again engender respect in the community for quality tradesmen and building workers and re-instill a sense of pride in workmanship.’

Please take a moment to read that again.

It’s a call for us to respect people, all people, by treating them as equals. Whatever role we play in the workplace, we all deserve to be seen as human beings. This has nothing to do with the community; it’s an issue between employer and employee. When employees are respected by their employer, they will find a new sense of themselves and the community will follow. Employers must take responsibility for their own thoughts and actions.

This is what we did at CGA Bryson and it produced truly amazing results, and will work in any business, as long as the employer is
genuine in their attitude to workers. Otherwise the workers will see through it in an instant. This is reflected in the following quote from the report.

‘Industrial relations problems would reduce if there was a greater loyalty demonstrated between employers and employees. In this person’s opinion, loyalty has reduced in a direct relationship with the decline in direct employment and in the long-term employment prospects of building workers in the commercial building industry. This has resulted in workers losing their sense of job satisfaction which has been replaced with simply a striving for greater monetary benefits.’

It is clear that the subcontractor system is here to stay. Gone are the days when a builder had hundreds of carpenters and labourers on staff. In the last 20 years it’s all been about a drive for greater efficiency that translates to greater profit. I predict that, in time, most staff in construction businesses will move to become subcontractors. That’s the way the industry is trending, with employees seeking independence and what some see as freedom.

Let me go back to the question of the lack of direct employment. At CGA Bryson we operated on the principle of the master builder who was also the master employer. However, most of the people working for us were contractors or staff of contractors. Our approach was to treat them as if they were our own staff. We looked out for them. Each individual was not just another ‘subbie’ but a real person with real aspirations. Our construction people made a point of getting to know them by name.

This broke the nexus and developed a sense of loyalty on our projects. Compare that with this quote from the Cole Report.

‘The increasing use of subcontractors has meant that there is no longer a relationship between the head contractor and the building workers. On commercial building sites the Commissioner was told that many project managers have little direct contact with the workers on site and that most negotiations about terms and conditions on sites occur with a union official. Developing a better relationship between head contractors and workers will bring about a better industrial relations environment, it was said.’
If you want to have a relationship with someone, you might try having a ‘real’ conversation with them. A major difficulty I see with our building industry is that we have forgotten how to do this. Typically, business doesn’t know how to have a conversation, management is afraid of the unions and is unable to speak openly. We need to relearn how to speak to each other in the climate of the 21st century, because it’s a different type of conversation that we need to have, compared to 50, 20 or even 10 years ago.

The only way towards a better industrial relations environment is for businesses to embrace the workers. Unions will do what they will. Get to know your own staff and the staff of your contractors. In the building industry, management needs labour as much as labour needs management. Many of the issues raised during the royal commission can be addressed by a different approach, such as we developed in the collaborative construction system with MIRA. We addressed the need of the workers to connect, collaborate, be consulted and be heard. At the same time, it more than satisfied the financial, quality and timeframe needs of our building company.

This is a time when we need to face these issues in our industry squarely and not shirk our responsibilities to our fellow human beings. Are we scared to rock the boat? It’s time to deal with the reality that we have created (some say inherited), which is unhealthy to say the least. It might take courage but it needs to be done.

Here’s another quote from the report that supports my call to action.

‘We have to change the culture of the industry. In the present culture it is just accepted that you use industrial muscle to achieve ends. The Commissioner was frequently told that one of the major issues for the industry was to address the culture of aggression and conflict, which presently exists within it. Whilst this problem was broadly recognised, relatively few participants in the meetings put forward proposals regarding how a positive change of this culture might be achieved.’

The following quote also supports my call and raises a further discussion point.
‘A number of people expressed the view that governments should be playing a more proactive role in seeking positive cultural change. It was said that governments should be prepared to spend additional money on their projects in order to test different contractual and behavioural models which might lead to positive change in the industry.’

What a cop-out to expect government to fix business problems. Businesses want little or no intervention from government until their profits are threatened. The comments above are really hard to believe and I’m at a loss to know why they were never reported in the daily press.

These quotes clearly point to a poorly managed industry with a leadership bereft of ideas. I think that over time it is possible that negative union influence can become less and less significant. Not by aggressive, punitive and combative tactics used by both sides but by genuine collaboration and concern for the real needs of both proprietors and workers. The unions have ended up in the position they command due to a lack of vigilance by management to pay real attention to important and valid concerns of workers.

I suspect the drive for greater profit on the basis of extracting the so-called best market price (i.e., cheapest) has arisen from a lack of understanding that workers and subcontractors have real needs. They are seen merely as readily available commodities that management can exploit in a business environment where the end justifies the means. Building as cheaply as possible (no matter what) is the end game. As stated earlier, we all know that, in the end, the cheapest price is not always the best but the industry is still clinging to a paradigm that belongs in the 19th century.

Here we are in 2014 and the current federal government has decided to embark on a campaign to restore the Australian Building and Construction Commission, which had almost been dismantled under the previous government. While there is little doubt that improper union activity has been detrimental to good production, economics and maintenance of low prices, it is unlikely that poor management practices, which led to many of the problems in the industry, will ever be looked at by such a
Commission with much vigour, if at all.

The owners of capital believe the problem always lies with (unskilled) workers and their unions, their lack of productive ability and their ‘excessive’ wages. Management is in charge and has no faults, or so we are led to believe.

The claim from management seems to be that the way to economic sustainability in the industry is to reduce the wages and conditions of workers. Is this not a relic from bygone times when six-year-old children were sent down the mines? Does it mean anything goes as long as it satisfies the pursuit of profit? That tenet gives little thought to the dignity of the human being.

If management is free to try and push down wages and conditions, then surely workers are entitled to try and push them up. Freedom must work both ways. Illegal bullying tactics, on the other hand, are not acceptable in a democracy. Both sides have been guilty of this at one time or another. Who was first is irrelevant. Surely the way forward is to embrace a future where collaboration, not obfuscation, is the way of working.

The political parties often tout freedom as a principle. The Liberal Party’s mantra is that, ‘We believe in the inalienable rights and freedoms of all peoples…’, although apparently not when it comes to living wages and conditions; compare those applied to management and workers.

The Labor Party has the belief that, ‘Working Australians need both freedom from want and freedom to speak to be full and equal citizens’. This idea of freedom from want is deplorable. The manifesto should read ‘freedom from need’. We all might want an expensive limousine; what we need is something entirely different.

The needs of all human beings are fundamental but they are not being met in this country, or indeed in most countries, in a genuine and caring way. Politicians seem to have lost their way, so clearly it’s up to business to show the lead, with management and workers collaborating to achieve a mutually agreed goal.
How we became different

Ian George

Neil Bryson and I started our building business at CGA Bryson using the traditional approach to tendering. It’s fair to say that when you are both the client and the builder there is less pressure on the building profit because, one would hope, there is a developer’s margin to be had at the end of the project. As a corporate group, there is always consolidated profit to think about. But that’s not how our organisation was structured, and it’s not how we viewed business, as we felt that each entity had to stand alone and be judged on its own results.

I think some developers (and builder/developers) have run into financial trouble by not being crystal clear about where the money was flowing. Our bankers, of course, were keenly interested in ensuring that both our companies (i.e., the developer and the building company) were in profit and that the accounts were clear.

We were travelling along quite happily with our newly formed building company, having a reasonable understanding about the industry as characterised previously. We appointed ourselves as the head contractor (as we were also the client), tendered out our work to various subcontractors, and chose the lowest-priced subcontractor to complete the works. It was what everyone in the building industry was doing; that was the norm. So what happened for us to look at changing a system that was working well and was profitable for the group?

One day our construction manager came to me and asked if I would agree to a proposal of negotiating with just one subcontractor (the concreter) on a project we were about to commence. We spoke about it for some time and he told me that he was confident he knew what the price should be. He knew the subcontractor well, as they had worked on other CGA Bryson projects, and he felt he could trust them to do the right thing. He proposed that using this particular subcontractor would help the project timetable.

Concreting is a crucial trade in the building process, as completion of the concrete works (including the structure) is always a key element of any project.
To agree to negotiate with only one subcontractor was not such a big ask. Considering the risk/reward balance, I felt it was worthwhile and I accepted the wisdom of our construction manager’s ‘gut instinct’. I recall querying him at the time what he thought about going further with this idea and whether we could build a business that took this sort of approach. I asked him whether there were enough subcontractors we had worked with in the past who we knew and trusted to make such a proposal work.

There was good justification for such a move, as Neil and I felt that the property industry was heading into boom times. Getting closer to the subcontractors would be worthwhile, particularly when you needed them to commit to a revised completion date or ensure they finished a critical section of work on schedule. A good relationship would help elicit a positive response to such requests.

As we had been getting much busier, I thought that having good relationships with our subcontractors might also help us if we started getting more attention from the unions. Small building companies often fall under the union radar but as we were taking on more work and starting to build bigger projects on more high-profile sites we could expect to attract the interest of the unions.

My ‘Aha!’ moment

At that time I had a reasonable understanding about how the commercial construction system worked and how dysfunctional it could be. I had been giving a lot of thought to ways this manifests in business and what it would mean as we developed a higher profile in the industry. It seemed to me that the idea of collaborating with others, taking a more human approach to relationships, could be put into action. The perfect opportunity had arisen, presented to me by the construction manager, to pick up and run with a new approach to contracting on projects of a significant scale.

I say ‘presented to me by the construction manager’ because our conversation triggered in me the realisation of the opportunity to put into practice what I had been learning as theory in the MIRA organisational development course. It took this conversation for
the penny to drop but my intuition (an ‘Aha!’ moment) told me that a broad-based collaborative approach, while being innovative and risky, could change the nature of our building company in a positive way.

Many CEOs and business leaders will understand and relate to this ‘Aha!’ moment. Perhaps it’s not the easiest thing to articulate but it can occur if you’re open to it and remain centred so you can access it. Intuition is a really important skill that all people possess and is accessible to those who make themselves open to utilise it. On the other hand, it is often sidelined by those who tend to look for rational solutions to problems or opportunities. Over-intellectualising solutions isn’t always the best way to go.

Often we don’t know where we’re going until we get there; sometimes we get a flash of intuition and know what to do instantly. What are these feelings, these things that are often called intuitions, and are they really useful? I would argue that most CEOs in business use this skill (consciously or unconsciously) all the time. It’s a stock of trade, if you like, for entrepreneurs and indeed for many people in the community, and the sort of thinking that artists use in their creative work.

It is through intuition, this feeling of ‘knowing when you don’t know’, that I have made many significant business and personal decisions in life. The questions I always have to ask myself are, ‘Do I have the courage to follow up the idea that has come to me in this moment?’ and ‘Is this the future calling?’

**Intuition, art and business**

I sometimes wonder where these ‘Aha!’ moments stand in the boardroom. Are they not what business people describe as those defining times where they know the answer to a question or problem? They may not be able to immediately nail down the fine detail but nevertheless they know what needs to be done. Here, art and business cross over, with the left and right sides of the brain working together in a special moment of clarity and direction.

Is this just the ordinary ‘hunch’ that people get now and then? I think it can be more. By practising what in modern management
theory is now called ‘mindfulness’, one can develop a much keener sense of what could be described as the unspoken, the unknowable, the mysteries in the world.

German artist Joseph Beuys contended that his theory of sculpture, ‘describes the passage of everything in the world, physical, psychological, from chaotic, undetermined state to a determined or ordered state’. Beuys had the view that the human being consists of a three-fold system: thinking, feeling and willing. When something becomes over-intellectualised – a certain, specific way of thinking that lacks the feeling and willing components – it becomes hard, frozen and in danger of becoming a ‘clinker’, which falls out of the system. This over-intellectualised thinking is what many people use on a day-to-day basis but for me it lacks an artistic component. I suspect if he were around today, Beuys would describe the 2008 Global Financial Crisis as just that, over-intellectualised thinking, a clinker that fell out of the system.

He further stated that there are some people who, ‘are motivated by the chaotic warmth of willpower, those in the central area who are governed by feeling and the heart, and those who have reached the over-intellectualised pole of extreme theory. Ideally a balance should be achieved, though the overriding tendency today is towards the intellectual pole. Balance, reintegration and flexible flow between the areas of thinking, feeling and will, all of which are essential, is the objective of the theory’.

Below is a table Beuys drew to explain his theory. At either side there is a tendency to become unbalanced, while in the middle is where what he described as ‘movement’ occurs, where creativity happens.

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<thead>
<tr>
<th>Chaos</th>
<th>Order</th>
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<tbody>
<tr>
<td>Undetermined</td>
<td>Determined</td>
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<tr>
<td>Organic</td>
<td>Crystalline</td>
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<td>Organic</td>
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<td>Warm</td>
<td>Contraction</td>
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<td>Expansion</td>
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You may ask how this is relevant to business. I would argue that it’s within this space, usually considered the province of the artist, that people in business can connect artistic perception with their way of working. In doing so, they can tap into new ideas and impulses that have generally been the preserve of ‘creatives’. Indeed, Beuys theory can be relevant to people in all walks of life.

What are the sorts of things that live in this middle space? Here is a list for you to contemplate; perhaps you can add some of your own.

- Imagination
- Inspiration
- Intuition
- Art
- Nature
- Ethical individualism
- Truth, beauty and goodness
- Humanity
- Creative ideas

Joseph Beuys repeatedly asserted the need for everyone to develop what he called ‘new organs of perception’. These it seems, are already used by creative people in their work. He also said that ‘everyone is an artist’, by which he meant that everybody can unlock their creative abilities.

This form of creativity, or what has been called ‘presencing’, works in this middle space and enables what we call ordinary rational thinking to be enhanced. Such a new type of thinking, which uses skills more aligned to the way creative people go about their special realm of creating, would allow others to be far more creative (intuitive) in their work.

Some entrepreneurs and other people in business have a way of working that’s not just about risk-taking; many have the ability to see things in a way that others can’t. This is what Beuys’ artistic work is about. When you find the middle, you find your real self. You find moments of intuition, and that is also where you can find ‘the other’ in the body social.
In her book about Beuys, Caroline Tisdall writes that he proposes: ‘Both logical and intuitive thinking are inherent in creativity. This is not a static quality but a potential that is present in all levels of existence and “must be developed”...’

These thoughts of Beuys are underlined by some leading-edge management theories developed in recent years at Massachusetts Institute of Technology (MIT). In his 2007 book, ‘Theory U: Leading from the Future as It Emerges’, Dr Otto Scharmer introduces readers to the theory and practice of the ‘U process’, which is based on a concept he calls ‘presencing’, a blend of the words ‘presence’ and ‘sensing’.

Dr Scharmer, a senior lecturer at MIT and the founding chair of Emerging Leaders for Innovation across Sectors (ELIAS), states that, ‘Presencing signifies a heightened state of attention that allows individuals and groups to shift the inner place from which they function. When that shift happens, people begin to operate from a future space of possibility that they feel wants to emerge’. Being able to facilitate that shift, according to Scharmer, is the essence of leadership today.

Scharmer also says, ‘Successful leadership depends on the quality of attention and intention that the leader brings to any situation. Two leaders in the same circumstances doing the same thing can bring about completely different outcomes, depending on the inner place from which each operates’.

My connection to art and the work of Joseph Beuys helped me to gain an understanding of a different sort of reality to the one most common in everyday living. It was this other sort of intuitive thinking that led to the decision to initiate the collaborative construction system at CGA Bryson. Most CEOs understand that this sort of thinking takes courage to implement, because the outcome is often unknown. There may be significant financial consequences, and success (or failure) may be a long way off in the future.

As part of his expanded concept of art, Beuys famously claimed that ‘the mysteries take place at the train station’. Working with
this type of creativity, people can improve their intuitive skills for the benefit of themselves, their work, their community and, in the broadest sense, humanity. Why then shouldn’t the mysteries take place in the workplace?

**Work as a social process**

I had also begun to see that work is not so much about traditional concepts of money, career and status. Work occupies more than 50 per cent of many people’s lives and it’s here that they have an opportunity to learn a good deal about themselves, things they won’t discover when they are in their own social environment with family and friends.

Through work, we can learn much more about ourselves and where we fit in the world, and so our work environment can provide for significant individual development. I expect that it’s enlightened CEOs who give their staff such an opportunity. I also suspect that this is what builds strong, caring and successful organisations, just like Lend Lease became under the guidance of Dick Dusseldorp. In this sense, work is an important and unrecognised social process. This is a view I often expressed to my staff and subcontractors.

It is at work that we can learn to see how we behave in a business context. Just as importantly, if we take the opportunity, we can learn to see ‘the other’, particularly if that other is tough, challenging or unsympathetic. Confronting behaviours such as these are often difficult to name and resolve; however, when we are forced to see the alternative side of a position it can be an enlightening moment.

Now, it’s frequently said that you can’t choose your family. So in a family situation, problems left unresolved and festering in an unhealthy way can lead to dysfunctional domestic environments and unhappy lives. As for friends, you can certainly choose them. In business, however, most people must learn to get along with co-workers and customers, or the effects can impact on their job situation. In a sense, work colleagues are forced to adhere to some sort of social norm and perhaps adapt their behaviours. Work can
therefore provide opportunities for personal growth, different to that found in our family or social environments. At work, emotion can be removed and issues dealt with in a much more objective and observational way.

There might even be opportunities to take learnings from the office back to the home environment, for the benefit of the family. Outcomes from the collaborative projects at CGA Bryson support this idea and show how concepts applied at work can easily be adopted in the home, and even when participating in community activities such as with the local sports team.

Preparation for action

My hope was to embrace this collaborative approach in the form of a project incorporating all of our key subcontractors. I contacted MIRA and asked them to prepare a proposal to help convince my board colleagues to change our subcontractor relationships. While I owned 50 per cent of the company, my business partner was no pushover at the best of times and we had a couple of hard-headed businessmen on the board as non-executive directors. I was unsure if I would get any traction for what was to be an ‘out-there’ proposal and possibly risky.

The plan I had in mind was to engage MIRA to work with our building company, including the staff, subcontractors and design consultants, to move the relationships from one of competition to collaboration. I was under no illusion that making such a dramatic change to how business was done would be easy, not only because of years of ingrained industry behaviour but also because our company culture to that point had evolved in a traditional way. I must say that at the time I thought it would be relatively easy to change the attitudes of our own staff; I imagined that all the problems lived ‘outside’.

The basis of the proposed new arrangement was that the building company would no longer tender works to numerous subcontractors and select the lowest price. Instead, a ‘team’ of selected subcontractors would be assembled from as many trades as possible. We would then continue to work with these
same subcontractors on all future CGA Bryson projects. As time progressed and the range of projects increased, other suitable subcontractors would be identified and added to the team. The intention was that we would work on the design and costs together and negotiate final prices as the design was finalised, potentially months down the track.

Over time, we had developed a key group of industry consultants who had worked on almost every project we had built and we had a similar arrangement with them. The objective now was to bring the selected subcontractors into the broader team, with the aim of improving the outcomes for all.

Our construction manager was asked to review the list of our current subcontractors and select those he felt could embrace this idea. There were quite a few and it became clear that, at least in the beginning, we could not include all of these subcontractors in the new arrangement. He developed a shortlist from the major trades, which represented approximately 75 per cent of overall building costs. The trades included concreting, pre-cast concrete panel supplies, structural steel fabrication, plumbing, hydraulics, plastering, electrical and air-conditioning. My hope was that, over time, the list of collaborative subcontractors would increase until we achieved as close to 100 per cent coverage as possible.

Along with the consultants and subcontractors, our own project managers, site managers, supervisors and labourers would complete the team. I must admit that, at the time, I had no idea how this was going to work but somehow I felt I just needed to trust the future. We had created an impetus and the first ‘collaborative construction project’ was afoot.

