



Home  
Building  
Skills  
Partnership



In conjunction with



## Supply Chain Engagement Pilot Project

### Final Independent Evaluation Report

May 2019



**SKYBLUE**  
RESEARCH & EVALUATION

***“The project has reinforced our belief in the importance of building long term partnerships with our supply chain.”***

*(Home Builder collaborating in the Pilot)*

***"Story Homes are the first company to ever offer to help us with our training needs and we have been working with builders for over 20 years. This is greatly appreciated and goes a long way to helping the smaller business. I feel we are included with the ongoing progress and have a relationship with them."***

*(Subcontractor collaborating in the Pilot)*

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## Executive Summary

### 1.0 Context

The Home Building Skills Partnership (HBSP) submitted a successful Flexible Fund Innovation bid to the Construction Industry Training Board (CITB) in June 2017 and was awarded £192,055. 76% of this funding was spent during the Pilot's lifetime.

### 2.0 Aim of the Project

To promote collaboration between home builders and subcontractors in their supply chain.

### 3.0 Why was the Project needed?

The 2016 '[Case for Collaboration in the Home Builder Sector](#)' baseline report<sup>1</sup> found that only 20% of supply chain companies reported ever being supported with their workforce or training needs, whether by home builders or other organisations with a remit to help. As a step towards that wider ambition, this Pilot would encourage the development of skills in the home building supply chain workforce.

### 4.0 What would success look like?

If successful, the Pilot would see:

- ✓ A more collaborative approach to identifying and satisfying training needs
- ✓ Home builders asking subcontractors what training would most support their growth and development and then investing time and effort to put in place solutions
- ✓ The delivery of relevant, preferred short-duration off-the-job training interventions shaped and influenced by subcontractors
- ✓ Learning about whether the incentives offered by this Pilot, such as dedicated training and co-ordination support, engagement activity, relationship management and financial subsidies – could impact training behaviours, including those firms defined as 'hard to reach'.

Hard to reach firms exhibit any of these characteristics: not claimed in 2+ years, 3+ years, never claimed or as described as 'new registrations' by CITB.

### 7.0 Performance

The objective was to engage with 10 home builders and 100 subcontractors in their supply chains delivering 1,250 training interventions to 500 individuals. The Pilot commenced in July 2017. By the end of March 2019, the Pilot had engaged 3 home builders, 177 subcontractors delivering 1,052 training interventions to 782 individuals.

The Pilot also attracted interest from a further 7 home builders during its lifetime but they elected not to submit a proposal during this period. A total of 82 training courses were delivered to participants comprising 363 operatives, 332 supervisors and 87 managers.

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<sup>1</sup> [https://www.hbf.co.uk/documents/6765/Skyblue\\_Homebuilders\\_Report\\_2016\\_-\\_Long\\_01.pdf](https://www.hbf.co.uk/documents/6765/Skyblue_Homebuilders_Report_2016_-_Long_01.pdf) (page 44)

Training interventions included SSSTS, HSE, site safety, IT, customer service, management development and mental health awareness.

Between 13% and 34% of the 177 firms supported were classified as 'hard to reach', exceeding the original 10% 'hard to reach' target for the Pilot. There has been a £45,000 under-spend which might usefully be used to take forward some of the recommendations of this evaluation in 2019.

## 8.0 Outcomes for participating home builders



Three home builders that have invested staff time, energy, expertise and dedicated resource to the Pilot report that, for them it was a success, because it derived the following benefits:

### **Catalyst for training more people in their supply chain sooner than planned**

*“One of the benefits for Bovis Homes of the HBSP Pilot have been the additional funding which allowed us to deliver the training earlier than anticipated but it should be recognised that the documented training delivery plan was in fact already on our radar and something which was going to happen regardless of the intervention of the HBSP.” (Bovis Homes)*

### **Confidence in subcontractor competence**

*“The knowledge of having health and safety trained staff on our sites.” (Story Homes)*

*“One of our objectives of the Project and our training plan was to upskill our supply chain and encourage training and development to become an integral part of our contractors plans. We are confident that have achieved this and the feedback from the project certainly supports this.” (Bovis Homes)*

