

Multi-Utility Partnering In AX4

The Partners Perspective

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The Partners Perspective

- Why partnering and what benefits did we see in AX4?
- What's gone well
- What's not gone so well
- What are the next big challenges?
- Conclusions

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Why partnering and what benefits did we see in AX4?

- Consolidation in the market place
- Opportunity to extend existing core competencies
- Stability and long term relationship
- Input in the end to end value chain
- Economies of scale
- Opportunities to maximise supply chain

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Why partnering and what benefits did we see in AX4?

- Ability to invest in long term training programmes and apprenticeships
- Opportunity to innovate and invest in systems
- Ability to create common business processes and share best practice
- Move away from old adversarial relationships
- Share in the ~~Pain~~ : Gain

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Why the need to change?

- Consolidation in market place
- Need the ability to offer diverse service offering
- Need the ability to offer an end to end delivery model
- Regulatory review and pressure
- Need to remove man to man marking
- Attract better calibre people into the industry

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What's gone well?

- Mobilised over a 6 week period
- Over 500 employees TUPed into 2 organisations
- Co – location and development of seamless teams
- Joint problem solving and process reengineering
- Improving customer services
- Hitting the stretch targets

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What's gone well?

- Integrated management structure
- Developed joint objectives through Alliance Business Plan
- Duplication in some disciplines removed
- Partners have better understanding of Client drivers and objectives

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What's gone not so well?

- Underestimated cultural differences
- Integration of structures was slow to start
- Design process
- Perception of Partners has been affected by latent issues
- Work has been slow coming through
- Work profiles and consistency
- Communication to the business

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Next BIG Challenges

- Upper quartile OPA
- Achieving “buy in” at all levels
- Integration of Partner and UU systems
- Integration of Supply Chain

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Next BIG Challenges

- Achieve a flat capital work profile
- Maximisation of seamless team approach
- Better scheduling of resources through integration
- Ensure we are measuring the right things to deliver improvements

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Conclusions

- Partnering IS the way forward
- Do not underestimate cultural differences associated with TUPE
- Softer issues are equally important
- The need for change must be communicated and driven from the top down

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Conclusions

- Everyone in delivery chain must “buy in” to the principles
- Need to include entire supply chain
- Clear roles and responsibilities to be formulated early on

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