Taking a punt

The board approved the idea, in spite of the fact that I had little evidence that this approach would improve the cost, timeframe or quality of our projects, and I’m not sure that they were overly interested in ‘relationships’. No evidence could be found of such a system having been implemented anywhere in Australia on an ongoing basis. The only precedents were a few large international
projects, where a system of collaboration had been used as a response to problems, essentially to do with cost pressures or time issues. The difference to our plan was that all the examples we could find were on a one-off project basis and my goal was to make this a permanent approach to doing business. It was really a punt but I ‘knew’ it would work and the board backed my instinct.

I was reminded of the way Dick Dusseldorp ran his company; he was somewhat of a guiding light. His ‘human’ approach to his direct employees had worked, and I wanted to expand the concept to include subcontractors. I began to speak in the office of a concept from the past, that of the ‘master builder’, who directly employed everyone on a project. They all knew each other well, trusted each other, and worked together, from project to project, like one big family.

Our new approach would be similar, except instead of employees working for one ‘master builder’, the tradespeople engaged in the project would be subcontractors. The idea was to provide certainty, stability and a familiar environment where everyone knew what to expect and knew what was expected of them. My instinct told me that it was a no-brainer; I started to behave like it was a fait accompli.

To get the wheels rolling on the plan I consulted Jonathan Klugman of MIRA Companions. He then brought in his colleagues Albrecht Hemming and Stephen Hanman. And the journey began.
From me to we: design and build collaborative workplaces.
Action
Developing the collaborative framework

*Stephen Hanman*

Ian George hired MIRA to develop a collaborative framework with his integrated company, which encompassed development and building. Jonathan Klugman, as the MIRA project manager, invited Albrecht Hemming and me to join the team. Together with Ian, our overall goal was to change the culture of the construction industry, a concept both bold and exciting. We wanted to apply MIRA’s tools and concepts, which focus on creating healthy organisations, to create a collaborative design and construction system that could be an example to the industry.

These tools and concepts include:

- Federation as the third phase of organisation development
- The wheel of organisation dynamics
- The seven organisational beacons
- Interface conversations.

My role as part of the MIRA team was to co-create with my colleagues and Ian a collaborative construction framework for CGA Bryson that could be applied to future projects. The aim was to create, through collaboration, the right environment for the design and construction process.

We had the opportunity to build on the company’s already strong strategic relationships with key tradespeople (concreter, steel fabricator, plumber, electrician etc.) by not requesting these strategic partners to tender for their work packages. Instead, they would be invited to collaboratively design and then construct with the builder.

We wanted to move away from the traditional master-servant construction and management process to one of a team system based on equality, involvement and collaboration, where every party had the right to make a profit. It would turn the industry’s traditional tender-based approach on its head.

The first construction project to which we would apply the collaborative system was stage one of Port Park, a business park.
that included a number of two-level office-warehouse buildings, two four-level office buildings and a high-security IT facility.

The value of the three-stage project was $70 million in total.

The process began when CGA Bryson (hereafter referred to as the builder) chose nine strategic partners, including consultants and subcontractors, to be part of a project. These were:

- Architect
- Engineers
- Concreter
- Pre-cast concrete subcontractor
- Steel fabricator and installer
- Plumber
- Electrical subcontractor
- Mechanical services subcontractor
- Finisher/plasterer.

Among this group, the seven trades equated to about 75 per cent of the total construction spend.

The selection criteria were simple: subcontractors who were essential in the design and construction process and who were capable of collaborating. The parties were assessed according to where they sat on a continuum that rated their perceived ability to collaborate, based on experiences in past projects. The continuum was from ‘not particularly collaborative’ through to ‘very collaborative’. This approach was developed after interviews with all key subcontractors.

To understand what was happening with collaborative construction globally, MIRA conducted research and found organisations that had been involved in collaborative construction in the United Kingdom. In 1998, the Egan report was published. Titled ‘Rethinking Construction’, this influential report, produced by an industry task force, promoted more collaborative and integrated approaches in the UK construction industry. From this report, along with further research, flowed a number of collaborative frameworks. We met with our UK colleagues and began designing
a process that would meet Australian requirements.
MIRA’s starting point for the collaborative construction system was founded on the following notions:

• Competition keeps us sharp and awake to be our best. It also drives us to deliver collaborative outcomes.

• Collaborative processes require more developed and accountable management systems than those that traditionally exist. There was a need for more involvement, consultation and communication around planning processes.

• A collaborative approach heightens the stakes by creating group-based decision making, and asking for clear, firm commitments and accountability from all its stakeholders, including that of the builder.

• In the traditional hierarchical management approach the commitment is typically made from subcontractor to the builder. In the collaborative environment the commitments are made public to all key stakeholders.

As Ian has mentioned, the radical part of this project was that the building company was willing to forgo the traditional tendering process and took the step of inviting selected parties to work with them to construct the $70 million project using a new and untested collaborative model.

One big question was, ‘How would the builder know that the subcontractor’s price was competitive if there was no tendering process?’ This was an unconventional gesture and one that disturbed staff in the building company. Questions arose such as, ‘How do we avoid being screwed?’ and ‘What will keep the subcontractors focused on quoting the lowest cost if there is no tender process?’ This potential for subcontractor complacency never eventuated and in fact the opposite occurred.

The preferred subcontractors submitted budgeted costs. After this, the traditional tendering process occurred with the remainder of the subcontractors. The building company would evaluate the overall project budget and then scrutinise it with key subcontractors to ensure the project was viable.
The builder’s reality was that each of the strategic partners was already seen as collaborative. Some people within the building company, and maybe even the subcontractor base, wondered what other value more collaboration could deliver. ‘We are already fully collaborating’ was the unspoken thought.
The impact of changing the system

*Stephen Hanman*

Change management was required for a move to be made from the old system to the new collaborative process. For the approach to be successful, people would need to change, as would the organisations. From an organisational perspective, change can take place in small steps or big quantum leaps. Big or transformational change necessitates managing the four parts of an organisation. These parts include identity, relationships, processes and resources.

### Transformational change – four organisational parts

<table>
<thead>
<tr>
<th>Identity</th>
<th>Ideals: Strategic vision, values, mission/aims/goals, policies and culture.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Processes</td>
<td>Procedures, systems and products. Must measure it. The way of working.</td>
</tr>
<tr>
<td>Resources</td>
<td>Tangible physical assets and equipment, office layout etc.</td>
</tr>
</tbody>
</table>

Success driven by art of communication and negotiation

Change management

Process-driven and development-based

Need both for transformation

Technical, scientific, clear, predictable outcomes

By projects/$/time

About maintenance and innovation

Source: Adapted from Adigo Consultores, Brazil

I predicted that the building company would notice an impact on all four parts, indicating that it would experience transformational change. This meant that the identity of the company would change; it had taken a stand about how design and construction could happen. The aspect of its new identity manifested in the relationships that the builder nurtured with its strategic partners. These new relationships were no longer transactions at arms length but were based on working together side by side. Settling
issues in the courtroom was not part of this model. The change in vision, values and aims would fundamentally morph relationships both within the organisation and outside it.

If collaboration was to succeed and embed itself into the future, the building company needed to update its identity and redefine the nature of relationships. Embedding the collaborative framework equated to also updating business processes and changing how resources were deployed. By adopting a new approach, the building company was stating that they were willing to take the risk to work with a new design and construct model.

The role that changed the most throughout the course of the project was that of the on-site project manager. Traditionally, that role is to be the master on site who creates a top-down plan and then executes it with each subcontractor without discussing his or her work package with any other subcontractor. The boundaries are clear, with each subcontractor working to satisfy the project manager. In this model, each subcontractor is in a silo, disconnected from the other subcontractors and generally not privy to the overview.

The project manager’s new role was to:

- Initiate joint planning of the design and construction phases.
- Create a team-based approach where management by support was deployed to encourage people to work together to deliver construction outcomes.
- Use a whiteboard on site that detailed the week’s activities as well as next week’s promises and work schedule; however, not a standard site program but one created collaboratively from the bottom up with all subcontractors and the builder, not from the top down.
- Capture, report and constructively monitor all project promises made by each subcontractor and consultant.
- Manage the obvious interdependencies across all the subcontractors, e.g., the steel fabricator and the concreter needing to work together to build the structure.
The project manager was of the upmost importance in holding the new system together. He would need to exemplify the collaborative approach and ensure that the behaviour of everyone on site was congruent with the site rules. This was achieved by the group of collaborating organisations agreeing on appropriate values and behaviours to be followed. The values would be conveyed to team members as part of the site induction process. This was a radically new skill set for the project manager.

The management style needed to change from ‘management by control’ to ‘management by support’, where the project manager would be more a coach than a controller of the overall team. This is described in more detail later in the book.

Any management task has five core steps:

- Setting the aim
- Planning the task so that the aim is achieved
- Communicating the required actions to achieve the aim
- Doing the required actions
- Reviewing if the aim was met and considering how this was achieved.

While most management tasks hinge around these ideas, a different style would need to be implemented for managers to work congruently with on-site emotional and technical configuration. Being a team player was a core requirement. Understanding one’s impact on other construction activities became a core skill.

The collaborative approach meant that the design and construction processes changed as well. Each of the subcontractors was asked to make an input into the planning and design process. Designing was a group activity where expertise outranked rank, an idea from the characteristics of the ‘high reliability organisation’ as described by the eminent organisational behaviourists Karl Weick and Kathleen Sutcliffe. The characteristics include:

- Reward people for admitting mistakes (do not punish them)
- Don’t pretend that you know it all (acknowledge complexity)
- Do not separate strategy and operations
• In a crisis everyone pitches in (not a blame culture)
• Expertise outranks rank.

MIRA’s first external step was to conduct interviews with each of the selected subcontractors to understand where they were on the continuum from least to most collaborative.

Each interview provided a clearer picture. It was already a very healthy system created by a successful builder. The subcontractors were very excited, the consultants cautious and the builder questioning the ins and outs of the project. There was certainly some fence sitting; people stated that they were interested but questioned what this new system would deliver. The interviews gave us insights into the challenge of implementing the collaborative construction system.

Through conducting the interviews we built a picture of who may struggle with the new collaborative system and what support they may need. Could the architect, the structural engineer and the services engineer work with the trades? Could people from different levels within each organisation collaborate with each other?

At the beginning of the project, our client, the builder, suggested that most of this project would be about working with the subcontractors. As consultants working to create collaborative systems, we have often heard comments such as, ‘If only they would do something differently all would be good’. It was always someone else’s fault. We needed to create a system where people and organisations see themselves as responsible. Moving from blame to responsibility was the objective, where people are not held responsible but are responsible.

We as consultants experienced something quite different from what the builder expected. Most of the subcontractors were in the right space for collaboration, leaving the question of whether the builder could bring all of their own people on board for this collaborative ride. The collaborative process would challenge the builder fundamentally; the subcontractors all saw it as the obvious answer to a flawed traditional system into which a large amount of waste had been programmed.
For the subcontractors it was a ‘no brainer’. They were excited about getting started. The builder questioned whether some of them would take advantage of their preferred status and price in a super profit. The new collaborative approach did leave that responsibility with the subcontractor. The builder would need to create new processes to test the budgets submitted by the subcontractors. Negotiation skills, both for the builder and for the subcontractors, would become more critical to overall success.

To enable better negotiation outcomes, more time was given for the process and skills to be developed in training sessions.

In planning the project, MIRA could see that successful collaborative outcomes needed to:

- Raise the awareness/consciousness of the broader team about what was needed for this collaboration to succeed.
- Develop new processes and systems in order to facilitate the best possible outcomes for all.

These two aspects were interconnected. If people did not understand the philosophy behind the collaborative system then they would not see the relevance of the new processes.

We had to develop a collaborative framework for the whole system and then closely monitor the application of the framework. In effect, this system would have an impact on every construction subcontractor working on the site. But it impacted even more strongly on the strategic partners. Each organisation would need to change by removing systems and processes that were not consistent with collaborative practices. Our role was to assist the people in each organisation by articulating how the new system would work, identifying and developing the necessary skills, and then constructively intervening when events occurred that were not consistent or congruent with the collaborative model.

So we had two main areas of focus: raising awareness about what collaboration is and then deploying these ideas on the ground. The idea of working with the aspects of consciousness and framework is not new. The Centre for Nonviolent Communication (NVC) in the US proposes a similar dual approach. Marshall Rosenberg,
the founder of NVC, speaks about how these two components are necessary for successful non-violent communication. Firstly, there is the process of how to communicate non-violently, and then alongside this lies the consciousness needed to apply the NVC framework appropriately.

The NVC framework entails observation without judgement, stating feelings and needs, and making requests. The framework will not work, however, without the right level of awareness. A mechanical application of the framework, which is inconsistent with other behaviour, will not deliver what NVC is about.

This approach of taking the needs of the other into account is directly linked with that taken by successful negotiators who are interested in creating long-lasting agreements, as distinct from just ‘winning’ the negotiation. The best negotiators carry the other party in the negotiation picture. Could the other party live with this option? If the other party is not happy then the proposed resolution will not be sustainable. The same logic applies to sustainable and successful collaboration.

It was fascinating swimming in these uncharted waters. Many questions arose about the possibilities of success. Did we really understand what this process was all about? Do we trust that as a group we could create solutions that worked for all parties? Could we achieve our goal of win-win solutions and a collaborative framework grounded by strong, accountable systems that deliver a profit to each party?
The first group workshop

Stephen Hanman

Jonathan Klugman, Albrecht Hemming and I invited the collaborative team comprising the builder and the preferred subcontractors and consultants, about 30 people in all, to a workshop for a day and a half. To say there was anticipation is an understatement. There was excitement and expectation with a little bit of trepidation. For some it was too hard to believe that this collaboration would manifest in reality. We planned the first group workshop to include a discussion about the collaborative framework and what would be different from the previous project they had just completed. The aim of the workshop was to set up how the collaboration would manifest on a day-to-day basis.

The structure of the workshop was:

- A check in
- An introduction to collaboration – Ian George
- The collaboration simulation exercise, Red Blue, including its debrief
- Grounding the simulation with real-life examples in the design and construction process, developing a vision and a set of values to which the group would commit.

The group of subcontractors, consultants and builder had already worked together as a design and construction team but, surprisingly, the workshop revealed that some of the principals had never met in person. It seems bizarre that we do business with people we don’t really know, but this is quite often the case.

This reality highlighted the fact that even though they all saw themselves as having worked collaboratively together it was within the mould of the master-servant model. It also highlighted that a paradigm shift would be needed if the collaborative process were to deliver its promised value. The relationships would need to work actively with the obvious interdependencies that existed among the design and construction team. Most of the subcontractors did not have strong personal relationships with each other, let alone with the architects and the engineers. This became the initial key focus.
As strange as it may sound, meeting each other face to face was a significant step towards successful collaboration. It can be difficult for people to step out of their busy lives to do the things that are necessary for successful collaboration. However, meeting face to face needs to be seen as an essential building block if this system is to succeed.

When people do not have a relationship with each other it leads to duplication of work, because the conversations to align action do not take place. For example, take a situation where teams of people are scheduled to arrive on site, based on another subcontractor having finished their part of the project. If they have a constructive relationship with each other, they can let each other know whether or not the original plan is on track. If one is behind schedule, they can inform the other subcontractor so they do not waste time with a team of people on site who cannot be productive. The same can be said for any change to the original plan. Such workflow benefits tend not to happen in the traditional construction process.

The face-to-face workshop was about meeting each other on a human level. We asked each person to make three statements about themselves, two that were true and the other that was not. The rest of the group had to identify the statement that was false. This was not only good fun but also revealed each person to the others. Our aim was to create a team environment where we cared about each other and our successes.

After the check in, Ian explained his collaborative vision with a simple yet powerful demonstration.
Explaining the idea

Ian George

Standing in the room where the workshop with the new collaborative team was being held, looking at many unknown faces around me, I sensed a feeling of incredulity in the air. Here we were offering to turn the construction contracting world upside down. There was a buzz of excitement at the idea but also an undercurrent of disbelief and astonishment.

The fact that there were so many unfamiliar faces was instructive itself. Certainly our construction manager knew them but I was so far removed from the on-site process that these subcontractors were strangers. I suspect that’s how it is in most medium and large businesses, and after this experience I would caution against such heedlessness. I think it’s essential in any business that the proprietors (and even the directors) ‘get their hands dirty’ and seek out the people in their supply chain and meet with them as human beings. Their success will be yours.

I gave a short opening talk to the team on the theme of the sad fact that often we don’t say what we mean. We merely say things for convenience, to shut someone up, to get someone off our back, or because we think it’s what someone wants to hear. Perhaps we do it because at that point of time we are not really interested in what’s going on, for a myriad of reasons.

I continued by waving a copy of Don Watson’s book, ‘Death Sentence: The Decay of Public Language’, at the assembled group. It’s about the culture of words and the way we use them in business and in political circles. There are striking examples of statements couched in what Watson calls ‘weasel words’, which give the impression to the listener or reader that they are being presented with something substantial and important, when the content is actually meaningless or misleading.

One of my favourite quotes from the book (and there are many) is by the former US Secretary of State Donald Rumsfeld:

As we know, there are no known knowns. There are things we know we know. We also know there are known unknowns. That is
to say we know there are some things we do not know. But there are also unknown unknowns, the ones we don’t know we don’t know.’

Here’s another, from the University of New England, on people management:

‘In the review process the team will aim to provide policies which fully utilise employees’ skills and knowledge, and which present a range of mechanisms through which services can be delivered to increase the people-management effectiveness of UNE.’

I got into the swing of things and made one up:

‘The current crisis demands immediate prioritising of key issues and objectives to enable outcomes for all stakeholders to be driven with strong focus and improved governance.’

Does it sound familiar? Have you read something similar in a corporate mission statement or heard it from a politician? It sounds impressive but what does it mean? It’s typical of many statements that are designed to say nothing while appearing to give a positive view of the future.

This word-story was used to change that mindset of the group. I wanted to introduce an open, collaborative approach where we could all ‘speak our truth’ to each other and not be ridiculed or punished for what we said. The keys were to speak in plain English, mean what we said, and not use weasel words to try and wriggle out of difficult or uncomfortable situations.

I then put a box of red apples on the table in front of me and proceeded to build them into a pyramid. This enabled me to explain traditional management hierarchy, with the boss on the top and everyone else in the team lower down. Traditional thinking assumes that the higher up the pyramid you are the smarter you are. Conversely, the lower down you are the dumber you are. It’s assumed that those lower down don’t really matter. They get told what to do and they really have nothing to contribute because all the skills sit up the top with the boss and the managers. Of course that’s patently untrue.

To demonstrate our new approach, I laid out in a circle a number of
different fruits, representing the people in our collaborative team. There were red and green apples, an orange, star fruit, kiwi fruit, banana, passionfruit and even a lemon (some wag suggested that might be the architect, which got a big laugh).

This arrangement enabled me to explain the way the future might look, with everyone in a circle working together and contributing to the project according to his or her capacity and skills. In this scenario there will be no boss (just a guiding hand) and the only time someone steps into the centre of the circle is when they are required to help others with the special skill set they bring to the collective effort. And yes, occasionally there will be a lemon in the group and we all might have to deal with that circumstance, even embrace it.

This demonstration proved to be very powerful, enabling most of the people in the room to quickly understand the essence of the collaborative concept, and embrace it. Ironically, it was only that morning on the way to the workshop that I had thought to do it. Sometimes when you run with an idea or project it seems the key elements just fall into place.

I conveyed to the team that CGA Bryson wanted to engender respect for all people who worked on our projects, because we are all human beings and deserve such consideration. In return, we wanted everyone to be open and honest, attributes that are all too uncommon in the building industry.

The presentation moved on to economic matters. The right to make a profit was central and the right to be paid a fair sum for the skills people bring to the table was a given. What we wanted to avoid was the ‘low bid syndrome’ described in the Cole Report. We wanted to be open about costs while making sure that quality, timeframes and safety were not compromised. Yes, there would still be inch-thick contracts, just like before, to define what we each agreed to deliver to the project and give clarity to the process so we all knew where we stood. But these contracts would live in the bottom drawer. What we were on about was making commitments to each other.
The first project

*Ian George*

I told the collaborative team of strategic partners that CGA Bryson had just secured a $24.5 million building project, stage one of a three-stage project that would total $70 million in all. The project did not yet have planning approval and there were no working drawings, just a preliminary budget and schematic plan. In other words, here was a project in the very early stages of concept design, not something a proprietor would usually share with his builders and certainly not something a builder would typically share with his subcontractors.