### **Collaboration (to grow together with their supply chain)**

*“The activities that we have carried out and the training we have provided to the supply chain have strengthened our relationships, increased positive collaboration on training and development, improved site behaviours and allowed our subcontractors to take part in training that they otherwise would not have. There is now a greater focus on people development from our supply chain with more of an appetite to participate in further training and development.” (Bovis Homes)*

To get buy-in from senior leadership within each home builder it was important to demonstrate that the expected benefits would align with their prevailing 'mission'; Operating Framework; operational effectiveness in priority regions and / or Talent Strategy. The Pilot could not be positioned in isolation of pre-existing business priorities. Detailed case studies supplied by each home builder highlight wider benefits including the chance to trial new types of engagement and build further, focused in-house plans to sustain activity beyond the

Pilot with exemplars of success. Whilst the hard technical skills training topics have been most popular, it is the belief of the participating home builders that the really exciting positive gains can come from pursuing the opportunity for developing softer skills including management, customer service and IT as these will improve interpersonal capabilities; whilst also reducing avoidable errors and rework.

## 9.0 Outcomes for subcontractors

Surveys completed by subcontractors 3 months and 12 months after their engagement in the Pilot confirms many positive effects. Within 3 months of 'engagement' 33 out of 35 (94%) subcontractors surveyed said there had already been benefits of investing time on coming to the half-day event. 24 of 35 (69%) subcontractors said that they thought the host home builder had to some or a great extent listened to and acted upon the feedback and suggestions they provided at the event. 21 out of 25 subcontractors (60%) said that their view of the home builder had changed positively as a result of the event and appreciated their effort to identify and meet some of their training needs before, during and after the event.

After 12 months of engagement a range of outcomes were evidenced in relation to the training. In fact, three in five (61%) participating subcontractors reported some or a significant positive change in technical competence of those trained via the Pilot. Even higher levels of change were noticed amongst trainees' behaviours on site (97% positive change) and attitude towards training / learning (93% positive change).

**Table ES1: Changes noticed amongst those trained in the supply chain**

Any changes noticed 12 months after training	Significant positive change	Some positive change	Positive change	No change really	Some negative change	Significant negative change
Technical competence	5 (18%)	12 (43%)	17/28 = 61%	11 (39%)	0 (-)	0 (0-)
Attitude towards training / learning	6 (21%)	20 (71%)	20/28 = 93%	1 (4%)	0 (-)	1 (4%)
Behaviours on site	4 (14%)	24 (83%)	28/29 = 97%	0 (-)	0 (-)	1 (3%)
Productivity (more output per hour worked)	3 (11%)	7 (25%)	10/28=36%	17 (61%)	0 (-)	1 (3%)
The quality of their work	3 (11%)	13 (46%)	16/28 = 57%	11 (39%)	0	1 (4%)
The number of responses to each question varies between 28 and 29 subcontractors who were surveyed 12 months after engagement from the supply chains of Bovis Homes and Story Homes						

The surveys suggest there was also further outcomes emerging for some of the subcontractors who noted improvements in quality (57% positive change) and productivity of those trained (36% positive change). Additionally, three quarters (76%) of subcontractors reported 12 months after engaging with the Pilot that they collaborated more with the home builder on skills and training than they did before, and two thirds asserted that there was a greater emphasis on 'people' than previously.

**Table ES2: Collaborative culture and behaviours encouraged by the Pilot**

	Strongly agree	Agree	Strongly / Agree Total	Neither	Disagree	Strongly disagree
We collaborate more positively on skills and training than we did before	8 (28%)	14 (48%)	22/29 = 76%	7 (24%)	0 (-)	0 (-)
There is more emphasis on our 'people' than there was before	6	13	19/29 = 66%	9	1	0 (-)
Our relationship with the home builder is now more trusting than it was before	6	9	15/29 = 52%	12	2	0 (-)
There is a more formal approach to identifying training needs together than before	4	11	15/29 = 52%	12	2	0 (-)
We are more in tune with each other's business ambitions and challenges than before	3	12	15/29 = 52%	4	1	0 (-)
Base: 29 subcontractors that accessed the training offer via Story Homes or Bovis Homes surveyed 12 months after their initial engagement with the Pilot						

In the view of home builders the main benefit for their subcontractors has been to feel supported to access training they can use in their business to reduce skills gaps. Moreover, the Pilot has enabled training in areas that subcontractors might not have invested in themselves either at all or as soon as they have.

*“They have had training both free and in areas they may not have considered useful. Whilst H&S is a necessity, Management, IT and Customer Service are not something they have previously engaged in. It is unlikely without Morris organising and the cost being nil to the contractor, these areas of vital training would have not happened in their organisations.”*  
(Morris Homes)



## 10.0 Multiplier effect for other home builders – more capable supply chains

The '[Case for Collaboration in the Home Builder Sector](#)' research (2016) found that on average, subcontractors have relationships with 6 home builders. The individuals trained during the Pilot can therefore reasonably be assumed to be taking their improved skills and behaviours to many different sites across the home building industry. Further research with subcontractors would be required to validate this assumption, however the implication is that the benefits of this Pilot project may spill over far beyond the 3 home builders that have driven the initiative.

## 11.0 Would the training have happened anyway?

In seeking to understand the importance of the Pilot on subcontractor training investment behaviours the evaluation sought to understand what these firms might have done in its absence. Data was gathered via 12-15 months post-engagement surveys from 29 subcontractors of the Story Homes and Bovis Homes supply chains.

**Table ES3: Likely training behaviours in the absence of the Pilot**

Do you think you would have done the same training, at the same time, for the same number of people in 2017/18 if....	Yes	No	Don't know
...the home builder had not been able to provide the administrative support required?	2 (7%)	23 (79%)	3 (10%)
...the training had still been subsidised, but you had to organise it for yourself accessing CITB funding or grants instead	5 (17%)	19 (66%)	5 (17%)
...the training had not been free / subsidised	4 (14%)	18 (62%)	7 (24%)
Base: 29 subcontractors comprising 17 from the Story Homes 12 from the Bovis Homes supply chains			

At least 17 of the 29 sub-contractor firms (60%) would not have trained in the same way in the absence of the home builder supported model. Note, this included a mix of CITB registered and non-registered firms in the Story Homes and Bovis Homes supply chains. The Pilot has therefore had significant catalytic and additionality effects for the majority of participants. The results suggest that the most critical ingredient has been the support provided by the home builder, and the value attached to that function provided by people in that organisation.

## 12.0 Future training behaviours

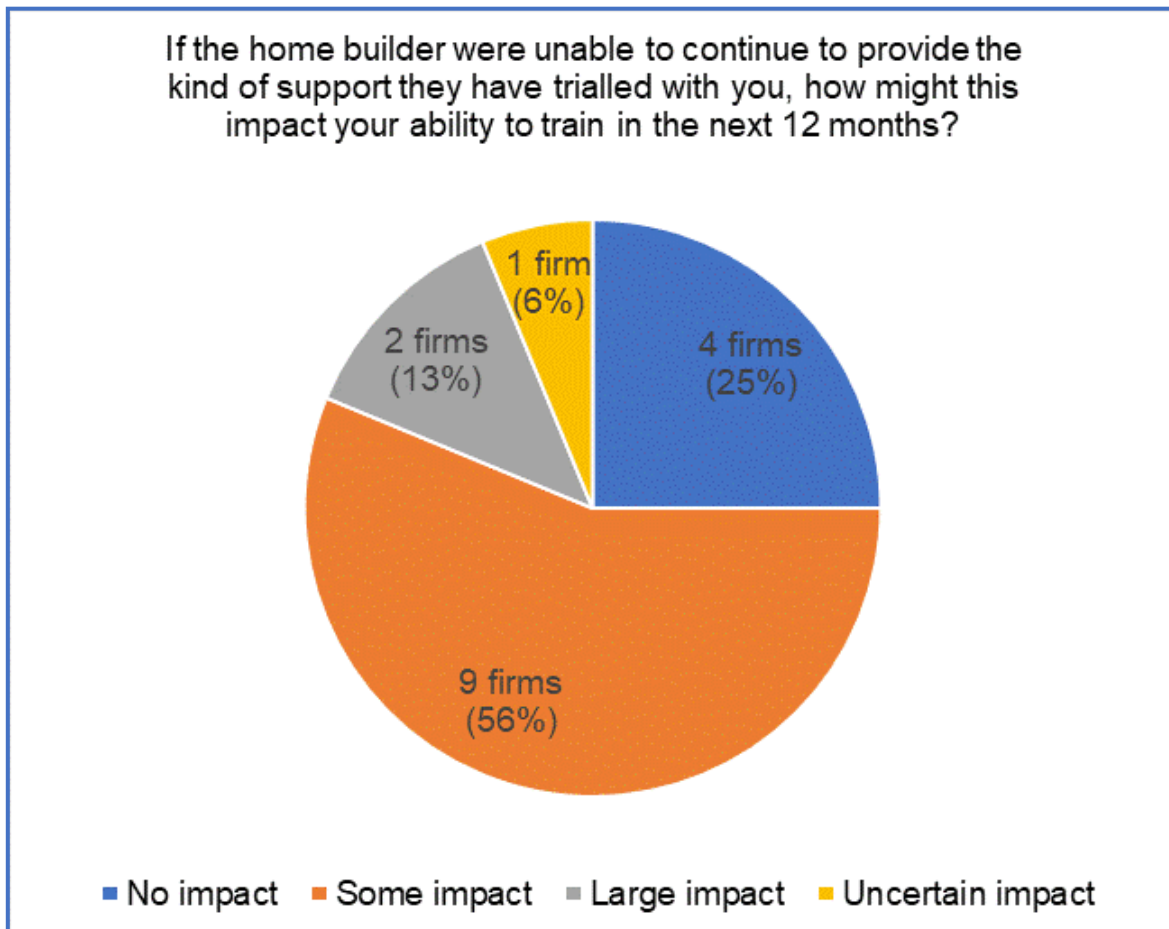
Based on sampled data from 17 CITB-registered companies, 13 (76%) say they are very likely or likely to apply for some funding support from CITB for training in the next year. This means that 4 (24%) firms, despite being registered are very / unlikely to seek funding support.