I reiterated that there would be no tenders. We would undertake design development in cooperation with the team, work with preliminary pricing and budgets and over time develop working drawings. This would require the subcontractors to work with our architect and come up with a design that fitted the client’s needs and the budget constraints. The subcontractors would need to reveal their specialist knowledge (their intellectual property) to the team; something they don’t normally do until they have been awarded a project and signed a contract.

At the end of the design process, all subcontractors would be asked to confirm their price, which would reflect the work required to complete their part of the construction, and we would sign contracts with them. Until then they would have no documented contract, just an undertaking that we would work together. Because of time constraints in the project, it was intended that some work would need to begin before all contract prices were locked in. The process carried significant risk for all parties and the contract negotiations had to be built around trust. It was a scary moment for all sides.

A key question was whether CGA Bryson could trust that the subcontractors wouldn’t take this path together and then hit the building company with unrealistic prices, knowing the builder had no time left to re-tender the works? That is, would the builder get screwed? On the other hand, could the subcontractors trust
that CGA Bryson wasn’t going to use their intellectual property to get a good design and then go off and seek cheaper prices in the marketplace. At this early stage of the first collaborative project how could either party know?

Another possible barrier to the project’s success was the bank. Sure, we had been building our own projects for a number of years but when they heard about this new approach they wanted some answers. I took them through the process and explained the basis of the idea. Fortunately, we had been using the same bank for over five years and had built a solid relationship with them. They trusted Neil and me and respected our track record.

During one conversation, it was revealed that they had heard a whisper we were going through this process with the subcontractors and their understanding was that there would be no formal contractual relationship, that it would be a ‘soft’ arrangement. We were able to dispel this misconception and pointed out there would be contracts prepared in the usual way between the legal corporate entities of the builder and subcontractor but it was intended they would not be put on the table again unless there was a dispute and all attempts at a collaborative resolution had been exhausted.

When some things subsequently did go off the rails, there was never a need to bring out a contract or threaten punitive action. All we had to do was look each other squarely in the eyes and remind ourselves of our agreement and generally that was the end of the discussion. It rarely happened that a subcontractor would not fix a mistake. Often we didn’t need to ask, it was just done, no questions. We worked together in an environment of trust; there was no need to resort to the contract.

Following my presentation, I handed over to Stephen to provide direction about the finer details of the MIRA collaboration framework.
Following a lead

*Stephen Hanman*

From a MIRA perspective, we observed Ian George launch the project with the inner circle. Our task was to continue to create the conditions for successful unconstrained collaboration. Ian suggested to the group that success would flow if the parties could adapt to a new management style. The plan was to move on from the traditional master-servant model, where the leadership had the knowledge and the workers carried out the tasks, no questions asked.

Ian explained that the circle of different fruits, including the lemon, represented the new system. CGA Bryson, as builder, would be first to step into the centre, guiding the formation of this new collaborative system. When the system was developed, the builder would move out of the centre, leaving it free for someone else to step in. The person who was expert in that phase of the project would move in and lead, organise and facilitate the plan. This dynamic movement in and out of the centre would be determined by the expertise required at the time. Conversely, in the traditional hierarchical system, movement is determined by rank.

This fruit demonstration captured the vision that had been articulated for the collaboration. Remove the hierarchy and introduce a circle of influence with a flat structure based on the process of design and construct. This process would not be determined in a hierarchical way but by the people working on the issue at the time. The contrast between the hierarchy and the process model is reinforced by the illustration on the next page. The process model from suppliers to customers works horizontally, while the hierarchy is vertical.
This new framework, called the ‘process thinking model’, incorporates an open centre, enabling people to move in and out. This open centre is a characteristic of evolved, progressive organisations that operate with a constructive culture.

W Edwards Deming, the American quality guru who worked in Japan, introduced the hierarchical illustration in the 1950s. As you move up the hierarchy you can see more of the whole organisation and, with that view, also have more responsibility. Deming said that the hierarchy was never the problem; it was that people started to think in terms of the hierarchy. This led to the misguided assertion that, ‘I am higher than them on the hierarchy so they don’t count and are less important than me’. The phrase Deming coined was ‘there are a few bad people but many bad systems’.

The change from the vertical to the process model was a significant change in how most people worked in their own organisations. One way to differentiate the hierarchy from the process model is by how information flows in the organisation. Typically, in the hierarchical model information flows up and down, whereas in the
process model it flows horizontally across the value chain as well as up and down. One example of a value chain is the movement of a product from when a customer places an order to when it is delivered, invoiced and paid.

The process-thinking model, or cross-functional organisational model, is horizontal and thrives on feedback that moves up, down and across the players. Feedback is critical to enable learning and for the organisation to be successful. It creates a continuous improvement culture. It is a living system model where the learning about what happened is central. The journey of improvement is ongoing and keeps the organisation alive and relevant. Processes are designed that are cross-functional; the focus is on federation, not on feral, silo-based decision-making that has little regard for the best organisational outcomes.

We needed to ground the idea so everyone could find out how they needed to adjust in this new collaborative system. We spoke about how the traditional competitive tendering model fits with the master-servant model. In the traditional model, two-way feedback systems are missing. The hierarchical model tends to create a culture of fear and blame due to this lack of upward feedback. This can limit the potential of innovation and change.

Another way to illustrate the change in thinking and management style is the move from the traditional hub-and-spoke management to the open centre. The project supervisor and manager were running the on-site show, everything went through them – in MIRA.
From me to we: design and build collaborative workplaces.

terms we call this management by control or from the top. It was a one-to-one interaction with each contractor and consultant. The process can be slow as it moves up and down each spoke and then is communicated out to other members if and when needed. It is up to management to determine when and who to communicate with. Management control the information flow. The hub and spoke graphic illustrates this approach.

By creating the ‘we’ and a team-based approach we first moved to connecting the team members (subcontractors). This connection continued the one-to-one interaction but also enabled more shared leadership. While this connection was happening and while the collaborative system was being set up, CGA Bryson stayed in the centre. The graphic with the circle around the hub and spoke illustrates the gesture. The next development step was for CGA Bryson to move out of the middle and into the circle. The expert was then free to step in. The project manager’s role was to facilitate this dynamic movement on site.

The process-thinking model is an example of a federative environment, MIRA’s third phase of organisational development. It is illustrated below and incorporates the living process detailed earlier, with the human being in the middle of the system.

The outside circle is the organisational system. The idea is that the integrated human being, deploying the head, heart and hands, manages and leads this organisational system to its stated aims.

Hierarchical thinking is still the dominant paradigm in organisational life, where rank outranks expertise. However, this contradicts management styles that involve being a coach, mentor and team player. The hierarchical structure, and the thinking that flows from it, defines the role of management in organisational life.
Red Blue

Stephen Hanman

The next element of the workshop was the Red Blue collaboration simulation exercise. This simulation introduces a continuum, from interdependence (collaboration and working together, represented by red) to independence (this is often adversarial, even though the players don’t know it, represented by blue).

The exercise flows out of game theory and was initially presented as ‘Prisoner’s Dilemma’, involving two accomplices. The prison terms handed down to the two accomplices are determined by what each person says happened, i.e., your prison term is affected by what your accomplice says. If your brother or best friend is the accomplice, then the consequences of lying and blaming could be dramatic, and could well lead to a lifelong family split. If it is a stranger whom you may never see again, then the consequences may be limited and self-interest is far more likely to be a strong motivator. Behaviour in the Red Blue simulation can assist participants in understanding the health of current relationships and the ability of a group to collaborate.

The participants were organised into groups of three or four people. Each person was given a handout containing the instructions and scoring system and we provided a cursory review of the details. The objective of the Red Blue simulation is for every team to achieve a positive score. The game consists of ten rounds and two negotiations; one after round four and the other after round eight. Any team that wants to attend the negotiation can send one person. In rounds nine and ten, the points are doubled.

The scoring system is as follows. If all teams play red then every team receives positive three points; if all teams play blue then every team scores minus three; and if there is a mix of red and blue played in the same round then the red get minus six while the blue receive plus six. It was suggested that if anyone wanted to ask questions they should do so within their group.

To ensure the simulation aligned as closely as possible to real organisational life, each person was asked to contribute an equal
agreed amount of money to a kitty. The more money people were willing to contribute, the more likely they would care about winning. To add intrigue, the facilitator contributed the same amount. It is always interesting to observe the reactions when participants realise that the facilitator may take the kitty if no-one wins it.

The Red Blue simulation works on the principle that there are limited downsides, other than having to live with your own conscience when you show scant disregard for the other teams participating. This manifests as playing blue all the time. If the simulation is played with people who will never interact again, then many do not care how others perceive them. But if the players are in a long-term relationship then there may be consequences to any adversarial behaviour, i.e., playing blue. Trust will be built or destroyed as the game proceeds.

For this group, the simulation provided profound learning. We initially played it during the first morning of our one-and-a-half-day workshop. The participants crashed and burned after the eighth round, before the second and final negotiation. Interestingly it was one of the leaders of the collaboration initiative who played blue, which created the downward spiral and led to everyone losing. The first task before the simulation debrief was to distribute the kitty. Often groups think they have won because they have a positive score but they then realise that there is only a winner if every team has a positive score. Either the facilitator or, more often, the other teams remind them of their miscalculation. As none of the teams had achieved a positive score, we suggested that the kitty went to an agreed charity.

The adversarial competitive approach abounds in organisational life. The tender process is an obvious example. The customer sets the criteria for selection but often the choice is made purely on price. Delayed gratification is not a concept often considered in organisations, as it is rare for one organisation to consciously take a hit for a collaborative system.

Looking at the Red Blue scoring system, one may presume that most people would see that playing red is obviously the way to go.
But what if you can’t trust what the other parties will do? Consider for a moment your first reaction when posed with the question of which colour you would play and why. Would you be a blue or a red? Consider why.

Playing red all the time would be boring, though it has never happened in my experience. We need competition to keep us awake. And remember, the aim of the game is to get the highest score. If everyone finishes on the same score, no-one wins.

The simulation also provided education on our collaborative principles. Here we were, gathered in a workshop, but in the simulation we were not able to see the collaborative path. How difficult will it be to do in real life if we can’t get it right in the simulation? A great question and one we left them to ponder. If the intention is to work together, then we have to believe that anything is possible. The participants gathered together in plenum and we discussed what happened during the simulation and what people thought was going on during the ten rounds of the game. They commented that they felt it would be too risky to play red at the start of the simulation; however, for successful collaboration, this is the most important time to play red.

Robert Axelrod, from the University of Michigan, studied collaboration by creating a computer-based Red Blue simulation and recommended four behaviours that initiate and sustain successful collaboration:

- Start nice
- Be provoked
- Be forgiving
- Be clear and consistent.

**Start nice**

This equates to playing red in week one. Players make a stand about collaboration. Adversarial behaviour is to play blue in week one and thereafter. The first round’s results are the most instructive in the context of collaboration. If people play blue, it highlights a starting point of minimising risk and playing safe.
This is typically not the environment where unrestrained collaboration survives. Playing blue highlights people’s expectations that others will not collaborate. This goes to the heart of the issue – whether people trust each other.

At first, playing blue seems illogical and irrational but when considered in the context of a competitive world it makes sense. The thinking goes something like this: ‘I can’t or won’t trust anyone so I will play blue’. If the team continues to play blue after round one, the logic could be: ‘I would prefer to lose as long as we all lose by the same amount’. This is in contrast to playing red and allowing someone else to gain the advantage. Interestingly, people defend this position vehemently as if it makes sense. It highlights how distrusting we are and how the competitive model is deep within us.

**Be provoked**

This equates to playing a strategic blue. Retaliating can be collaborative if it is done with the awareness to wake up the other party to where this behaviour will lead the relationship. Playing blue in the round after a partner has defected provides them with feedback about their previous adversarial act of playing blue.

**Be forgiving**

To forgive after having retaliated is the third behaviour that is necessary for successful collaboration. This equates to playing red after playing blue. Our experience is that this is the most challenging switch in behaviour. To regain trust with the other person there is a need for a conscious reconciliation process. Resolution of differences is required. Our world is full of conflict and war because resolution has not been possible. Trust needs to be regained and this capability is very individual. Players need to be able to see the consequences of playing blue, forgive, and then attempt to move the relationship back to a collaborative one by playing red again.

**Be clear and consistent**

This, the final behaviour, equates to playing whatever was agreed in the negotiation. In the collaborative process it equates
simply to doing whatever you had agreed or promised to do.

All sorts of emotions play out during the Red Blue simulation. Often the fear of failure is foremost in people’s minds, which leads them to play blue. At other times it is the pursuit of bragging rights; winning is everything! Often people play blue just in case, resulting in negative scores. What is true is that blue typically creates a downward spiral.

The Red Blue simulation also highlights the challenge of sharing the gains. Often in collaborative situations the gains are shared unequally, which is not sustainable in the long run. Can people be sufficiently conscious to play in this space? In most workplaces, the odds are stacked against collaborative actions because the systems are structured to support the adversarial approach. The Matrix Impact relationship development framework is an example.

Only 19 per cent of workplace cultures live in the performance zone area with high performance and constructive relationships, leaving 81 per cent of workplace relationships outside the performance zone. Those outside are driven by game playing, passive commitments, people pleasing, a lack of accountability, keeping the peace, mediocrity, doing enough to survive, switching off, and a lack of trust; all of which leads to employees shutting down or becoming inwardly defensive.

Collaborative acts need to be rewarded if collaboration is to flourish. Take a safety regime for example. It is hard for people to see a positive in acknowledging a near miss. It is a negative but should be positively acknowledged. The way that most organisations are structured encourages people to play the adversarial blue. It is the safe option and is linked to the passive aggressive or defensive aggressive cultures defined by Human Synergistics.

People who play the simulation tend to struggle to see that the collaborative act is to play red. Perhaps they are so deep in the competitive game they have lost sight of the need to collaborate. They often see those who play red as naive or even stupid. It is rare for someone to see the value of red at the beginning of the
Red Blue simulation, and people typically say in the debrief session how they played blue in order to minimise the risk.

The simulation provides a wonderful insight into how most of us have been brought up to compete, even though we are not aware of it. We live in a competitive world. The simulation uncovers our fundamental beliefs but also highlights our interdependence. This interdependence relates to everyone, as parents, employees of the same company, a sporting team, and so on. But on the whole we are encouraged to act as if we are all independent and that the actions of others do not have an impact on us. Examples of this disconnect abound. One example is how internal departments compete with each other rather than working together to provide a better service for the customer. The focus should be on the competitors in the marketplace rather than within the departments.

I believe the behaviour observed during the Red Blue simulation is a fundamental reason why there is a lack of collaboration in business. Taking a risk is often not rewarded unless you are at the top of the organisational chart, so the only alternative is to play blue and minimise the risk. Once again we can see how the hierarchical model limits the opportunity for collaboration. When challenged, participants find it difficult to see that everyone losing by the same amount is not logical or rational. They find it hard to see that the best possible strategy is to collaborate so as to enable the outcome that everyone wants.

**Seeing and not seeing**

The simulation also reveals how difficult it is to see things as a system and how it is so easy to act as if we stand outside systems, as if we are not interdependent. The simulation is a system because everyone receives the same information sheet and the first line on the sheet states that the objective is for your team to achieve a positive score. But when people start the simulation they seem to forget that everyone is working from the same sheet. So this short-term, fragmented, competitive, individual thinking leads them to play blue. They only seem to care about their team
winning and have no regard for the other teams. They see how others play but only from their perspective and their strategy. Rarely can a team reflect and deepen the conversation and ask each other why others are playing red. If they naturally saw the system and the interdependencies then it would be easy to see that playing red is the right action to nurture collaborative outcomes. Even when the negotiation occurred after rounds four or eight and one team had worked out the simulation and attempted to explain it to the other teams it did not lead to more collaborative outcomes. Invariably, the other team did not trust what was being said, even though it was written on the handout. They presumed the other party had an ulterior motive. It is bizarre to observe this in the negotiation and then to discuss it in the debrief session.

After the debrief was completed, the strategic partners were motivated to create this collaborative system by playing reds to each other. But they now had some sense of the changes required. How could they as a group of organisations take this learning and apply it in the construction project that was about to commence? Conversations ensued around the need to be consciously aware of what we wanted to create and then to do it.

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Defining the vision, mission and values

Stephen Hanman

Defining the vision, mission and values for the collaborative construction system was the last part of the workshop. Ian George had already articulated his vision, the ‘why’ behind the project. The goal: to change the culture of the construction industry.

The workshop created the following aims for the collaborative process:

• To deliver projects with a minimum of waste, a reduction in the cost base, faster build speed and ahead of the construction building program, all without compromising on quality or safety.

• To make a profit. Ian reiterated that every party in the design and construction team is entitled to make a profit. The amount of profit was not agreed but the principle was established. In traditional construction projects there is often litigation, and organisations fight to make ends meet.

• For the builder to become the preferred client for subcontractors and to be an employer of choice within the construction industry. This included the long-term aims: to gain a competitive edge in the marketplace and to provide continuity of work to the collaborative team of consultants and subcontractors.

• To change the way of working from a hierarchical to a cross-functional process flow model, the objective being to create a more efficient and cooperative workplace.

• To create the conditions to allow for more environmentally conscious buildings.

We then moved to the important topic of how we were going to set up the collaboration in terms of values and behaviours. In this group workshop we discussed, debated and agreed on the values of commitment, openness and honesty, accountability and working collaboratively.

In summary:

• Commitment – doing what we said we would do. When we
commit, we do it. We, as a group of about 30 people, decided that if you made a promise and could not keep it, you were proactive and informed those affected by your broken promise. This informing process nurtured a care for each other.

- Openness and honesty – not taking advantage of each other. We will care for and respect each other. We will openly share relevant information and value the input of others.
- Accountability – taking mutual responsibility for the project.
- Working collaboratively – included early involvement in design and planning, as well as monitoring and communication throughout the project.

After we documented these values and explained the behaviours, we asked each participant to stand and commit both individually and organisationally. It asked of each person something that they perhaps had never been asked before – to commit to a group that would collaborate to design and construct. It was a profound and bold moment. This was not the road most travelled in the world of construction or for that matter organisational life in general. These acts of commitment created a strong ‘we’.

After the workshop, it was each principal’s task to communicate these values to the people in their own organisations. The values and behaviours are part of the strategic intent of an organisation. These values must be congruent with other strategic objectives as well.

This, in reality, required people to be aware of their own behaviour and assess if it was collaborative. The feedback system that was created would nurture and reward collaborative behaviour and make all participants aware of behaviour that was not consistent. The project manager was critical in nurturing this new communication style in every interaction. It became a norm that everyone enjoyed, irrespective of role and rank.

Seeing a model of how organisations operate can assist us in aligning how the collaborative design and construct processes needed to work. The figure on the next page shows a picture of the organisation as seven beacons and highlights the why, how and
what of the organisation as the strategic elements. The top three beacons provide the organisation with its orientation – what it is going to do, why and how.

Organisations typically exist to achieve a stated vision or aim. This vision can incorporate the core purpose of the organisation and often includes a statement about values and behaviours. These strategic intents are not always formal statements but live in the intent of the leaders and managers. The aim of our project was clear: to plan, design and construct in a collaborative way, building on successes and learning from the issues that arose. This collaboration was an action research project with reflective practice at its core.

So, we had set up the strategic framework. We had identified the vision and aims of collaboration and developed and committed to the values that would assist all parties in behaving in a consistent way. We had also raised people’s awareness of what collaboration is and what it isn’t. We introduced the language of ‘red’ as a collaborative act and ‘blue’ as adversarial.