### 13.0 Impact of the removal of support conditions made available during the Pilot

Subcontractors were asked if the home builder was unable in future to continue to provide the same kind of support during the Pilot how might this impact their ability to train in the next 12 months. As might be expected, different impacts would be felt by the subcontractors ranging from 'no impact' to 'some impact' to a 'large impact' and some saying they do not know what the impact would be.

Figure ES1: Impact on CITB registered firms in absence of home builder support



Those saying there would be some impact suggest that training might continue but not to the same extent that the Pilot has enabled; or potentially not in as efficient a timeframe. They accept there will be a need to increase internal resource to provide equivalent training.

*“We would have to try and find another training provider which would no doubt be more expensive.” (Subcontractor)*

*“We would have less training and therefore less staff qualified.” (Subcontractor)*

Those saying there would be a large impact fear training would suffer owing to the increased costs in staff time and money to organise and fund the training.

*“Probably no training would get done due to the time to arrange and organise.” (Subcontractor)*

## 14.0 Appetite for further training via the home builder

31 (91%) out of 34 subcontractors said they or their team would attend more training in 2019/2020 if it were to be offered via the home builder. This suggests that these subcontractors had a positive experience, and have appetite for more training via the home builder in future.

25 (53%) out of 47 subcontractors said they would like to see other types of training and development support from the home builder to help their business. Further analysis reveals that subcontractors asked this question a longer time after receiving their training are even more likely (67%) to desire this kind of support. The surveys demonstrated a range of subcontractor training needs across HSE (compliance), soft skills and technical skills that might be met with the support of a home builder in future.

Health, safety and the environment	Soft skills	Technical skills
Site safety (SMSTS and SSSTS) First Aid training Health and safety awareness training, expectations, guidelines (for site staff) Cat A asbestos, Emergency first aid at work PPE Awareness training Manual Handling training Abrasive wheels training Working at heights Mental health awareness for all site staff.	Communication (especially for site managers/supervisors) Customer service Behavioural training (to help people with communication especially) Management Courses Leadership Collaborative programming Company processes and practices e.g. specification requirements IT training.	Forklift Truck training Apprenticeship and NVQ development (linked to the subcontractor's specialism) NVQ development (for window installers).

Encouragingly, the experience of completing training has led to a greater appetite for further or additional learning amongst subcontractors, suggesting that the model could help tackle different skills gaps in future if planned and co-ordinated together.

## 15.0 Hard to reach firms engaged

The Project sought to engage with 10 hard to reach subcontractor firms compared to a target of 100. A hard to reach firm is any CITB registered company that has not claimed grant in 2+ years, 3+ years, had never claimed or was deemed a new registration.

Data analysis by HBSP, CITB and the evaluator suggests that there are difficulties in providing certain classification of subcontractors deemed hard to reach. At least 12 firms (13% of the original target) are definitely hard to reach, but it may be greater than this in reality. Analysis of subcontractors that were newly registered during the period of the Pilot would need to be undertaken to obtain a more precise estimate.

## 16.0 Learning lessons for the wider construction sector

The Pilot has offered many learning lessons that could help CITB, HBSP, the wider home builder and construction sectors to design with greater confidence any similar initiative in future in relation to:

1. **Preconditions:** *What ideally should be in place before a Pilot commences to give it the best chance of success?*
  - Motivation to develop and to nurture partnership working with the supply chain.
  - A sense of urgency.
  - Buy-in from senior staff and sponsorship of training initiatives.
  - Dedicated training resource within the home builder's business
  - A desire for better relationships on an ongoing basis.
  - Willingness to invest in skills and in the workforce generally.
2. **The incentive package:** *What mixture of incentives work best to encourage subcontractors to invest time in training they might not otherwise have done?*
  - Promoting the fact that they can gain some commercial insight from the home builder and acquire an awareness of potential future business (the 'pipeline').
  - Giving them the chance to shape the content of training according to need.
  - Providing the opportunity to feedback to homebuilders and see action taken.
  - The convenience of hearing from training providers 'in one go' to save time.
  - Having someone ease the burden of finding, booking and claiming for training
  - Having a dedicated expert who understands training and the home building industry / subcontractors' business to help identify, broker and satisfy needs.
  - The availability of free or heavily subsidised training catalyses action.
3. **Supply chain engagement:** *What techniques can be used to engage subcontractors across all the different trades and professions in a home building supply chain to encourage training assessment and uptake?*
  - Assuming access to a well-maintained supply chain database, communications ranging from surveys, to personalised emails, to phone and face to face conversations help to build interest in collaborative training approaches
  - Well-facilitated, engaging, timely 2-3 hour events help develop interest and desire to say what training is needed; and timely, post-event customised response converts this into action i.e. a commitment to train
  - Offering developmental conversations with home builders will be effective at engaging subcontractors in an initiative to change skills and training behaviours

- Have a single person as the point of contact; able to call on a range of other personnel in their business unit / corporate centre to fulfil the functions required.
4. **Sustaining momentum:** *What internal and external factors affect the ability to create the conditions where training behaviours can persist beyond a pump-primed Pilot?*
- The Pilot has been a mostly positive experience for all involved and there is lots of appetite for further training.
  - The evaluation concludes that a targeted initiative aimed at medium-sized employers appears with dedicated learning and development / training staff have the best chance of success.

*“Those that participated in the supply chain event and subsequently the training have expressed how different the approach has been to dealing with the challenges that the house building industry faces.” (Home builder March 2019)*

## **12.0 Conclusions**

### **Technical and additional soft skills gaps have been reduced**

The evidence finds that technical skills gaps have been reduced amongst three in five subcontractors, in areas including site safety supervision, health and safety, management development, customer service and IT. Almost all subcontractors (97%) confirm that the behaviours on site of those trained has improved within 6-12 months. Nine in ten firms (91%) say that attitudes towards learning more generally amongst those trained have also improved.

### **Developer subcontractor relationships have matured with mutual benefits**

Additional to the training outcomes, three quarters (76%) of subcontractors report 12 months after engaging with the Pilot that they collaborate more with the home builder on skills and training than they did before, and two thirds assert that there is a greater emphasis on ‘people’ than previously. Home builders confirm reciprocal uplifts in trust and communication about training, planning and working better together by improving site conditions.

### **Engagement has been diverse**

The Pilot has reached workers employed in 26 different trades and professions across operative, supervisory and managerial roles in multiple regions of the UK. This has been achieved with relatively modest engagement by 3 home builders and suggests that as a means to reaching subcontractors, the approach of dedicated resource to develop events and / or conversations linked to the ideal of ‘growing together’ has widespread appeal. The number of hard to reach firms engaged exceeded the original target, and home builders would have the channels and mechanisms to encourage these kinds of firm to invest in skills and training together when the right conditions are in place.