After establishing the why, what and how of the new construction process, our challenge, as organisational developers, was to move to the bottom of the seven beacons and work with the people to
set up structures, processes and resources that were consistent with the strategic intents. People needed to see alignment between what we said we were going to do and what we actually did. We needed to be congruent.

The structures and roles needed to be clear so they supported the other six beacons. The processes needed to be aligned to the principles, values and behaviours. If subcontractors were not paid on time then the builder needed to review internal processes and do what they had promised. If the resource deployment was not consistent with what was planned, it needed to be adjusted. People had to keep their word across the board, irrespective of rank and authority. The builder’s organisation needed to update structures and roles, processes and resources that supported the strategic intentions of the collaborative construction system.

From difficulty to opportunity

We then hit the first of many hurdles in the workshop, when one of the strategic subcontractors asked a challenging question. This subcontractor, who had a fairly abrasive relationship with one of the builder’s employees, asked the provocative question of whether they would be given all the work on future projects. This was potentially a major issue, as it highlighted the fact that the builder may not use the same subcontractor every time. It would depend on whether they were right for the project. This could impact on the potential value of the collaboration initiative for the subcontractors.

Most of the subcontractors agreed that it was appropriate for the builder to decide whom to invite, based on capability, but asked if they could work with the builder to expand their individual businesses to enable them to take on the larger projects. The builder confirmed that they would give the strategic partners every opportunity.

As a consultant who works with conflict in organisations, I observe that most people try to avoid conflict. Not much good is seen in conflict. There is a view that high-functioning people are not in conflict with others. People need to see conflict in a positive light.
The quantum discussion earlier highlights that conflict can be seen as an opportunity, and that dealing with it openly is part of the quantum skill set.

When the question of future work was raised I was concerned that the powerful, positive energy that had been created between the subcontractors, consultants and builder would be lost. But what eventuated was even greater cooperative working and mutual learning. As Albert Einstein said, ‘In the middle of difficulty lies opportunity’. This potentially sticky issue was resolved without raised voices and with everyone stating their view.

It also outlined the need to resolve issues healthily so we could stay engaged with each other. Disengagement would create too much distance between the stakeholders of the group to nurture the trust and care we needed to collaborate successfully. This was also at the heart of successful collaboration. Maintaining healthy relationships is core to collaborative success. To maintain a relationship and deal with all the issues that present along the way, people need the skills to argue fairly and respectfully. If they can, the stakeholders are more likely to stay in a relationship with one other.

Throughout the project, my MIRA colleague Jonathan Klugman and I were looking for potential hot spots that needed resolution. No more sweeping issues under the carpet. A great learning for all was that confrontation could be handled productively. This enabled people to have rigorous and difficult conversations about various issues and stay engaged during and after the conversation. One of the skills that people needed assistance with was ‘fighting fair’. It’s a skill that takes some work. As best-selling author and preacher Max Lucado has stated, ‘Conflict is inevitable, but combat is optional’.

The skill of fighting fair is about disagreeing openly, with respect and awareness for the other. Take on the issue, delve into the issue, but learn not to attack the person. This approach to conflict and disagreement was one of the many experiences that highlighted that this collaboration was not easy going. It was not a soft, ‘fluffy’ option. Another aspect was the documentation of
all commitments on the whiteboard during the build phase. This involved visual management of promises made by each member of the team. As the commitments were made they became public property, because they lived on the whiteboard until the next week. Other commitments would then be made by others based on that activity being finished on a certain day and time.

The idea of sustainable collaboration being soft is nonsense. On the contrary, it needs a robust organisational system where naming real issues honestly and respectfully is invited.
Formation of a steering group

Stephen Hanman

There was one more strategic task that was necessary to ensure the project stayed true to its goals. A steering group was created to oversee the agreed values, behaviours and policies that had been developed. The objective of the steering group was to provide feedback about the design and construction process from multiple perspectives, to create a collaborative system that learnt from its mistakes.

Ian George also wanted the steering group to develop the wisdom to move out of the centre of the management system and empower people to act congruently with the collaborative systems that were being implemented. This movement between point and periphery was also discussed when the ‘circle of fruit’ analogy was demonstrated. Success of the project depended on people being aware of the strengths and weaknesses of others, and on organisational systems being sufficiently flexible to nurture this movement.

The steering group consisted of ten people: three from the building company (the CEO, the construction manager and a project manager); the principals from the architect, the plumber, the concreter, the steel fabricator and the electrical supervisor; and Jonathan and myself from MIRA.

Quarterly steering group meetings were conducted. The plumber, as he often did, asked probing and deep questions about the new process. At one meeting, he asked the electrical supervisor why the collaborative process was a success. The answer was simple and yet profound: ‘It’s pretty simple; we just care about each other’.

We have been making sense of this simplicity ever since. The electrical supervisor provided more by way of an example: ‘We were pushed last week, we had an inspection planned at the end of the week but realised early in the week that we needed to work hard together to be ready’. Using the traditional construction process, this situation could have only been delivered with lots of threats and fear.
He went on, ‘The concreter, the landscaper and I met to discuss how to achieve what needed to be done. We would have to work like clockwork together; we identified the critical path and then delivered what we planned’. The work involved digging trenches and installing cables for the electrics, laying concrete paths and planting and landscaping. He then concluded, ‘We made commitments to each other, then we actioned those commitments. We all delivered on our promises. We delivered because we care about the promises we make to each other’. Once again a strong ‘we’ was evident.

In the past, the project manager would have managed the situation with the electrical supervisor one to one, but instead he allowed them to work independently to initiate a completion and delivery process with two other subcontractors, based on a future inspection date. The project manager’s new role was to coach the three of them in the delivery of a successful outcome. Subcontractors embraced this way of working, as it led to less waste on site and created a great workplace environment. Now this doesn’t seem so extraordinary, but when the whole system is working on the value ‘we do what we say’ it creates something special to which people connect.

Jonathan and I asked the other members of the steering group about the need for a workshop for the supervisors and then a workshop for the labourers. They had difficulty seeing the need for these workshops. I remember the quizzical looks signifying they thought the supervisors and labourers ‘won’t get it – what is the point of involving them’. Jonathan and I pushed this point to create a ‘we’ in this process that incorporates the supervisors and labourers.

We encouraged the steering group to see the collaboration as a system change and if it was to be successful we needed to engage with all site stakeholders. The values of openness, honesty and involvement were also presented to enable the principals to see that these workshops were congruent with living the agreed values. Just like the principals, the supervisors and shop floor staff
needed to engage for the collaboration to be successful and deliver the maximum value. This equality would also, at some stage, need to penetrate each strategic-partner organisation. If it didn’t, then the master-servant model would come into conflict with the process model.
Red Blue 2 and 3

Stephen Hanman

Jonathan Klugman and I initiated and conducted half-day workshops with the supervisors and then the labourers who would be working in the new system.

In most organisations there is the best team of workers, referred to by the subcontractors as the ‘A team’. The builder held conversations with the subcontractors about the teams they would assemble for the construction phase of the project. It was pleasing to note that each subcontractor chose their A team to work on this first collaborative project. The supervisors of these A teams were invited to the workshop. They needed to understand what the principals had committed to in the previous workshop. In their workshop, the supervisors were asked if they could live with the values and behaviours established in the first workshop. After some minor modifications, we asked for their commitment to the values and behaviours.

In the supervisors’ workshop we deployed the same Red Blue simulation and a debrief session about how the collaborative construction process would work. We used the simple language of Red Blue to communicate the simplicity of collaboration. Once again, the group did not reach a positive outcome. As previously, the money went to charity.

A similar half-day workshop using the Red Blue simulation was then conducted with the labourers. This workshop was a lively event, involving a group of about 25 very down-to-earth people. They included labourers, the project manager and the CEO from the building company. Most subcontractors sent one to three people. I was very excited by the possibilities and a little apprehensive about whether they would engage with the concepts we were espousing.

As previously mentioned, at the beginning of each workshop we used a conscious process of ‘checking in’ to create connection. We asked everyone to share something with the group that no-one else knew. The vibrant bobcat driver declared with gusto that he
was ‘the world’s greatest lover.’ It still brings a broad smile to my face.

The labourers’ workshop was a profound moment in the project. They challenged the core of what we were doing. Everything needed to be explained from a practical perspective; theory would lose these guys in minutes. We continually engaged them in the conversation about how things typically happen on a construction site and what would be different in the collaborative approach. We spoke about the values and behaviours of equality, respect and fighting fairly.

In four teams, they then also played the Red Blue simulation and, defying the silo system’s premonition, achieved a successful outcome! Was there something in this? Did it have to do with being more pragmatic? Could I even dare to suggest that it had to do with being more human?

At the labourers’ simulation debrief I asked why they thought they delivered a successful outcome? The bobcat driver looked at the supervisor and manager, who were part of the workshop but not the simulation, and said, ‘You’ve forgotten that we all end up in a box’. To quizzical looks he went on, ‘You blokes have forgotten that we have dreams too. They may not be the same million dollar houses as you but we dream too’.

A few in the room gulped, myself included. We were onto something significant here. I asked him to elaborate more. ‘Us blokes on the construction site know that to work together is the right thing to do. But often you blokes up at the top of our organisations don’t understand. It is as if you want to nurture the dog-eat-dog world that you live in. Left to our own devices we will work together as it makes sense. It makes life easier. We depend on each other on site.’

Based on this picture, their success at the simulation seemed plausible. It was quite evident that the labourers had a lot to offer if this collaborative project was to be a success. Maybe they were core to a successful collaboration.

Could it be that managers struggle to collaborate because they are thrust up into the higher levels of the organisational hierarchy
and they forget how to really work together? To succeed, you may have to forget how to look after your peers. Could collaboration be seen as anathema to success in this environment? This was a point to ponder.

Perhaps because the move up the hierarchy demands more thinking and less doing, something may be lost. In organisational life, and perhaps life itself, if we are not conscious and aware of our intention, then often the worst eventuates. Perhaps it relates to what Viktor Frankl, the author of ‘Man’s Search for Meaning’, was referring to when he quoted Goethe and suggested that each person is the decisive element. Treat them how they can be then you get their best. To create the best we need do it consciously.

What is this about? If we are not conscious we get the lowest common denominator but if we are aware of what we want, we can get closer to achieving what is best for us all. Is it about power? If it is, it certainly raises the need to talk openly about power and how it is used. This conversation led to a discussion about management style and tone and was then linked to the values and behaviours we had agreed to work with in this process. It once again highlighted the need for the conversation. The conversation assists in working with power in a healthy way.

In this context, healthy is defined as keeping other people engaged and committed. We referred to this in the collaboration as the ‘we’. My experience is that for people, groups and organisations to be at their best they need conscious strategic intent. This typically comes from jointly developing a vision, aims, and values and behaviours, and committing to them.

**Congruence**

This collaboration required everyone to develop congruent integrated behaviour. One way to see that is to picture congruence between our head, heart and hands. Another way is to picture congruence in our knowledge, attitudes and skills. Either way, it’s about congruence between what we say we want to be (via the vision, values and aims) and what we actually are in our structures, processes and resource deployment. Achieving a living alignment
is the key.
This project developed a constructive culture, as defined by Human Synergistics. The constructiveness evolved from the certainty created by people through the way they worked. As people started to build trust in others keeping their word, it created high performance expectations. People in the design and construct team developed a belief that other people would keep to the promises they made.
Perhaps Red Blue also has links to the Human Synergistics workplace cultures. The adversarial act (blue) lives in the passive defensive and aggressive defensive workplace cultures while the Red lives in constructive workplace cultures. Of the 20 or so times I have facilitated the Red Blue simulation to this point of time, only on three occasions have all teams been positive, with one team leading at the end of the last round. The first time it was a group of marketing undergraduates, the second a planning team from the same organisation and the third time it was the labourers on the collaborative construction project. Why did these three groups succeed where many others have failed?
The marketing undergraduates, who were aged in their 20s, couldn’t work out why people would play blue. Was this just an example of their naivety? ‘They’ll harden up after a few corporate knocks’, I hear you say. The insight from the group of planners was that, in the first negotiation, the team that was leading said they would like to win the game but offered to give the kitty to the other two teams. So, in this instance, the status attached to winning was more important than the money. I asked what would have occurred if the stakes were higher? The negotiators conceded that it would have made a difference to what they wanted, and this may have led them down the blue, more competitive, path. With the labourers, I think they simply understood in their bones the fundamental benefits of collaborating.
Perhaps in organisational life we simply need to create and live by the value of doing what we say. This value nurtures certainty and trust. In such an environment, the organisation supports these
behaviours with collaborative structures, processes and resources, to enable people to be the best they can be and do the best work together that they can. I will return to this idea later in the book. The leaders of the collaborative construction projects believed that an inclusive and involved workforce would make a difference to the bottom line. If people were able to integrate their thinking (knowledge), feeling (attitudes) and actions (doing things with the new skills deployed) never again would there be a need to question whether a motivated workforce was more productive. It would become a no-brainer. Maybe it is already but we are not clear about how to inspire such integration.
**Interface conversations**

*Stephen Hanman*

The next step in this first collaborative construction project was to design the buildings. To facilitate this process, Jonathan Klugman and I conducted interface conversations (IFCs) among the relevant parties.

The IFCs took place between representatives of:

- The builder and the consultant organisations, e.g., architect, engineer and services engineer
- The various consultant organisations
- The consultant organisations and the respective trades, e.g., the services engineer with both the air conditioning subcontractor and the plumber to resolve the typical planning and design issues
- The various trades.

The conversations in a traditional construction process are generally between the developer, architect and engineers, with the architect producing the drawings in consultation with the engineers, and then the builder proceeding to construct. Typically, the subcontractors are expected to build from a plan that has been developed without their involvement or consultation. The reality, as the subcontractors told me, is that they always need to amend the plan to make it workable. The architect on this project confirmed that plan revisions could number in the hundreds.

The IFCs are congruent with the process-thinking model, as feedback moves up, down and across the supply chain. The participants in the conversations are not determined by rank but by expertise; whoever is the process expert.

A number of the subcontractors spoke about what they do when they arrive on site and look at the ‘final’ plans. They typically need to change them; they can look good on paper but in practice will not work. One example was when the lights proposed did not fit in the space provided by the architect and services engineer.

The objective of an IFC is to improve the outcomes between
two parties working together. This is achieved by improving the process currently used by the two parties, while also building the relationships links. These conversations are to ensure everyone is the best they can be, as well as to fix issues. At one point in the project, a subcontractor delivered a product early, thinking they were doing the right thing, only to find out that it caused issues of congestion and hindered the productivity of other subcontractors. A simple conversation would have avoided an act that was based on good intentions but caused a negative chain of events.

The use of the IFC for the design phase of this collaborative construction project was a new idea. Normally design is controlled by the tender process. Subcontractors provide ideas and a price, in the hope of being selected. The consultants liaise to create the final plan. In this case, given that the tender process was removed for the strategic partners, everyone could work together to create the most effective and efficient design. The subcontractors were actively involved in the development of the design, many of them for the first time.

The IFCs were a fundamental change in the design process. Each subcontractor was required to provide their intellectual property and expertise to the planning process. This was a major change to how they had worked on previous projects with the builder.
The IFC process is illustrated below. The ultimate customer in the construction example may be the developer or the final occupant of the building.

The IFCs strengthened understanding not only between the trades but also with the developer/builder, architect and engineer. The outcome of the IFCs was agreed improvements with actions detailed, including by whom and when. This nurtured accountability of the promises made. The IFC is a magical tool; it creates a space into which people are allowed to speak. It’s not just any space but one where they can name issues they have typically not been able to mention. Respect and equality are critical ingredients. So is the power balance. There are no negative consequences for the subcontractor who takes advantage of this innovative tool to raise issues previously kept under wraps.

The inability to have full and frank conversations is often linked to the master-servant model, as people lower down the chain know they can’t speak their mind. If they do, their job is on the line and so they generally choose silence. Not the best system when continuous improvement is a required objective but fine if we want to maintain the status quo. For this reason, the interface
system is a deeply human process. We are social beings, we need to connect and be seen and heard. The IFC process enables that. It also embraces the duality of the inner and outer; the inner taking responsibility for what is yours and the outer for what other parties are doing. It seems this simple process somehow brings out the best in people. The IFC has a subtle yet profound impact on organisations. It seems to create a connection that was not there beforehand.

One of the architects on the collaborative construction project commented that the IFCs changed everything on site for her. All of a sudden she went from an unknown person walking on site to being and feeling part of the overall team, something quite unusual for a member of what is referred to as ‘professional’ services.

The next step after the design stage was to put a price tag on construction. The builder and the strategic partner subcontractors took part in an iterative process to calculate the budget for building the design they had actively been involved in developing.
Other developments

Stephen Hanman

In what seemed like no time at all, the builder was finalising budgets and plans, preparing for construction to begin on the first project. We had been successful thus far in facilitating a collaborative design process as well as a feeling of unity between the subcontractors and the builder. It was now time to translate that onto a site where up to 120 people from more than ten different firms would be working.

The developments to create this collaborative system so far included:

- Interviews with each of the strategic partners to start the process. The aim was to understand where each organisation was on the collaboration continuum.
- The initial workshops with principals, supervisors and labourers to set the strategic intention.
- The creation of the steering group.
- The design interface conversations (IFCs).

There was a small amount of work that had to be tendered to other subcontractors who were not involved in the collaborative process, which the builder finalised, and after the budgeting process was complete each organisation selected their teams to begin to construct.

A collaborative building site was unheard of within the industry. The project managers had been part of the workshops and the IFCs, and it was soon apparent that the feeling of collaboration had to stem from them. We had been in conversation with these project managers about the need for a change in management style, from a ‘command and control’ approach to a ‘management by support’ style.

Management style

Management by support is a move to a coaching and mentoring style, in contrast to the more traditional directive and controlling style. One project manager often joked with us, saying, ‘But when
do I get to whack the subcontractors?’ We explained that there would be no more whacking, just open, honest conversations about what promises had been made and kept. The feedback mechanisms in place were strong, and transparency in the system led people to be accountable for promises made.

When people tripped up there would not be the typical shaming and blaming processes. Our approach was ‘attack the issue and not the person’. The collaboration was about respect and dignity and treating people as adults who are able to commit to promises made. If promises were not honoured, then those at fault needed to be spoken to directly and respectfully, with a tone of resolution.

The table below details the five foundation stones of management, as described earlier, and the four management styles. These four management styles also fit with the phases of organisational development: pioneer, differentiation, federation and integration. These phases are explained later in the book.

Within each of these management styles there is also tone and approach to consider. Self-responsibility and accountability builds as you move from the first style to the fourth. Collaborative processes are the focus of the third management style.

**Foundation stones of management by phase of development**

<table>
<thead>
<tr>
<th>Foundation stones of management</th>
<th>1. Management by example (Pioneer)</th>
<th>2. Management by control (Differentiation)</th>
<th>3. Management by support (Federation)</th>
<th>4. Accompanying management (Integration)</th>
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<td>To set aims</td>
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<td>To plan</td>
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<td>And to carry out (do)</td>
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The four management styles are:

1. **Management by example**

The manager is involved in doing the task with others. People observe what the manager does and then follow suit. It is most
commonly adopted when an organisation is in start-up mode or in the pioneering phase. Typically, it would be used in the induction of new employees and during a training program on the application of software tools or the use of equipment.

2. Management by control
The difference between this style and the first is that the manager does not do the activity. The manager plans and communicates the task, someone else completes it and then the manager undertakes a review. The impact of this style of management changes depending on the tone used. In the command and control environment, it is the master-servant tone: the manager gives an order as to what needs to be done. A good example is the fire warden in action. We have been advised that in an emergency to ask questions would be counter-productive and we understand the reasons why. If the sirens sound, we all do exactly what we are told. The impact is positive. In contrast, the impact would be negative if workers were told not to think but just do. That’s like saying, ‘We pay you to leave your brains at the door’.

3. Management by support
The manager supports people who are capable of taking more responsibility for the whole task. In this way, the manager can hand over some of the management task in order to improve their team member’s accountability. For example, the manager may sit with the person and ask them to describe the desired outcome of the task. Can they see the consequences of the task upstream? Then the manager helps them to work out how to plan the task, complete it and review it. Finally, the manager assists them by providing a more strategic picture so that they can set an appropriate objective for the task.

4. Accompanying management (management at the periphery)
This fourth style of management can occur when the manager and the team are working successfully together. The manager can step back and intervene only if and when it’s appropriate. Importantly, the manager needs to ensure that the foundation stones of management have been put in place and are being followed.
These management styles in the phases of organisational development are illustrated below.

### Management styles in the phases of organisational development

- **In pioneering**
  - Management by example

- **In differentiation**
  - Management by control

- **In federation**
  - Management by support

- **In integration**
  - Management at the periphery

As the illustrations indicate, the management styles are situation-specific, with the manager moving through the different styles as called upon.

- From the front of the cart where ‘management by example’ is deployed.
- To the top of the cart, working with ‘management by control’.
- To behind the cart to support the team to reach their destination, working with ‘management by support’.
- To on top of the hill, keeping a watchful eye over the newly empowered team, working from the periphery with ‘accompanying management’.

Management by support was embraced by all the organisations in the collaborative construction project. The job of the person at the top was to make the team successful. This change in management style moved the leader and manager out of the centre of the ring and enabled them to gain an overview of the system being created.
They observed from the periphery rather than from the centre, creating a different experience and freeing up the centre for the experts to step in. This manifested when site and construction issues arose and the people who were expert in the field felt comfortable leading the resolution process, even though people higher up in the hierarchy were present.
Look ahead site planning

Stephen Hanman

Another development tool that supported the change in management style for the collaborative construction system is a process known as ‘look ahead site planning’ (LASP), which was developed following MIRA’s research into the UK construction industry.

During the research phase, we had conversations with another organisational development consultancy, Rubicon Associates, which at the time provided services to companies throughout the UK and internationally. This led to the development of LASP, a group-based tool that nurtures visibility, clarity, responsibility and commitment.

With the LASP process, certain people on site are given the authority to detail progress and set aims for the following week. Each of these people, usually the supervisor from each subcontractor organisation, typically needs to align the site aims with the requirements of their own head office. A healthy interface between site and head office is nurtured.

The style encouraged by LASP is focused on empowering people at the site to fulfil the whole management task, rather than just the ‘doing’ component. It has a ‘management by support’ focus. This approach requires the subcontractors to change their internal planning processes. In a more traditional construction process, planning and scheduling occurs at head office, with limited regard for other subcontractors. Our approach involved head office and subcontractors at the site as a whole group.

In the collaborative construction project, to ensure the success of LASP, the builder needed a group-based process at the site rather than the top-down vertical planning process that previously existed.

In line with the LASP process, each Thursday the subcontractors would submit their plan electronically for review at the following week’s meeting. By doing so, they made a new commitment each week. The project manager would write up these individual plans on a whiteboard, which was located in the project office for all to
see. Others on site could then plan their activities on the basis of these commitments.

As well as these individual subcontractor commitments, the whiteboard provided a snapshot of the project manager’s detailed plans for the next three to four weeks of activity. He was responsible for keeping all relevant construction parties up to date with progress. This was achieved by updating the whiteboard based on what had occurred the previous week and what was planned for the next few weeks. Success was dependent on the subcontractors fulfilling their promises. If an issue arose, the relevant people would gather in the site office and work out how to resolve it.

A process such as LASP is not unique in the building and construction industry. The significant difference with this organisational tool is that it aligns the top-down views of the builder with the bottom-up commitments made by the subcontractors on site. It is driven from the bottom as much as it is from the top.

LASP meetings occurred weekly on a Tuesday. They were attended by the project manager, subcontractor supervisors on site and those who would be coming onto the site in the near future. In this way, the meetings provided an interface between existing subcontractors on site and those who would be joining the team in subsequent weeks. Designed to streamline the movement and induction of subcontractors onto the site, they were held in the project office that contained the whiteboard. This approach of visually documenting and conveying the commitments given by each stakeholder had a profound impact on maintaining accountability to the plan.

The LASP process enabled the schedules of the builder and the subcontractors to be aligned. It affected the project manager’s role the most, with the focus of his role changing from reacting to issues to more proactive planning with the subcontractors, and keeping everyone in the loop. The project manager had to make the transition from policing his own plan to communicating with all players about commitments made by each subcontractor.
We had created a team environment and at the weekly LASP meetings people were making realistic commitments that they cared about. This transparency enabled accountability and certainty, which built trust among the team. There was nowhere to hide for any stakeholder who was not delivering on their promises. This gave great comfort to those committed to the process and enabled all the players to be their best.

Learnings about the new construction system were recorded in writing at the weekly LASP meetings. The builder initiated a project to collate the notes in a document, for which the project manager and construction director were responsible. It was to become a ‘how to’ manual about the collaborative construction system. The architect created a standards document, which set out the processes and products adopted for CGA Bryson projects.
Builder interface conversations

*Stephen Hanman*

As the first collaborative construction project unfolded, it became clear that a range of challenges had to be overcome. For example, two of the builder’s internal departments, construction and accounts, were suffering from a disconnect in terms of process and relationship.

A tension often exists between departments when aims and goals are not aligned. For the construction and accounts people it was about ensuring timely building outcomes while also achieving cash flow and profitability objectives. Internal interface conversations (IFCs), along the lines detailed earlier, were conducted with staff from both departments, facilitated by Jonathan Klugman.

After the IFCs concluded, Ian George commented, ‘Some of our staff were completely unaware of their impact on other sections of the business. Construction had been at loggerheads with the head office accounts department over certain issues. One interface conversation changed this relationship and the tension was removed. Issues were resolved and everyone was happy’.

This might sound simple; however, it became evident in the conversations that all the effort in developing this new collaborative system was infiltrating people’s thought processes. The many discussions and presentations around the approach enabled and motivated collaborative outcomes. These internal IFCs and outcomes were the starting point for real changes within the builder’s organisation. Ian initiated ongoing conversations and staff from the different departments began to meet on a personal level.

The impact of the IFCs on the broader system was a surprise. The builder’s team gained further confidence in the collaborative
system and this motivated them to forge deeper and more trusting relationships with the subcontractors. Once again, there was an upward spiral of collaboration where everything was connected. That’s not to say that there were no events that knocked people’s confidence in the new system. In such moments, there was a need to reflect and understand. It was not a perfect system but one that required continual learning and improvement. The people within this collaborative system also needed to remember that no-one is perfect and sometimes things will not happen as promised. What was important when a problem did occur was to have the conversation and ensure that everyone understood what went wrong and why, and what to do in the future to prevent a similar event.

**Roles and responsibilities**

The internal IFCs led to changes in roles and responsibilities for specific people in the builder’s organisation. These conversations clarified roles, responsibilities, activities and levels of authority to ensure they were consistent with the builder’s collaborative aims. The objective of clarifying the roles was to nurture responsibility via conscious authority that would build accountability across the builder’s value chain. The diagram on the next page illustrates the connection. We call it the wheel of organisational dynamics, and it has three layers: the person, the functional area and the organisation.

Each layer has a job description. There is one for each person, one for each functional area and one for the whole organisation. In this way, the organisation and its people form a whole and this alignment facilitates congruent action.
From me to we: design and build collaborative workplaces.

The wheel provides a holistic picture of organisational life and how that can be linked to individual drive and inspiration. It connects everything in the organisation.

The challenge is to ensure that people can see where they fit within the wheel and how the system works. In addition, it incorporates the visions, aims and values of individual people, functions and the organisation, and links them with each other and with the external marketplace.

The element of ‘leadership and management’ connects around the outer circle but also, via each functional area, to each person’s
competence to respond. The outcome of the first workshop of the collaborative construction project developed the leadership and management required for successful collaboration, while also connecting structure to the workplace culture. We, as consultants, then needed to build a connection around the outer and inner circles while also creating alignment between the two.

The organisation’s activities and tasks, as required by the marketplace, are disaggregated by function and then by person. Each person’s activities are detailed in their job description, which then aggregates to deliver a functional aim that is ultimately part of a value chain that satisfies a customer’s need.

The ‘power and trust scale’ is the dotted line that runs from organisational structure to workplace culture. This scale provides a development opportunity for people, as they can assess if their style is delivering what they want and need. The scale identifies the opportunity to educate managers about the consequences of working only out of power; it is a very blunt instrument and is only really applicable at certain times. If used too much it will lead to losing the commitment and involvement of your team.

When a manager asks questions of his or her workers, rather than telling them what to do, they show interest and build relationship. This develops into influence, which expands as the relationship moves up the trust scale. Then when, and if, they need to move down to a power position, the team trusts that it must be necessary. This is due to the loyalty built up by the manager having predominantly used the ‘management by support’ style described earlier.

Managers need to understand their own style of management and where they tend to operate on this continuum. That is critical for collaboration success. How managers use power determines their influence in the organisation. Some never have to threaten; they deliver their aims through influence. This ensures the team stays engaged and motivated.

Authority flows from one’s own role in the organisational structure and this authority must be supported by our ability to respond. It
is here where rank and expertise meet. The activities we need to
perform are determined by the marketplace, and how well we do
them is determined by our competencies and abilities to respond.
One example in the collaborative construction project was that
the project manager put more energy into resolving differences
and issues constructively and spent little or no time yelling at
non-compliant subcontractors. When someone was not compliant,
they were invited to meet with the project manager and explain.
Typically, checking what they were accountable for was sufficient
to ensure they got their act together. If not, then the project
manager learnt to move down the power and trust scale and
become more directive and demanding. He always carried the
power but rarely needed to use it. This approach enabled him to be
more influential in the delivery of promised outcomes.
The balance of trust and power is tricky and could be one of
the reasons why a constructive culture as described by Human
Synergistics is difficult to create. In the recruitment process,
those who have the skills and competencies, on paper, are invited
to an interview. But the reality is that human beings, along with
these skills and competencies, bring attitudes and behaviours
determined by their past experiences. The best contribution a
person can make – their heart and mind – is only possible in a
constructive culture environment. The heart and mind are offered
because the individual sees this as being good for them and for the
organisation; they are asked to bring all of themselves to work.
Management needs to create the conditions where people want
to bring their hearts and minds to work, as well their skills and
competencies. How people behave is strongly shaped by the
culture and norms of their organisation.

• • •
Additional education sessions to stay on track

Stephen Hanman

As the first collaboration project unfolded, gaps in knowledge, attitude and skill sets became evident. A continuous education process was needed to keep the new collaborative conversation top of mind. New subcontractors would arrive on site and undergo a morning induction process to enable them to work with other subcontractors. This was quite a challenge for these newbies when the day before they had been working on a site with a traditional adversarial culture. It was as if they needed to don a new pair of collaborative overalls.

To deal with the constant stream of new subcontractors, the induction process was continually improved and complemented with monthly sessions, funded by the builder, which incorporated all the stakeholders. If the collaborative system was to improve and blossom in the cut and thrust of construction, it needed to give the people involved the skills to deal with difference and conflict in a healthy, mature and professional manner.

The monthly sessions typically embraced three areas:

- Knowledge required – what do people need to understand about this collaborative system, and why?
- Attitudes held and expressed – the values and behaviours developed in the first session with the principals needed to be regularly workshopped. What does ‘open, honest and respectful’ mean on a construction site?
- Skill development – an ongoing informal skills audit was conducted on site and fed into these monthly sessions. What competencies needed developing and why? What did competency in a specific area equate to on site?

The topics included were:

- Beginners and advanced collaboration
- Making and managing commitments
- The policies, values and behaviours of this collaborative project
- Porcupinity, fighting fair and healthy conflict resolution
• Principled negotiation
• Management style, with a focus on management by support
• Process flow thinking compared to hierarchical master-servant thinking
• Continuous improvement as a philosophy.

In addition, various groups conducted numerous one-off reviews. The aim was to keep the collaborative system alive and developing. Workshops were held as required and the participants determined the aim of each session. At times it was the group of principals, sometimes only the supervisors. Sessions were also conducted with just the building company to ensure that the behind-the-scenes processes, such as subcontractor payments, were working as per the values and policies.

Jonathan Klugman and I needed to nurture process thinking that allowed healthy feedback – up, down and across the system. Hierarchical thinking left unabated would be the new system’s downfall, as it would limit transparency and the ability to fix the real daily challenges constructively. This healthy constant feedback was the lifeblood of the new system. All interested strategic partners reported that they felt they could make an impact on the system.

The system developed to the point where people would enter these sites and invariably ask, ‘What’s going on here?’ They experienced a cooperative energy, where people were actively working together. One simple example was on-site subcontractors sharing tools, a situation unseen on any other site. With a smile, the project manager would say, ‘What do you mean?’ Even the bankers would visit the site with interest, and after sensing and experiencing the on-site collaboration they understood why CGA Bryson was able to build in a way rarely seen.

• • •
Review of the first project

Ian George

After advice from MIRA I undertook a project review. This was pre-empted by the principal of the plumbing subcontractor, who was a key player in the success of the on-site collaboration. After as little as a month of construction he broadcast via email to the group that he felt the collaboration approach was working well and would continue to do so.

His sentiments were, ‘There seems to be a good understanding between the trades on site and a commitment to working together. We are finding our productivity is good and all of my guys on site are happy and working well. It is refreshing to be a part of this approach. I know it’s only the first month but I feel the way the job is being managed and the attitude of everyone involved that there’s no reason why it will not continue this way. Thanks and I look forward to continuing this way!’

Further down the track, in a steering group meeting, the project architect suggested we conduct an ‘Oops’ meeting to identify any improvements that could be made to the collaborative system. So, as well as the quarterly reviews conducted during the first project to ensure it was running smoothly, we held an end-of-project review session to summarise and look at the project as a whole. It was about a year and a half after our first workshop.

The review was conducted at our offices with principals, their supervisors and our management team. All the relevant people, about 40 in all, gathered in a room for a half-day formal meeting. We wanted to get feedback in two areas. Firstly we wanted to know what we as a team (the subcontractors, their staff and our project and site managers) had done well, and secondly what had not been done well and what could be improved for the next project.

This was part of a strategy to introduce a system of continuous improvement into the process. I’m sure reviews with this focus are carried out in many businesses on a regular basis; it’s a classic management technique that attempts to improve the systems and processes within an organisation, although it is perhaps not that often that the companies’ suppliers also attend.
Our MIRA consultants, Stephen Hanman and Jonathan Klugman, ran the review and asked if I would give an introductory talk to set the scene. They felt it was important to be constantly reiterating the topic of collaboration to those working with us. As is normal, staff changes had occurred, both in our own business and among the subcontractors. There was a regular flow of new faces.

The message we wanted to give was for all the subcontractors and our staff to be as open and honest as possible; we were all in this together – collaboration was the key. It can be difficult for team leaders (and also others) to speak openly in front of their senior managers and particularly the builder who, after all, provided their bread and butter. It’s often said, ‘Never bite the hand that feeds you’; however, we wanted to know everything – the good, the bad and the ugly – which meant it could be a difficult conversation.

I spoke for a few minutes in general terms and then told the group two stories: ‘Parsifal’ and the ‘Green Snake and the Beautiful Lily’.

Parsifal, which is about a young man so named, was written down in the early 13th century by the German knight and poet Wolfram von Eschenbach (1170–1220). It found its way to the English world as the legend of King Arthur of the Round Table.

You might ask why tell such an ancient story? The answer is simple: it’s my story and also the story of everyone who was in that meeting room. Here is an abbreviated version that tells the tale in a nutshell.

Parsifal’s father was a knight who lost his life in the service of King Arthur. His mother was determined not to have this happen to her son so she moved to the country and reared Parsifal among trees, mountains and streams, keeping him uninformed about the ways of a knight and matters of chivalry.

But, as fate would have it, one day Parsifal happened upon three knights riding through a nearby forest on the way to Arthur’s castle. He was awe-inspired, thinking them god-like in their shining armour, and vowed from that day to seek out King Arthur and become one of the Knights of the Round Table.

His mother, although grief stricken, could not deny her son’s enthusiasm for this quest and prepared him for the journey. However,
she dressed him in a suit of sackcloth and gave him a wooden javelin and a horse with a swayback, hoping that this unknighthly appearance might dissuade him in time. To help protect him from strife, his mother advised him not to ask too many questions (to which he was prone), but to accept gifts from women (tokens, as was the custom) and to take advice from men with grey beards.

Parsifal heads off on his journey and, being a simple boy, easily falls into the trap of making mistakes and misunderstanding the world. After a number of these unfortunate events, he arrives at Arthur’s palace and entreats the king to make him a knight. To be granted knighthood, he is given the task of defeating the Red Knight. He does so with surprising ease and becomes a Knight of the Round Table. Following this, he heads off in search of knight-worthy adventures; still making terrible mistakes by uncritically doing the things his mother advised him to do.

At one point, he has an opportunity to visit the mysterious Grail Castle, which is in forbidden wastelands. He finds directions to the castle from the Fisher King, who we find out later to be his uncle, Anfortas, who is also the Grail King. Upon finding the castle, he is treated well and feasts all night, failing to notice just how ill his uncle is and neglecting to even enquire as to his health. In the morning, the castle seems to be under some kind of spell and everyone has gone. Parsifal continues on his journey, wondering what has just occurred. Later he is roundly berated for his behaviour by a local witch, and so he vows to seek out the castle again to set things right. It is not an easy task to find this mysterious castle and he travels for many years on this quest.

Eventually, with help from others, he finds his way back to the Grail Castle. In the main hall he sees his uncle lying in exquisite agony, being kept alive by the Grail Cup, which seems to have magical powers of rejuvenation. He makes his way to his uncle and finally, after many years of making errors in his life, he had gathered enough wisdom to really see his uncle and to ask the question, ‘What ails thee?’ At that moment his uncle recovers and the castle rejoices.

Absolved, Parsifal immediately becomes the Grail King and is reunited with his loved ones, those he had left behind on his long and difficult journey.
This parable is an archetypal story of life that contains deep wisdom and from which many Hollywood blockbusters have evolved. It’s about seeing the other and, in doing so, finding oneself (seeing one’s own pain) and one’s true purpose in life. It’s the basis for everything I did in my building business, in my whole life really. I would tell it to all my staff, because I believe anyone who understands the story can change their organisation for the better, make money and perhaps benefit their fellow human beings at the same time.

Parsifal is about life’s journey. We all struggle, particularly in our early years, to understand the world. For all of us, there are many good times but plenty of trials, pains, disappointments and obstacles. Eventually we find some form of resolution, and redemption from whatever ails us. As the story suggests, it’s through an ability to see the other human being and their pain that resurrection (new life) occurs. Everybody wants to be seen, and in being seen can be healed. In fact, in seeing the other one can heal oneself.

The process of finding oneself in the world enables the finding of the other; in acknowledging the suffering of others we acknowledge our own, which brings the possibility of personal transformation or renewal.

I also told the group a small section of the adult fairy tale, ‘The Green Snake and the Beautiful Lily’ by Goethe. This has parallels with Parsifal, being the hero’s journey. The travellers in the story find themselves in an underground cave confronted by the statues of four kings. One is made of gold, another silver, the third bronze and the fourth a mixture of all three metals. The gold, silver and bronze represent three aspects of we human beings: thinking, feeling and willing – or head, heart and hands.

On entering the cave, the green snake is addressed by the gold king. He asks, ‘What is grander than gold?’, to which the snake replies, ‘Light’ (clearly a special kind of light) and the king asks again, ‘What is more refreshing than light?’, to which the snake replies, ‘Speech’.
Through this exchange, Goethe is telling us that conversation, what we say and express, is of the utmost importance. When we meet each other in real conversation we come to life, but a real conversation must, in my view, be carried out in freedom. With freedom, unconstrained collaboration is possible. In my paradigm, a person who is free is able to see the pain of others as well as their own and can therefore choose the right words to express their thoughts.