## **The Pilot has catalysed training behaviours amongst subcontractors**

Based on sampled evidence from 29 subcontractors independently surveyed 12-15 months after their training intervention, the data finds that between three-fifths and four-fifths of subcontractor firms<sup>2</sup> would not have trained in the same way in the absence of the home builder supported model during 2017-2019. The Pilot has therefore had significant catalytic and additionality effects for the majority of participants. The results suggest that the most critical ingredient has been the support provided by the home builder in the form of 'wrap around' support to assess needs, source, broker, organise and administer the funding for the training required, and the value attached to that function provided by people in that organisation. The financial incentive has also been an important factor, though slightly less important than the dedicated support element. The funding encouraged some subcontractors to decide to invest their time in training displacing income from paid work.

Based on sampled data from 17 CITB-registered companies, 13 (76%) say they are very likely or likely to apply for some funding support from CITB for training in the next year. This means that 4 (24%) firms, despite being registered are very unlikely or unlikely to seek funding support. The evaluation evidence finds that three-quarters would not be able to behave in the same way they did during the Pilot (i.e. train to the volume / pace) in its absence were they left to the pre-existing mainstream channels available to them.

## **The Future**

91% of subcontractors surveyed said that they or their team would attend more training in 2019/2020 if it were to be offered via the home builder. This suggests that these subcontractors had a positive experience, and have appetite for more training via the home builder in future.

25 (53%) out of 47 subcontractors<sup>3</sup> asked the question said they would like to see other types of training and development support from the home builder to help their business. The surveys demonstrated a range of subcontractor training needs across HSE (compliance), soft skills and technical skills .

Two of the three participating home builders have made commitments to sustain specific training activities based on their learning from the Pilot such as amplifying their management development offer and rolling out further mental health awareness through newly qualified staff. Without any further innovation or externally sourced funding commitments may be limited to topics that they – not necessarily their subcontractors – feel are important. Continuation of any activity allied to supporting supply chain workforce development is dependent upon the home builders' availability of internal training or learning and development resource / asset; and the extent to which direct employment training priorities have been, or are being met.

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<sup>2</sup> Sample = 17 subcontractors in receipt of the training offer.

<sup>3</sup> Comprising 7 out of 12 subcontractors completing a survey 3 months after attending the Morris Homes engagement event plus 10 out of 23 completing a similar survey from the Story Homes supply chain and 8 out of 12 subcontractors completing a Bovis Homes post-engagement survey in January/February 2019.

The Pilot has taken slightly longer than originally anticipated, and whilst not as many home builders engaged as was hoped, their reasons predominate around the lack of internal training assets (dedicated resource) to drive forward an initiative that might be seen as a secondary priority, compared to the training of directly employed staff . Another barrier was the ability to secure senior level buy-in for the initiative i.e. the person hearing about the Pilot might not necessarily have had the authority or influence to drive the initiative forward internally despite being personally passionate about the ambition.

A Pilot such as this might therefore best suit medium sized home builders with growing internal training assets (e.g. learning and development or training personnel with the ability to engage different people across their business units), and who are striving to become an employer of choice for direct employees and ‘partner of choice’ for external stakeholders such as firms working in their supply chain.

Overall the evaluators conclude that for those that participated in the Pilot, as well as technical skills outcomes, there is evidence of soft skills and wider business benefits that bear the hallmarks of relationships that are now more developmental than transactional; and more collaborative rather than isolated. Full roll-out of the model would be inappropriate, but a more targeted initiative aimed at medium sized firms using the learning lessons and recommendations in this report may yet prove beneficial to the wider sector.

### 13.0 Recommendations

The evaluation makes a total of 12 recommendations that are aimed at different stakeholders including HBSP in combination with HBF, CITB, home builders and sub contractors more generally in the industry. The recommendations are summarised thematically as follows and have been shared in a more detailed form with HBSP and CITB.