I related to the group that a few years earlier in Switzerland I had met a man called Orland Bishop, who spoke at a conference on human dignity. During his talk he explained his view on freedom by asking the audience the question, ‘How must I be in order that you can be free?’. It’s an idea that is quite challenging but I asked our group to consider this when they participated in the review. Most people’s idea of freedom is very much a self-centred one that says I’m free to do as I want – but this quote from Orland Bishop turns this thinking on its head. So I spoke to the staff and subcontractors about questions of human dignity, about how we treat each other, see each other, speak to each other and finally how we convey our truth to the other.

Such a discussion might seem a little too deep and philosophical for a ‘bunch of builders’ but seeing the other is a theme that I tried to develop in the numerous meetings we held with all the participants in the collaboration project. The succinct comments of the bobcat driver that Stephen related earlier (‘You blokes have forgotten that we have dreams too.’) proved to me that any concern that the project participants would not be able to deal in philosophical concepts was unfounded.

I clearly recall the ambience in the room as I spoke that day. Just moments into my talk, I felt a strong sense of engagement – it was quite visceral – and it wasn’t only me. Others in the group came up to me afterwards and made remarks such as, ‘Did you notice that?’ and ‘It was a powerful atmosphere’.

I knew from what had happened that people in the room were ‘on board’ with the collaboration system, not just at an intellectual level but also at a soul or ‘feeling’ level. In other words, for many
the head, heart and hands were congruent in this project. It was a profound experience.

Here I was with 40 building construction workers, many of whom had spent most of their life ‘on the tools’, and yet they got it – at a deep soul level. They didn’t need to think about collaboration, for them it was just the right thing to do. Shortly thereafter the thought arose that if this could happen in such a short while across one building project then it could happen anywhere. With the right will, I figured, the entire building industry could change by simply adopting this approach of working together.

It also occurred to me the profound truths in the Parsifal story. Even though it was told so long ago it seems just as important and relevant for the challenges we face in the 21st century.

After my two stories I sat down and Stephen and Jonathan ran the review about the project just completed, along the way listing on the whiteboard everything that was important to the people in the room.

As I mentioned before, the objective of this overall project review was to reflect on what was working and what needed improvement. When asked why it was working and how, the stakeholders responded with consistent messages. One of the most common was that there was a positive difference in the way people were working because of the culture on site, which was succinctly articulated by the bobcat driver: ‘It’s like we are all brothers’.

The discussions that flowed in that ‘Oops’ meeting also identified a range of issues, which we set out to address, as indicated below:

• The management of design drawings to be improved in order to reduce the overall lead-time of the design process.

• Alternative technology to be researched with the main aim being to keep everyone on the same page in the process.

• The management system to be strengthened to articulate and ensure adherence to disciplines agreed to by the group. This related to subcontractors responding in a timely way.

• The builder to improve the coordination of services drawings and inspections between the services subcontractors.
• For those parcels of work still to be tendered, aim to tender earlier in the overall process so as to build, motivate and educate the team towards success. After the parcels of work are tendered and a subcontractor selected they become part of the collaborative construction process.
• ‘Oops’ meetings to be conducted for all builder projects to ensure constant learning and development of the system. There may be more to learn on the smaller projects than the bigger ones.
• The need to provide more focus for other CGA Bryson project managers about collaboration principles and the required management style to quickly bring smaller projects up to the same speed as the larger ones. This was an ongoing challenge to deliver a consistent approach across sites.
• More joint planning, including high-level milestones for the design and construction process. Share with all relevant stakeholders to ensure openness and transparency.
• Weekly updates from the look ahead site planning (LASP) process about trade plans. Share the trade plans with other relevant subcontractors in a better way, to assist in planning and communication.
• Improve the way the whiteboard is used for the LASP process.
• In subsequent projects the services engineer to prepare a services-specific design and construction brief and for trades to be more fully involved in the design process.
• Create a services manual that can be shared between engineers and architect.

While we didn’t do everything right on the first collaborative construction project, the will to find improvement in the process was encouraging.
The overall process of building the system

*Stephen Hanman*

As Ian George touched on, a lot had happened since we set out on this journey. We summarised what had occurred in a list of dot points, which certainly helped us grasp the team’s achievements and plan our next moves. We had:

- Co-created the strategic intent of the collaborative design and construction process with all key stakeholders. This included the vision, mission and values.
- Created the new design approach with the builder.
- Created collaborative construction processes with the builder, in consultation with all strategic partners.
- Introduced opportunities for collaborative construction and created awareness and commitment within the building company.
- Created a high-level framework for the collaborative construction project with the builder.
- Introduced the collaborative approach to key consultants and subcontractors and made any changes that were identified as improving the overall process.
- Deployed the interface conversations (IFCs) for design.
- Introduced look ahead site planning (LASP) and embedded the collaborative workplace culture on site.
- Identified and created congruence between the new design and construction process and how the builder conducted business internally and in relation to their interface with the other strategic partners.
- Built a framework that enabled a systems approach, with feedback loops created as required to ensure ongoing improvement of the system.
- Reviewed the project and the collaborative system overall.

Now it was time to apply all that had been learnt in the first collaborative construction project. All the learnings were packaged and the system updated so it could be implemented in other CGA Bryson projects.
Thoughts on other construction projects

Ian George

Neil Bryson and I decided the collaborative construction model was one we wanted to apply throughout CGA Bryson’s other projects. The work we undertook included a range of office buildings, high-tech offices (offices with small warehouses attached), business parks and a small amount of retail and residential. The size of individual projects ranged from single-level to multi-storey office and apartment buildings, all built outside the central business district of Melbourne.

Having a design team that had worked with us for a while helped to keep issues of building quality under control, so it seemed to make a lot of sense to move to the new model, share our ‘corporate intent’ for projects and deepen collaboration with a range of consultants, subcontractors and suppliers. I thought that our staff would all be on board with this, but old habits die hard and there were many times when it seemed that collaboration was understood better by the subcontractors and their employees.

As we were to discover over time, it wasn’t just our construction staff and subcontractors who needed assistance with understanding and applying the collaboration process. Even some of our administrative staff, who worked closely with those driving the collaboration process, had issues collaborating with people on the site. This was a common occurrence in the construction industry but a surprise nonetheless coming from our own business.

There were also issues with certain subcontractors. Not everyone was capable of coming along on the collaboration journey, either because of the personality of the principal or their inability to develop their business into one that wanted to collaborate. Some subcontractors were just not able to work with us collaboratively and even though they were offered help (at our cost I must add) they failed to understand the benefits of the process.

Some of this resistance could be put down to the lack of professional managers in their businesses. After all, we were dealing with trades who may well have been at the top of their game technically but
were perhaps unable to work in a collaborative environment that required ongoing conversations. A major issue for them may have been difficulties created by working on a collaborative project one day and then a hard-nosed traditional tender project the next. I can imagine switching would not be easy for some.

An interesting point to note about our collaborative projects was that due to the level of cooperation among trades and the fact that our company wasn’t litigious, we didn’t require staff on site trawling through contracts to catch out every variation and error. Project administration costs were therefore kept to a minimum as we found that once the initial price was agreed upon with the subcontractors, there was little or no variation. No-one was out to penny pinch; we all just got on with the job as quickly as possible. Speed became a hallmark of our projects and I recall our bankers commenting one day that our productivity and lack of variations distinguished CGA Bryson projects from some others they were funding.

The comment I referred to earlier, ‘When do we get to whack them?’, stands out as not only amusing but also indicative of the mentality of a construction industry in which all of our staff had spent their careers. The idea that we were all on the same side was foreign to many and it took some time for a number of our staff to come to grips with the notion. It also caused some subcontractors to be suspicious of our intentions.

In saying that, collaboration is not the ‘soft touch’ that many may imagine. In the Australian construction industry, builder/subcontractor relationships have typically been seen as ‘us versus the enemy’. It took a leap of faith and a good deal of commitment from both sides for genuine trust to develop.

One of the key issues of our time is taking responsibility for one’s own decisions and mistakes. It seems many people see unfortunate events as someone else’s fault, never their own responsibility. This is a growing and troubling phenomenon in both business and social life.

There is something that happens between two human beings when they look each other squarely in the eyes and know that they can
trust each other. They reach a new level of understanding that no contract can replicate; they see the other person at a new and deep level. There is something profoundly beautiful about human beings behaving in this way and it showed in our collaborative construction projects. Once experienced, both parties know that this is the way all business should be done.

The idea that 'we do what we say', which was a key value for our projects and was pinned up on the notice boards in the site offices, really meant something to those who took on board the collaboration challenge.

What then is the nature of the system of capitalism that most of the world has adopted? When we leave our loved ones at home in the morning and venture into the world of business (either as employers or employees) something odd can happen. All of a sudden some people start to treat others as though they are the enemy who are out to screw them and take them down, when in fact they are the very ones who can make a business successful and a pleasant place to live for eight hours a day. All of us have families and aspirations for our families and many want to help their friends (an undeniable human trait) yet once we walk through the front door of a business it seems that many start to behave like sociopaths.

Why? I expect they fear what they think 'the other' might do to them. It’s a learned behaviour. I think that we all need to develop the skills to understand the other, to collaborate and build empathy, to build real relationships.

It’s a curious thing that we can’t treat our business colleagues and suppliers with the same respect that we do our families and friends. After all, our business colleagues and suppliers have families, aspirations and dreams just like us. Why can’t we see them as we do our own families and friends; are they really the enemy?
Further developments on subsequent projects

Stephen Hanman

After the first collaborative construction project, Jonathan Klugman and I trained the CGA Bryson project managers across all their projects to facilitate interface conversations (IFCs). These had been a core part of the inaugural project, so this skill was essential for the new construction system’s longevity.

Another outcome of the first project was that subcontractors started to work in unison. This led to further changes in how the collaborative system operated. Ian George saw this change as a result of the IFCs and noted, ‘The subcontractors began to talk among themselves, which is uncommon in construction. At one time we were short staffed and unable to resource a project with a site manager. The subcontractor team communicated directly with each other and built the project right up to the completion of the metal deck stage. There was just one labourer as our representative on site, supported by head office visits. Such was the level of communication’.

This example would only be possible in certain conditions, as it challenges the use of power and authority within an organisation. When this was discussed in a steering group meeting with the architect, subcontractors and builder, the story was met with amazed looks around the table. It was one of those moments when people had to pinch themselves and reflect on the power of collaboration.

The last design and construction project was the most collaborative. There were very few surprises and construction flowed very well. At $42 million construction spend, the project was the largest build. Given its size, two plumbing subcontractors were used. Even though the new plumbing subcontractor had no experience in the collaborative process, their supervisor embraced it wholeheartedly and sang its praises.

One activity that we introduced for this project was a workshop about building the plan on a page. We invited all key subcontractors and consultants to gather for the day. The aim was to simulate
the build process to enable the project manager to develop the construction project plan. Standing together as a group and plotting out the designed construction on a whiteboard (actually we used a wall of the office) was a first for most. The output from this day’s effort was the project plan that all key stakeholders had created – everyone had skin in the game. I believe it was a key input to this most successful collaborative project.

Our experience with change management and organisational development enabled us to offer a perspective about what was happening to the design and construction system. We explained it as a move from one phase of organisational development to another. This enabled the stakeholders to see the builder’s business and the construction system in transition and embrace the required changes to roles, processes and procedures as the enabler of outcomes. The change in management styles, as referred to earlier, was also part of this development.

The four phases of organisational development are:

1. **Pioneer** – characterised by a ‘follow me’ approach (the ‘me’ in the illustration on page 151 relates to the pioneer of the organisation). Management by example is usual in this phase. The organisation is typically a flat structure and the focus is on satisfying customers. The culture is often one of high energy but can be personality based. Processes and structures are informal and mostly in people’s heads rather than in a documented system.

2. **Differentiation** – the pioneer is so successful that the business grows and the pioneering systems become outdated. Conflict can be part of the transition to working out what the business stands for, with a stated vision as well as aims and values. The conflict is often caused by business growth that leads to an increase in the number of employees. The people at the end of the employee queue can no longer see and follow the pioneer, and often begin to follow what they think the pioneer stands for. In differentiation, the organisation becomes more formal, with a stated vision, aim and policies to support them. Specialisations, such as a department for finance, are part of the differentiation. The catchphrase is
‘two of us’. This can relate to management and workers, or two departments, working together. It contrasts with pioneering, where everyone follows the pioneer and tends to do everything. Most organisations live in the differentiation phase. In differentiation, the ‘two of us’ often becomes ‘us versus them’ and this tension can turn to conflict and crisis, and lead to transition to the federation phase.

3. Federation – where the catchphrase is ‘as well as’. It moves from the ‘two’ in the differentiation phase to the option of negotiated outcomes: ‘this is my perspective, that is your perspective and here is a third perspective that we can both live with’. Often in the differentiation phase the workplace culture can became disengaged and cold, due to increased formality and bureaucracy. Federation can reconnect the organisation. The interface conversation is one of the core tools used to reconnect firstly the people and then the parts of the organisation.

4. Integration – organisations tend to live in federation and can see glimpses of integration. Integration is when everything is at its best: the people, the organisation and relationships with external stakeholders. The catchphrase is ‘for the common good’. One example of how integration works is the living process detailed earlier that included the balance between the elements of relationship connection, information exchange, process and consultation, and structure and resource deployment. The collaborative construction projects certainly had moments of integration; the story in the previous section about the metal deck installation stage was one.
These four phases of organisational development are depicted in this illustration.

### Phases of organisational development

- **Pioneer**
  - Follow me
- **Differentiation**
  - Two of us
- **Federation**
  - As well as
- **Integration**
  - For the common good

Before the collaborative construction projects, the builder was deploying the master-servant structure for design and construction, and then, through the projects, made the transition to collaborative, team-based process flow. The master-servant hierarchical system tends to live in the differentiation phase, due to the nature of the ‘two’. Often conflict and tension between departments is the norm.

In contrast, the team-based process flow system is a federation activity. Success in this process required the builder to move out of its pioneering phase. It moved into the differentiation phase by articulating its own strategic intent and clarifying how that intent would manifest on a day-to-day basis with the new design and construction system. The collaborative system was a federation activity, so the builder had to work hard to keep up.
Connecting with art

Stephen Hanman

A highlight of the collaborative process occurred in February 2008 when a broad-based team of more than 100 people was invited to the National Gallery of Victoria by Ian George to attend the opening of the exhibition ‘Imagination, Inspiration, Intuition: Joseph Beuys & Rudolf Steiner’.

Ian was initiator of the exhibition and Joseph Beuys had played an inspirational role in this collaboration project. Beuys is famous for the introduction of an expanded concept of art, which he called ‘social sculpture’. Our collaborative process was a social sculpture.

Beuys also said that ‘everyone is an artist’, meaning not that everyone can paint like Raphael but that everyone has the creative ability, if not the responsibility, to form and fashion the world in a creative way. Integrating the artistic not just rational aspects of being human is the trajectory of this kind of thinking – a path that will create over time what has been called ‘thinking heart’.

The experience of sitting with the strategic partners at the Gallery and listening to Ian speak about art in general and Joseph Beuys in particular was exciting. I would suggest some of the participants might never have been to the Gallery before and yet here we were learning about philosophers and artistic intent.

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Reflection
Value delivered to the builder and others

Stephen Hanman

As part of the conclusion to the collaborative construction projects with CGA Bryson I went back to the design and construction team to gather some retrospective information and try to quantify the value of the collaborative system.

By the time of conducting these interviews for this book, the 2008 Global Financial Crisis had fully impacted the Australian property industry and CGA Bryson’s development arm was struggling to make sense of the commercial property market. New project opportunities had stalled, which impacted on the building company’s source of work.

I found that in their nurturing of the collaborative process some participants had gone beyond what was expected of them. The electrical company, when asked by their site supervisor, decentralised purchasing to the supervisor, as this enabled better management of on-site people and resources. His organisation believed that it was a better way to do business and gave him a laptop to test-drive the new approach. As it turned out, there was no back charging or complaints on the collaborative sites and the timeliness of product delivery also improved. Three years after the first project, all electrical supervisors had laptops on site to initiate and manage procurement processes.

In our interview with the builder’s project manager, who was now with another building company, he commented that subcontractors who had worked in the collaborative system were effusive with other builders about the system’s potential. Interestingly, this even included subcontractors who were not strategic partners on the CGA Bryson sites. He ended the interview with this question: ‘When can we start again with that way of working?’

The builder’s construction manager, in his interview, suggested that after the collaboration was deepened he expected the strategic partner subcontractors to price at their lower band. He assumed they would base the prices of their work packages on the last project they had completed with the builder. By default, this included waste in the last project.
This meant that in the first project the builder did not benefit from lower prices. There was, of course, the possibility that value might accrue to the builder in future projects if the first collaborative project proved to be successful and profitable for the subcontractors (which, in the end, turned out to be the case). This first project was a significant collaborative action from the builder or, in terms of the Red Blue simulation exercise, a ‘red’ action.

The construction manager suspected that lower prices would be achieved because of lower overheads for the subcontractors due to efficient and effective sites, as well as lower margins because of the continuity of work being offered by the builder. It is pleasing to see that the project results calculated by the bank’s quantity surveyor confirmed his expectation (see more later). In summary, the quantity surveyor thought that the collaborative system offered the best value for money and it was more enjoyable for all.

The overall outcomes have been further expanded in the three areas of:

• Human perspective
• Value to business
• Financial benefits.

**Human perspective**

The value ‘we do what we say’ is instrumental in the collaborative system as it creates certainty, and people can begin to work constructively with interdependence.

In addition to this value, openness and honesty were kept top of mind when reviews were conducted. We, as the consultants, often asked in these review sessions if there was anything else that should be considered. Were there issues not discussed that needed tabling? We continually searched for the ‘elephants in the room’ and, if found, put them forward for discussion, understanding and resolution.

An example of this occurred in one of the steering group meetings. When the builder announced that one of the project managers had left the business, one of the subcontractor CEOs commented that it was no surprise. A conversation ensued about whether the builder
should have asked for subcontractor feedback earlier or whether subcontractors should alert the builder about staff who they thought were not capable of working in this new environment. This is an example of a conversation that would normally not happen, because of the boundaries that surround the master-servant model. The servant does not speak up for fear of being sacked; they just stay quiet unless asked.

We also learnt through these projects that the way we were working impacted on people’s personal lives. The collaboration reverberations extended out to a wider group, including subcontractor companies who took a new look at how they were being managed, family members interested in personal development, and even a soccer team.

One of the project managers coached the soccer team and started to take a different, more collaborative approach. Another subcontractor supervisor was seen making a call after one of our many education sessions. We chatted and he told me that his wife asks him to call after each session because she wonders what new ideas he will be coming home with that night. They used the collaboration experiences for their own personal relationship development.

In the interview with the architect, I asked for an overall comment. To my surprise, he said, ‘A small part of me died with the last collaborative project’. Now it was over he had to go back to his old self and work less collaboratively, which impacted on his job satisfaction and what could be achieved on an everyday basis.

For the same reason, a supervisor with one of the subcontractors had changed careers. He struggled to go back into the traditional construction environment, where he was not able to utilise his expertise to the full. He no longer wanted to work in a system where he could not provide his best. Rather, he chose self-employment and took on smaller projects where he could work in ways congruent with what he had learnt during the collaborative construction projects.

These projects worked consciously with respect and dignity,
and embraced the human being as ‘head, hand and heart’, as expounded by the educational reformer Johann Heinrich Pestalozzi (1746–1827). His ideas were taken up by another enlightened educationalist, Rudolf Steiner (1861–1925), and are active in Steiner schools today. Another way this can be said is that each individual is a being of thinking, feeling and willing/action.

The picture of these three aspects of the human being are also present in ‘Bloom’s Taxonomy of Learning Domains’, by Benjamin Bloom (1913–1999), which was published in the USA in the 1950s. It became a cornerstone of academic learning and discussed the three perspectives of:

- Knowledge or ‘think’ (head) focused, which he called the cognitive domain
- Attitudes or ‘feel’ (heart) related, which he called the affective domain
- Skills or ‘do’ (hands), which he called the psychomotor domain.

The collaborative focus was a holistic picture. It was interested in the whole human being. We based the design of our organisational interventions on these three principles. The table below outlines my idea of what happened in the collaborative process.

**Relationships building process table**

<table>
<thead>
<tr>
<th></th>
<th>What will enable us to change/build healthy relationships?</th>
<th>To build a constructive culture?</th>
<th>What gets in our way and forms cultures of Passive Defensive and Aggressive Defensive</th>
</tr>
</thead>
<tbody>
<tr>
<td>Think</td>
<td>Trust/Certainty</td>
<td></td>
<td>Doubt</td>
</tr>
<tr>
<td>Feel</td>
<td>Care/Love</td>
<td></td>
<td>Hatred</td>
</tr>
<tr>
<td>Act</td>
<td>Courage</td>
<td></td>
<td>Fear</td>
</tr>
</tbody>
</table>

Rather than the typical workplace culture based around being passive defensive or aggressive defensive, our aim was to create a collaborative system that nurtured a constructive culture. The table highlights that the passive defensive and aggressive defensive cultures tend to work with doubt, hatred/resentment and fear as driving forces. In my experience doubt, hatred (such as the war on terror) and fear is everywhere.
• Doubt – is deep within us. It can relate to our own doubts and also doubt in other people. We often doubt other people’s ability to do what they say, or doubt that their initiative will be successful. The more traditional aggressive workplace environments are places where people doubt each other; they think the other party will not keep their word, their promise to deliver. With this doubt comes mistrust and often tasks are duplicated, for example waste is designed into processes. ’Just in case’ becomes the mantra. One example is the accounts payable process and the games attached to it. Often you have teams from both sides managing the process based on the belief that the other party will not be honest and not do what they say. One of the policies outlined by the builder was that they would pay suppliers on time. Supplier payments would not be used to fund the builder’s other projects.

• Hatred – is a strong word; it is the second force in these negative cultures. It is important to see this as self-hatred as well as hatred of others. I remember my own young children being very free to say ’Daddy I hate you.’ when I did something that did not please them. I learnt that hatred could be a transient feeling. An hour later they would say, ’I love you Daddy’. But in adults, how does hatred manifest itself? Perhaps resentment is a more acceptable word than hatred.

• Fear – relates to how power has been used within an organisation. People are fearful because of what has happened in the past. Obviously they fear losing their jobs. If they speak up they may be sacked, demoted or moved sideways. People are fearful of making mistakes and then being found out or found lacking.

In contrast, the constructive culture can be driven by trust, care and courage. Where trust is nurtured it grows and facilitates caring for other people. Certainty builds trust between people and across organisations: ’I care for the promise I make to you, as I understand the impact it has on you. I am aware of the consequences’.

The project manager described the feeling between people on site
as ‘the vibe’. When an issue arose, they did not tear each other apart personally but resolved it respectfully. This approach builds accountability and is further energising. One example occurred after a new tradesman had been inducted into the collaborative system. A week later he contacted the project manager to say his experience on site supported what was said in the induction. He had never worked on a site where people worked collaboratively and actually seemed to care for each other! I prefer to call the feeling on site ‘the force’, as the energy was like a force pushing the construction project in an upward spiral of high performance. The illustration below provides a picture of understanding the system and seeing your impact on it. Sometimes it can be painful.

As an example, consider an interaction between the plumber and the electrician in our collaborative environment. The electrician promises that his team of five guys will be finished by 12.00 noon. The plumber believes in the promise and plans accordingly. His team of four arrives a bit after 12.00 for the handover and to begin their work. They recognise the interdependence of each work area and take each other’s promises seriously. They honour their promises and this enables systems that are based on kept promises – an environment where we can be our best. When all these promises line up it is easy to see why the construction was completed on or before the due date. This is an example of a high-performance workplace.

Care can extend to love for our fellow humans. Where we build certainty, trust develops and this nurtures a care for each person;
it becomes important not to let down our mates. This loyalty to each other is expressed in a range of life endeavours, from great sporting teams to a battalion of people who are willing to take bullets for each other. If I am willing to die for someone else I think we can extend ourselves and call that love. A workplace that works with respect and equality is no different; people care about letting each other down – it motivates them to achieve great things.

A trusting and caring environment enables courage. It takes courage to ask the hard questions, name the elephant in the room, discuss the undiscussable. Trust, care and courage create an upward spiral of high performance.

Trust is eroded on a day-to-day basis when promises are not honoured or relationships not respected. This nurtures resentment towards those people who cannot be trusted. The workplace culture is now on a downward spiral based on defensiveness and aggression. This is not a place where people can be their best.

I recently heard of a corporate restructure where the CEO made a public announcement in which he listed certain roles for removal. The people who held these roles were the keepers of the healthy workplace culture and had given ‘their lives’ to the organisation. Imagine the reaction within the organisation when it was discovered that these people were to be retrenched. What’s more, they had not been informed prior to the public announcement. This highlights a distinct lack of dignity and respect for fellow workers, no matter where they are positioned in the hierarchy.

The effect of this approach was that the workplace culture began to crumble and twelve months later it was still crumbling, with a massive brain drain out of the organisation. The people staying were mostly those who were less employable in the marketplace. Nearly all the competent people have since moved on to a more deserving employer. Being aware of the consequences of our actions is such a challenging and powerful concept.

To create a collaborative construction system that focused on improvement from project to project, each person had to find themselves in the process and identify their own development
opportunities and those of their own organisation. The project asked people to step in and identify where the system needed changing. Processes needed to be structured so that development became a normal way of doing business. Personal development in organisational life is not a mainstream concept yet. There are progressive organisations that have been, and currently are, embracing this concept. For example, Google has a head of personal growth.

On our project, some people embraced it better than others; not everyone survived in this collaborative framework. As is natural in life, some organisations and people could not embrace what was being asked of them. Two of the original subcontractors were gone after the first few projects; one subcontractor was not capable or willing to change the way he did business, the other always sat on the collaborative/adversarial fence. An engineering organisation surprisingly withdrew after the first project because of internal organisational issues.

Collaboration nurtures self-responsibility and this is the key to developing healthy organisations. Collaboration provides the path to a healthier human existence. If the organisational system demands that people are aware of their own development, and focus on it, then this will drive individual and corporate responsibility. This is the polar opposite to events like the Global Financial Crisis and many organisational failures; for example Enron, BP in the Gulf, Nike and sweatshops, to name a few. In these failures, a lack of responsibility became the way that things got done. The organisations lost touch with the demands of the market. Maybe they lost touch with their higher selves as well.

The ability to share without immediate balancing of the gain or the pain was a critical part of the collaborative construction projects. It is the swings and roundabouts of working together; today I gain, tomorrow there may be a pain. It is also an important learning from taking part in the Red Blue simulation. Strategic subcontractors benefited initially, as they were the beneficiaries of more effective design and more efficient construction. The builder needed to accept this distribution of value, trusting that it
would be delivered by lower costs in future projects. You could also suggest that the architect and engineer would be disadvantaged if there were more effective and efficient planning processes. Fewer iterations of drawing versions equates to lower fees. This was never an issue for the consultants as they not only enjoyed this innovative approach but also got to do more projects.

**Value to business**

One of the aims of the builder was to become the preferred customer for the trade subcontractors. This was well and truly achieved. There were many subcontractors who showed interest in becoming strategic partners. One of the project managers also said that up to 80 subcontractor trades were queuing to join this new way of working. The reason was that they preferred the respect shown to them on these sites, and they were hassle free, so there was no ‘heat’ from head office. They also appreciated how ideas for improvement were gathered from all team members.

The project manager’s view of the overall collaborative process was that the subcontractors always sent their ‘A’ teams to the site. He had no doubt that this provided the best value for money. In fact, it became a problem for a few of the subcontractors as most of their workers wanted to work on CGA Bryson projects in preference to others.

The collaborative system is not a panacea for organisational ills. It can only work if the cultures in the both the builder’s and the subcontractors’ organisations are aligned with the on-site values and behaviours. But it does enable the operation of a system that continuously strives for improvement and simultaneously embraces what is good for business and good for people.

The collaborative system provides an alternative to the regulated and compliance-driven organisational cultures that deaden the moral responsibilities of employees. Compliance must be nurtured and managed but not at the cost of people’s humanity.

Organisations need to be vibrant and alive; the drive for compliance alone kills organisational spirit. This is part of the magic of the collaborative system; it can nurture compliance based
on trust and commitment, not on the fear of litigation or other such threats. The future will require individuals, groups, organisations and nations to collaborate far more than we do at present. It may demand that the winnings are shared fairly within the organisation and across the globe as this provides a more sustainable and just outcome for all.

The CGA Bryson collaborative process provided profound learnings for everyone and demanded that people search for better ways to do things. It raised many questions about being human in organisational life and provided clarity about utilising a collaborative path to make the world a better place, where organisational life becomes a place for self-responsibility and development.

It is not about being perfect but rather about creating a system where we can plan, do, review and learn, and not repeat the mistakes of the past. It’s about a system that gives people hope, inspiration and the respect they deserve so that they can engage fully and bring their whole selves to work.

**Financial benefits**

There was no stated target from the builder for financial savings on future projects; just the expectation that this would occur because working together had to be more efficient. The intention was that by removing duplication and waste everyone would benefit.

On the first project, there would be a benefit to the builder if it could build on time and within budget, which it did. Subsequent projects, although not monitored project by project, became cheaper to build on a square metre basis, as confirmed by a post-project assessment by the bank’s quantity surveyor.

It took the first project for subcontractors to trust the efficiency of the builder’s new design and building process and for them to price at their lower band; however, savings achieved from the collaborative system were not delivered evenly across the design and construction team.

The builder and subcontractors benefited over time because of faster construction. When buildings were built faster, a cost saving
was delivered to the builder as well to the subcontractors, as they had spent less time on site than they had budgeted. In the final collaborative project, the savings in establishment costs for the builder alone were estimated at around $500,000. This would have paid the fees of the organisational development consultant a couple of times over.

Faster construction time also became a benefit for the developer, as it was able to sell or lease its buildings in a quicker timeframe as a result of construction being completed earlier than expected.

Financial value could also be measured by how the subcontractors’ margins changed or how their businesses grew as a result of the collaborative system. It is beyond the scope of this book to quantify this individually and specifically; however, a couple of years after the last collaborative project the key stakeholders were interviewed for the purposes of this book. The steel fabricator confirmed that while she budgeted for one-third less profit she halved her budgeted overhead costs, because of how smoothly the projects ran. Another example was the plumbing subcontractor, who worked 10 per cent less people-hours on CGA Bryson projects and budgeted accordingly, yet reported making better profits than when he tendered for work with other builders. Given these experiences, the collaborative projects delivered a result that was much better than expected.

Often with design, engineers can over-specify. The interface conversations enabled the most effective design, which then enabled efficient construction. In the post-collaboration interview, the architect confirmed that he did not increase his price over the four-year period. Savings were driven by some standardisation, which enabled more efficient planning. Given the collaborative environment, he pushed much harder for building efficiency and he achieved a high of 88 per cent (net lettable area/gross area) by the final project, enabled by the strong co-worker relationships.

The interface conversations identified possibilities for standardisation of the planning process as well. The architect collated a folder of examples of standardisation, such as materials and products to be used in bathrooms, toilets, doorways and
hallways. This assisted the planning process as it reduced the number of required decisions.

Another outcome was that there were 10 per cent fewer drawings. The number of drawing revisions on the last project was reduced by up to 70 per cent, due to the effectiveness of the system and stakeholders working so well together.

The bank people were also interviewed. They confirmed that the builder’s design and construction system had moved from good to great. This was praise indeed, considering that the ‘good’ rating was based on the fact that CGA Bryson projects had always run to the design and construction plan and, unlike some builders, there’d never been a cost overrun or a time extension. On the final project, the bank’s independent superintendent was carrying out on-site inspections almost daily. He commented that it was the fastest and smoothest construction project of that size he had seen.

**Quantity surveyor**

The bank’s quantity surveyor had monitored all CGA Bryson projects over the four-year period of the collaborative construction projects. After the final project, they were commissioned to quantify if the builder had accrued savings based on reduced prices delivered by the collaboration process.

Remember the new system was not implemented to save money but there was a strong belief that motivated people are always more productive. The question was whether this would equate to a reduced cost base. The simple answer: yes. It was a natural outcome of this improved system.

The analysis process employed by the quantity surveyor (see chart on next page) was to compare the contract price between the first and last collaborative construction projects. The chart shows that the most collaborative of subcontractors reduced their prices by more than 20 per cent; over the time period their price increases were less than the movements in the Building Price Index (BPI). The BPI is an independent industry measurement of the changes in prices in the construction industry each year.
The builder’s analysis of the final project showed a cost reduction of between 5 and 7 per cent. This was an aggregate from:

- Reduced builder site establishment costs of 0.75 to 1.25 per cent, delivered by the faster build and the need for less management time on site.

- Reduced pricing from subcontractors, ranging between 4 and 6.5 per cent overall. This varied by subcontractor. The most collaborative subcontractors reduced their prices by the greatest amount (up to 20 per cent) but still enjoyed healthy profits.

To put numbers on these findings, a saving of up to $7 million could be delivered on a $100 million construction project.

The above figures do not include any flow-on to the developer, who would have received the keys to the buildings earlier. Holding costs, particularly if a building is fully leased and sold, can be huge.
for a developer. On the CGA Bryson projects, these savings could range between $100,000 and $500,000 per month in interest costs alone.

If we take the savings of this collaborative approach and apply them generally to the construction industry, it equates to a saving to the national economy of more than $5 billion per annum, and with further refinement of the process could be much greater. The saving is calculated on Australia’s Gross Domestic Product (GDP) of $1,500 billion, with commercial construction being 4.5 per cent of GDP. From our experience, the saving equates to construction waste, based on the traditional tender system.

Unipark, Wellington Road, Monash, Victoria. A 20,000m² master-planned business park with a variety of office buildings, conference centre, campus square, bistros, carpark and extensive landscaping. Project end value $80 million. Completed 2008. Photographer: Brian Sadgrove
From me to we: design and build collaborative workplaces.

Impact of the Global Financial Crisis

Ian George

CGA Bryson was formed to undertake development projects and originally commissioned third-party builders and consultants to deliver those projects. Over time, we looked for the best ways to deliver projects and be able to best manage the company’s cash flow needs (the Achilles heel of any developer). The setting up of our own building company was one solution to creating a regular cash flow.

You may ask what has happened to CGA Bryson collaboration projects since 2008?

Well, the short answer is the Global Financial Crisis (GFC).

In an article in the respected US magazine The Nation (syndicated in The Age newspaper on 22 July 2011), Mary van Valkenburg claims that Harvard Business School bears some responsibility for the global meltdown and the corporate culture that spawned it. She comments that the MBA has come to stand for ‘Masters of the Business Apocalypse’ and that the School’s new dean is proposing an MBA Oath, a voluntary pledge by graduates that includes a promise to ‘not advance my personal interests at the expense of my enterprise or society’. She goes on to say that codes, oaths and curriculum changes won’t matter if the School continues to deny the ethical flaws in the training of MBAs that nurture a culture of greed, rash decisions and disregard for the humanity of people in the workplace.

The GFC in 2007/08 led banks all over the world, including in Australia, to change the parameters of how they provide funds to property projects. At the time, we had moved the CGA Bryson business model to a funds management approach so that all new projects were to be funded by institutional investors rather than private equity. These investors required a specified internal rate of return (IRR) on their investment. Given the banks changed their lending parameters, additional equity was required to fund projects. This of course meant a return to the investor below their required IRR, which was a reason not to invest in new projects.
The GFC also changed the risk appetite of those investors; there was a flight to de-risk everything.

In that environment, the CGA Bryson development company found itself unable to continue with commercial projects, and it finds itself in the same uncertain environment today (although as this book goes to print it seems that the commercial sector is now making development sense). Neil and I are still working together and cautiously looking towards the future.

The GFC had a massive impact on the CGA Bryson Group and ripped considerable value from its asset base due to a dramatic fall in property prices. While other development groups in the industry went to the wall, our business survived and paid all its debts and obligations; however, the impact caused a lot of grief along the way. It was a tough economic event for those companies in the commercial (non-residential) sector.

Our building company, though in robust health at the time of the GFC, not only stopped receiving work from its only client (our development company) but also provided its assets to protect the broader group’s health. In thinking back through the GFC event, one could lament that the building company did not have clients external to the CGA Bryson group, as it would have been able to continue operations, but the fact was that there was only one client, the development company.

Some may think it negative or self-defeating to speak about this sort of event, but in the sense that this book is about being real I think it’s important to lay all the cards on the table. I have seen a good deal of corporate life and read a lot of newspapers, and it seems that nobody wants to speak of bad economic news. It’s as if somehow we will all be infected by a terrible virus; perhaps one could say that there’s too much air-pumping going on, things just aren’t that sweet or perfect all of the time. But the GFC was part of life and in my life I think I’ve learnt most from the more difficult circumstances; there just aren’t the same insights to be gained from success.

What happened as a result of the GFC in no way distracts from
the amazing accomplishments of this project and the fundamental value to humanity of our approach. Would I like to start the building company again? Yes, without doubt. We developed the collaborative construction system in a very tough industry and it was working well and profitably. I’ve been asked by some of our collaborative subcontractors, ‘When will you do it again?’ Perhaps one day that opportunity will present itself.
Other outcomes of the collaborative system

Stephen Hanman

Collaboration requires honesty and being up front. The culture of a risk-averse compliance-driven organisation can lose sight of creating the environment that maximises outcomes and creates the conditions for everyone to be at their best.

As organisational consultants, Jonathan Klugman and I were very aware that something special was happening in the collaborative system we had created with Ian George. Over the course of my career as a consultant I have never experienced what seemed like a minimalist intervention having such a profound impact: the creation of an upward spiral of trust, care and courage. It was a phenomenon that flowed from the values of openness, honesty and ‘we do what we say’.

The commitment to a set of values and a vision defined for the first project had positive repercussions thereafter. History, after multiple collaborative construction projects, tells us that it was a significant undertaking. The strategic partners were to become part of something bigger than just their own companies; some sort of ‘skin’ surrounded them.

In a one-off collaboration this would not necessarily equate to a reduced construction cost, as the subcontractors and consultants would have no experience of the financial value of the collaborative process and would therefore price at the higher end of their price band. To predict the savings of the ongoing collaborative system, they would need to estimate the cost of non-collaboration; a form of waste. Often this is unseen and, even when it becomes apparent, it is often too difficult to imagine a project without it. Adopting the collaborative system requires a paradigm shift.

Initially, quantifying the value of this new system would therefore be impossible, though there was some certainty there would be efficiencies and savings. However, the amount of savings would only be known when the project was delivered. This is not the best arrangement when you are trying to market the collaborative idea and asking people to believe and embrace a new system.
In an ongoing collaborative process, the subcontractors begin to experience and trust the new system and lower their prices as waste is removed.

Another unexpected outcome of this focus on the ‘we’ was awareness among the subcontractors of what impact their actions or delays would have on other subcontractors, as well as on the builder. We had consciously planned to create a team environment, with the thought that this must lead to better outcomes. However, we were amazed at how organically it developed. Positive results were produced for all stakeholders. As the site ran so smoothly, the tender-based subcontractors also benefited from the process.

Each strategic stakeholder in the design and construction process committed not only to the builder but also to each other. This seemed to be the essence of its success. A system was created and, if people did not do what they had promised, the consequences of their actions were clearly visible.

When promises were broken, the consequences were also openly discussed. Those who were disadvantaged were given the opportunity to be heard. Responsibility was pursued, not blame. People were not held responsible but rather became responsible, because of how they were involved and treated. The collaborative system created visibility and there were few places to hide if you did not behave congruently with the espoused values.

The process created systems for constructive feedback that enabled all parties to understand the consequences of a broken promise. The ability to fight fair was nurtured, and training in a variety of skills formed part of the monthly development sessions. The ability to name issues in a healthy way was the objective. ‘Healthy’ equated to being respectful with a focus on the issue and not the person. It was about not taking the more typical path of sweeping the issue under the carpet or, at the other extreme, violent or aggressive resolution. Continuous learning became part of the collaborative system.

Our approach to issues that needed resolution was based on the ‘three strikes’ principle. The first strike was an incident, the
second a coincidence but the third was evidence of a systemic issue that needed resolution. These issues were dealt with in review sessions and, if necessary, embraced in education and development sessions. At all project review sessions and steering group meetings, the issues were identified and discussed and the team would strive for a resolution. CGA Bryson construction sites became known for how such matters were resolved: in a humane way, with courage, dignity and respect.

One example of the impact of the unknown and unseen was experienced in the third collaborative construction project. A new employee to the building company was looking for improvement and wanted to test the collaborative system. He asked an electrical subcontractor he knew, who was not one of the strategic partners, to price a job. The quote came in at $30,000 less than the collaborative subcontractor. What was the builder to do? Accept the lower bid or reject it and, if so, on what grounds?

We initiated a steering group meeting and invited the collaborative electrical subcontractor to discuss the issue. He was happy to openly share how his price was determined. The steering group concluded that the other electrical subcontractor was under-bidding in order to get the work and that his price was not sustainable. In addition, the alternative subcontractor had a reputation for not being good on the collaborative front. This was a crucial moment, as builders have traditionally taken advantage of times when subcontractors need to fill a hole in their schedules and submit a low price, just to cover their overheads.

As director of the building company, Ian needed to decide. Would he take the lower price, with the prospect that the new subcontractor might not only increase it later as a variation but also impact on the collaborative way of working, or would he accept the collaborative subcontractor’s higher amount? Ian stayed with the collaborative partner and so remained true to the principles and values of the collaborative system. Here was a moment where the builder had to put his money where his mouth was. My sense was that his loyalty was repaid many times over as the collaboration deepened.
The decision showed a commitment to the system and what it stood for. The builder needed to forgo the opportunity of a subcontractor quoting low because of needing the work. The builder trusted that this cost reduction did not compare to the value of the collaborative system.

Another consideration was the need to rebuild trust when it was broken. In the Red Blue simulation, people learnt about the importance of forgiveness. In terms of relationships, forgiveness is a great challenge. To move back to trusting someone after they have wronged you, whether financially or emotionally, takes courage. In the collaborative construction projects, reconciliation was essential and processes were designed to move people further up the trust/power continuum. Blind trust, however, which is at the top of the trust line, was discouraged as it often leads to relationship breakdown. We strived for conscious relationships based around agreements and commitments made by the people involved.

For collaboration to become mainstream, intentional and conscious leadership is required. That means a management style that nurtures the idea and value of working together. The system engendered an awareness of which relevant expert needed to be embraced at any point of time. A space was created for the expert to step in. This required the project manager to step out of the centre and let go of being the controller of the system. From a controller to a facilitator was the move, not abdication but holding the space for collaboration to flow. Supervisors had no need to ‘whack’ a subcontractor.
Collaboration: ‘How to’ and the future

Stephen Hanman

How to collaborate is detailed below:

• Establish your position on the continuum between adversarial/competitive to unconstrained collaboration.

• Clearly articulate how much more collaborative you want to be. Make a statement about that type of workplace so it is clear when you arrive at your aim.

• Understand your existing workplace culture. Assess where adversarial (blue) behaviour is prevalent and identify the drivers of this behaviour. Does the root of this behaviour live in the strategic intent, or is it in the deployment of the strategic intent as identified in the organisational structure, processes and resource deployment. Perhaps the root lies with the people and their knowledge, attitudes or skills. Is it about power and trust?

• Determine the culture that will nurture the type of collaboration you want.
  
  Build an awareness of collaborative (red) behaviours in contrast to adversarial (blue) behaviours.

• Identify the gap between today and the desired future picture. Imagine the bridges that need to be built.

• Build the bridges in the organisational system to reach your desired collaboration type.
  
  One bridge is a strategic intent that aligns with the collaborative system desired. This incorporates vision, aims, and values and behaviours.

  Embrace a method of ‘collaborative enquiry’ as the way of being. This form of enquiry begins by building connected relationships that enable sharing of the necessary information with those who need to know, in a process and structure that keeps everyone involved, informed, committed and responsible for the outcomes.
• Other bridges will include at least the following:
  Have interest in the other, beyond like or dislike. This interest
  leads us to ask questions rather than blaming in the first
  instance. Why do you have that view? Can I learn something
  here? Understand the context. How could that make sense
  to them? Withhold judgements; don’t go into reaction as a first
  step. Be able to walk in the other’s shoes.
  Build the required relationship connection/warmth.
  Connected, strong relationships enable review, dialogue and
  pushing the boundaries. A strong relationship is based on
  people meeting each other, ego to ego. There is trust that we
  are able to fight fair and work through our differences with
  respect for the other. This skill enables and delivers healthy
  interfaces across the work areas.
  Pursue honesty, accountability and a commitments culture.
  Making a promise and keeping it builds certainty in the
  collaborative system and develops care for each other
  and the system.
  Create continuous, structured reviews and feed forward.
  This enables the people to learn and the organisational system
  to develop. Take time to have the required conversations.

A question to ponder
Why, if collaborative approaches make human and financial sense,
is it not a more common business practice?

At the heart of collaboration is the meeting of two or more people
who have a relationship or who want to develop a connection.
They want to build trust between each other. This enables high
performance and is created by human awareness and a supportive
management system.

A strategic framework is required as well as a process that
nurture a collaborative way of being. Every action impacts on
the system: conscious, intentional, thinking, feeling and willing.
Profound moments between people deliver energy to the system,
but this also makes the framework fragile to our own failings.
Some of the challenges are detailed below in the move from a traditional system to a new way of organisational life.

<table>
<thead>
<tr>
<th>Moving from:</th>
<th>Moving to:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Everything competitive</td>
<td>1</td>
</tr>
<tr>
<td>Adversarial</td>
<td>2</td>
</tr>
<tr>
<td>Attack person first, then issue</td>
<td>3</td>
</tr>
<tr>
<td>System of blame (places to hide)</td>
<td>4</td>
</tr>
<tr>
<td>Master-based/hierarchical</td>
<td>5</td>
</tr>
<tr>
<td>Project by project focus</td>
<td>6</td>
</tr>
<tr>
<td>Plan – do (no value/time for review)</td>
<td>7</td>
</tr>
<tr>
<td>Getting best price partners</td>
<td>8</td>
</tr>
<tr>
<td>One-to-one approach</td>
<td>10</td>
</tr>
<tr>
<td>Not my fault – defensive</td>
<td>11</td>
</tr>
<tr>
<td>Conflict and escalation</td>
<td>12</td>
</tr>
</tbody>
</table>

Successful, ongoing collaboration also needs people to not be envious of another’s success, just as comparing oneself to others does not build a positive environment. Creating and celebrating another’s success creates your own; it builds all futures. Perhaps this relates to the fourth phase of organisational development, the integration phase. As the table above indicates, moments of integration lead to federation as the objective. During integration, personal development becomes a core organisational activity, as does knowing each other’s personal story. I predict that personal development will become one of the reasons why organisations exist.

Ongoing collaboration projects are few and far between, because in this world of short-term goals and daily ’share price’ focus, very few of us have time to nurture relationships. In the modern day we typically want the benefit now, not tomorrow. If everyone wants
the benefit now it does not augur well, for the reality for most of us is that we have to work at things to build success and financial gain. We all need to learn and accept that ongoing, unconstrained collaboration is about sharing the advantages, and that success comes from assisting others to do better and creating systems that enable them to return the value.

Outcomes can’t be firmly predicted in a fully collaborative model, it is part of an open system and benefits can expand exponentially. Benefits can also disappear if broken promises are not resolved and distrust is left to fester. An acceptance that you do not know everything is necessary; a saving today could be a cost tomorrow.

Strangely though, collaboration is logical and rational. Industries will move away from the hierarchical systems where status and control are paramount to an organisational form that is more dynamic and capable of change and flexibility. This collaborative approach is relevant to every organisation, irrespective of industry. Where people gather to fulfil the stated aims, collaboration is an intrinsic ingredient to holistic sustainable success.
In conclusion

Ian George

When writing this book Stephen and I had discussions with a number of CEOs and they all like the collaborative approach. They think it’s great, makes a lot of sense, is the way of the future, and so on. One of the major focuses of the book is empathy, but as one CEO said, ‘I have personal empathy but no time for conversation’; however, collaboration is all about conversation. Entrepreneurs are very busy. They’re on to the next project probably before the last one is completed. So how can they possibly engage in the principles espoused in this book? They just don’t have the time.

I’ve had this discussion with my business partner Neil Bryson. The answer came back in a flash. He’s an entrepreneur and, while collaboration is important in our relationship and with those he deals with in creating opportunities, he can’t be involved at a detailed level when it comes to delivering projects and tying up the loose ends. When our building company was operating, I was there to do that; he trusted me and I think that’s why we worked so well together, and still do. We both bring distinct skills to the table.

At the time, most of our working life together involved him moving on to the next project while I focused on cleaning up the flotsam and jetsam of the last; he was the ‘big picture’ person. Of course we always discussed what was going on in the business, both at the macro level and with the delivery of projects. Our relationship allowed each of us to bounce ideas around so that we both felt comfortable about the strategic direction of the business. That’s a key part of our success. Neil needed someone, in his words, to ‘carry his bag’. He says he couldn’t have done it without me and of course the reverse is also true. It’s a great partnership with strong empathic connection and a shared sense of the direction of the business.

So if you’re an entrepreneur with ‘no time for conversation’ and you like what Stephen and I are saying in this book, perhaps you can find yourself someone who can walk beside you; a partner who can help deliver the corporate vision while working collaboratively within your organisation with the people who will make that vision a reality.
I see that, in the future, collaboration will be the way business is done. The mindset of chasing the lowest price is dehumanising. People in all walks of life want to be seen and recognised for what they are: a valuable human being. Business will have to champion this sort of structure, because governments will be too afraid to take the steps necessary to promote change. People in business will need the courage to make this happen; that is their challenge.

I can see a point of time where collaboration occurs in consciously aware businesses that want to share success. There is an opportunity to also share balance sheets, perhaps where each company can check on its partner’s use of capital and profits. This would be easiest for large, publicly audited companies, such as those listed on a stock exchange; however, people will need to trust the leadership of these corporations. Nobody wants to be in bed with an ‘Enron’.

For collaboration to prosper, I feel there needs to be an ethical restructuring of the way people are paid, particularly those at the top of the food chain. The disparity between multimillion-dollar packages for the CEO and a pittance for the labourer would be addressed and the gap reduced. The job of a CEO simply does not warrant such excessive pay and one day the business world will wake up to this and refuse to let it happen. At the moment we are being conned by ‘the system’.

The future could deliver the sort of social equity that every moral person would expect if they had the time to give it serious thought. As for the ‘invisible hand of the market’, there is no such thing; instead we have, albeit on a large scale, simply one person doing business with another. Blaming ‘the market’ for the health of our economic system is a cop out.

There is no doubt we need entrepreneurs in the world. Personal drive, creativity, leadership and ethics are necessary to move the world forward. However, we currently have a strange and dangerous brand of what has been called ‘rampant ego-driven capitalism where anything goes’. Remember that governments said they would never let the GFC happen again but the activities
In conclusion

that led up to the calamity are still going on. There was only a momentary pause, for the perpetrators to get a few government handouts. Such a situation is called ‘free market capitalism’ (read anarchy) and it’s legal most of the time but often not always moral.

To paraphrase Albert Einstein: you can’t fix these problems with the kind of thinking that created them. Perhaps in the future (or why not now) we need a new structure. Could it be called something like ‘compassionate capitalism’ because the real capital of any business is its people. It would be a place where there is true empathy for our fellow human beings, sitting comfortably alongside the profit motive of the corporate world.

I am reminded of a quote from Rudolf Steiner: ‘The logic of thinking is compatible with the strongest egotism. The logic of the heart is capable of gradually overcoming all egotism, and uniting all people as participants in a single human community’.

What sort of a world do you want?
In conclusion

Stephen Hanman

Successful ongoing collaboration needs people to embrace wonder and possibilities – the ‘what if’. It depends on the ability to work in the unknown zone of interdependence. The lowest cost is not always the best solution; the focus needs to be on the best overall value. Maybe a bird in the hand is not always better than two in the bush.

Unconstrained collaboration is not for the faint-hearted; courage is a prerequisite. Indeed, all successful change takes courage.

There is some mystery to the success of the collaborative construction system at CGA Bryson. It delivered results in a range of ways: financially, economically, sustainably, motivationally and developmentally. It was good for business and people. Maybe the mystery could have something to do with the scientific search for the Higgs boson – the elementary particle that holds the whole world together. Or perhaps it’s to do with the latest developments in neuroscience, which focus on the reality of how human beings are physically connected. Maybe it’s linked to our basic need to develop intimate relationships in which we have empathy and trust with another human being and feel safe to share our vulnerabilities, fears and dreams.

Collaboration enables us to see the other, in fact it demands that people do so, then share pain and gain and take responsibility for their actions.

Success flows when it is ‘our problem’. Sustainable collaborative processes require more developed and accountable systems than traditionally exist in the hierarchical model. This framework involves greater levels of planning, commitment and accountability than one might see in a traditional hierarchical management approach. The challenge is to create a resilient environment in which collaboration can flow.
We walk this way

Ian George

In May of 2005 some friends of mine, Rosemary Crumlin and Pauline Clayton, were planning to spend time in the Bungle Bungle Ranges in the Kimberley region of Western Australia. Rosemary is a writer, curator and art historian, and Pauline, who has since passed away, was an artist and teacher. The purpose of their trip was to visit their friend Hector Jandany, a Warmun elder, who was an important artist suffering from a terminal illness. He had sent a message via Pauline to Rosemary that she should hurry as he was ‘just about stuffed’.

Along with Pauline’s daughter Sam, they also planned to spend time with another friend, Dillon Andrews, a Bunuba man, and were going to camp for three days in his country. I asked if I could tag along, as I’d never experienced that part of Australia. They agreed to take me under one condition, namely that Pauline was in charge and she’d be doing the driving. I couldn’t refuse such an offer and joined them for ten days of adventure.

After we arrived at Darwin we travelled by light plane 825 kilometres south to Kununurra, then a further 150 kilometres by four-wheel drive south-west to Warmun (Turkey Creek) in the heart of the Kimberley.

After the first night there I woke to discover that Rosemary and Pauline had taken the early bus back to Kununurra, as they had heard from the community that Hector had been taken to hospital a few days earlier. Sam and I stayed at Mirrilingki Mission, awaiting their return that night.

The next morning the news on Hector’s health was not too bad, so the following day we continued with our planned visit to Fitzroy Crossing, a further 450 kilometres south-west. We spent some time with Dillon, visiting sites that few westerners have ever seen, camping in his country and being shown the land through the eyes of an Aboriginal elder; it was a wonderful few days.

When we drove back to Kununurra, Pauline and Rosemary wanted to see Hector again. With his agreement, Sam and I joined them.
I recall the contrast of the tall, elegant black man lying on those stiff, white hospital sheets. He spoke happily to us and then, as we went to leave, he held out his hands to me. I recall how large they were, and soft, as if they had been covered in talc, and how long his fingers were. He also had large brown eyes and I was struck by their beauty, and their depth. Hector smiled and nodded, acknowledging my presence, then said to me, ‘Pray for us’.

I later reflected on his choice of words: ‘for us’, not ‘for me’. It stirred a strong feeling in me that there was no ‘I’ in Hector’s language, no concern for the self. His life was all about community and I pondered just how much westerners could learn from these ancient people. Our culture is all about ‘me’, entirely self-centred with little concern for the other – unless there’s something in it for ‘me’. Ours is a culture of competition, not collaboration.

That’s how we operate. It’s how modern society and the capitalist system have taught us to behave. One day, when the fabric of western society is decaying (and one could argue we are seeing signs of that today), perhaps we will embrace the idea, in full consciousness, of the ‘we’. It would be an acknowledgement that, just like our symbiotic relationship with nature, we can’t do anything without ‘the other’.

I believe that Hector, however, operated that way. He was a man deeply connected with his environment and his people, a man of the ‘we’. His paradigm included environment and people as one congruent whole. He felt it and lived it. In his world, human beings are part of the whole universe of activity, not separate but dependent on the whole.

Hector was also the Ngapuny man (God man or God spirit) for his community. He was the man of wisdom who looked after the spiritual wellbeing of his people, and I could see from his bearing that he was a special human being. Later, Rosemary told me an anecdote about Hector. At an art exhibition he said to her, ‘We’s always knew about Ngapuny, we’s always knew about spirit…’ and then, as he moved his fingers towards one of his many landscapes, ‘All Ngapuny, everything is Ngapuny’.
Here was an old man from one of the most ancient cultures in the world who knew what science is only just discovering, that we all live in the ‘one’. It’s how, in times gone by, his people lived within their communities, navigated the land, and found their way in one of the most inhospitable climates on earth. They could feel the stream of energy; it was part of their being and part of their country. It spoke to them as they travelled their songlines from one waterhole to the next, guided and accompanied by Ngapuny on their passage through their ‘seasons’.

The project we undertook at CGA Bryson was all about the ‘we’. It was a conscious collaboration with others in order to deliver projects in a more socially healthy and harmonious way. It was a process worthy of our human dignity.

The beautiful man who inspired me, Hector Jandany, died shortly after our visit.

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The authors

**Stephen Hanman**

Stephen Hanman is an organisational companion who works with collaborative enquiry and assists with organisation development. He lives in the beautiful Yarra Valley, a wine-growing area close to Melbourne.

Stephen is one of 13 people who are part of MIRA Companions for Development, an organisation founded by a German, Albrecht Hemming, and a New Zealander, Elaine Beadle. MIRA is not the typical consulting business; you do not buy in or sell out, you become part of its family.

Prior to joining MIRA, Stephen sold Benchmarking Success, a business he had pioneered since 1992. It started as a joint venture between RMIT University and a consulting organisation and became his own in 1999. The client base was a Who’s Who of global and local organisations, including Dulux, BP, HP, Energizer, General Mills, BlueScope Steel and Beacon Lighting to name a few.

Stephen’s work as a MIRA companion is diverse, with the common link being collaborative practice. Assignments range from assisting the world’s largest miner with outbound supply chain operational excellence to the local community house and community college where he facilitates a monthly organisational review meeting with the committee of management, the CEO and CFO.

Stephen is also chairman of the board of a privately owned family bus company, where his responsibilities include an organisational development role aimed at maximising the human potential of more than 300 employees, including 27 family members. As well, he works with a premium hardware supplier, developing high-performance teams with a focus on emotional intelligence and integrated collaborative practice.
**Ian George**

Ian George is a businessman and patron of the arts who has a particular interest in contemporary Australian and international art and has supported numerous artists and art exhibitions. He was responsible for bringing the exhibition ‘Imagination, Inspiration, Intuition: Joseph Beuys & Rudolf Steiner’ to the National Gallery of Victoria in 2007/08.

Ian is a founding director of CGA Bryson, a Melbourne property company specialising in funds management and commercial development, which at its peak had five divisions, more than fifty staff and $250 million in projects spread across private equity initiatives, joint ventures and funds management.

Ian has found inspiration from the connections between Steiner’s epistemology and Beuys’ concepts of ‘social sculpture’ and ‘permanent conference’ and how they can create impulses in society to transform it in an open, humane way, in freedom.

Ian’s interest in practical approaches to these concepts and connections influenced his approach to the management of CGA Bryson’s building company. This led to the introduction of a new collaborative approach to the way staff, subcontractors and consultants work together.