1	Disseminate the findings of the evaluation, share learning across the wider industry and inspire other home builders and subcontractors to take action for themselves.
2	Determine the level of demand and appetite from the home building sector to scale up the supply chain engagement pilot, and develop an appropriate longer-term (suggested as 3 years) proposition to discuss with CITB.
3	Develop collateral that can help human resource, learning and development and training staff within home builders make a persuasive case to other senior leadership teams in their business to support collaborative supply chain engagement around skills, training and workforce development.
4	Jointly publicise the availability of skills and training funding to subcontractors at home builders’ planned supply chain engagement events; and develop home builder confidence to understand and then refer subcontractors on towards these streams of support.

## 1.0 Introduction

In its successful Flexible Fund application to CITB in June 2017, the Home Building Skills Partnership described how it would be advantageous for home builders to support and develop skills in their existing supply chain contractor workforce. It would respond positively to the Housing White Paper's statement (2.32) that *'the larger companies need to take responsibility for ensuring that they have a sustainable supply chain, working with contractors to address skills requirements'*.

The funding would be used to build network events and roadshows for home builders to engage in a 'new' way with their supply chain, the novel element being to undertake a training needs analysis. It was assumed that a range of small and medium sized subcontractor companies would be engaged, and by understanding their needs a range of relevant, short course training solutions would be brokered and then delivered. The training would likely be aligned to CITB's prevailing 'training lanes' approach ranging from management development, site supervision, health and safety to ICT.

Details of the subcontractors engaged and trained would be produced and submitted to CITB for cross reference and analysis to identify what proportion were 'hard to reach'. It was hoped that these kinds of firm would increase their level of training and engagement with CITB<sup>4</sup>. More generally, the Pilot sought to establish subcontractors' opinions about the way they had felt supported to develop and upskill their workforce via this model compared to alternatives available to them.

The Pilot was always seen as the first phase of what might become an expanded programme as other home builders heard about the results of those home builders engaged in the Pilot. Moreover, it was hoped that the home builders that participated in the Pilot might start their activity 'small', perhaps within one region or division of their business, and gain confidence to roll it out to other areas in future.

There would be benefits for the home builders, subcontractors and the individuals receiving the free<sup>5</sup> or heavily subsidised training in the form of greater collaboration; and improvements to practice ('quality') based on the acquisition of relevant knowledge and skills through the short course duration training programmes. The Pilot would make a contribution to a wider ambition to help home builders and their subcontractors develop a collaborative, supportive and developmental culture together over time.

The training would seek to align to the participating home builders' in-house training to build consistency and quality, however, it would be likely that a mix of external and in-house training providers would be selected to deliver the courses required by supply chain companies. Home builders would have some freedom to decide on the way in which they would resource the Pilot requiring as it would personnel to manage or co-ordinate the activity as well as organise the training, engagement and relationship management activity that wrapped around the training element. To drive the Pilot forward the HBSP would appoint a Project Manager (Tracey Hill) for the duration. .

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<sup>4</sup> <https://www.citb.co.uk/levy-grants-and-funding/grants-funding/collaborative-innovation-training-fund/previously-funded-projects/innovation/homebuilders-supporting-and-developing-skills/>

<sup>5</sup> Note that 'free' means that the direct training course costs were covered by the funding, but the subcontractor / their employee would still have to attend the training at an indirect cost to them i.e. loss of time to work .



## How did the Pilot work in practice?

CITB provided funding of £192,000 to the HBSP. The availability of this funding was promoted to all HBSP-engaged home builders (70 businesses) through its Leadership Board, Activity Groups, Task and Finish Groups, website, e-bulletins, newsletter and direct conversations by the HBSP Team whenever they met with home builders.

The Supply Chain Collaboration Activity Group put in place formal governance for the Pilot including a Panel that would devise and then assess proposals to be submitted by interested home builders who had to demonstrate what they would be able to achieve within agreed guidelines and timescales. Ultimately, 3 home builders submitted successful proposals (Story Homes, Bovis Homes and Morris Homes).

Once assessed, the home builder was awarded a 'contract' to deliver an agreed number of training days, to a preferred profile of firms (including 10% 'hard to reach') and employees (supervisors, managers and operatives) for an agreed fee. The home builder would submit evidence and a monthly claim to the Project Manager, explaining the activity that had been delivered (engagement events, training courses / volumes delivered) along with a short description of learning lessons that could help continually improve the Pilot.

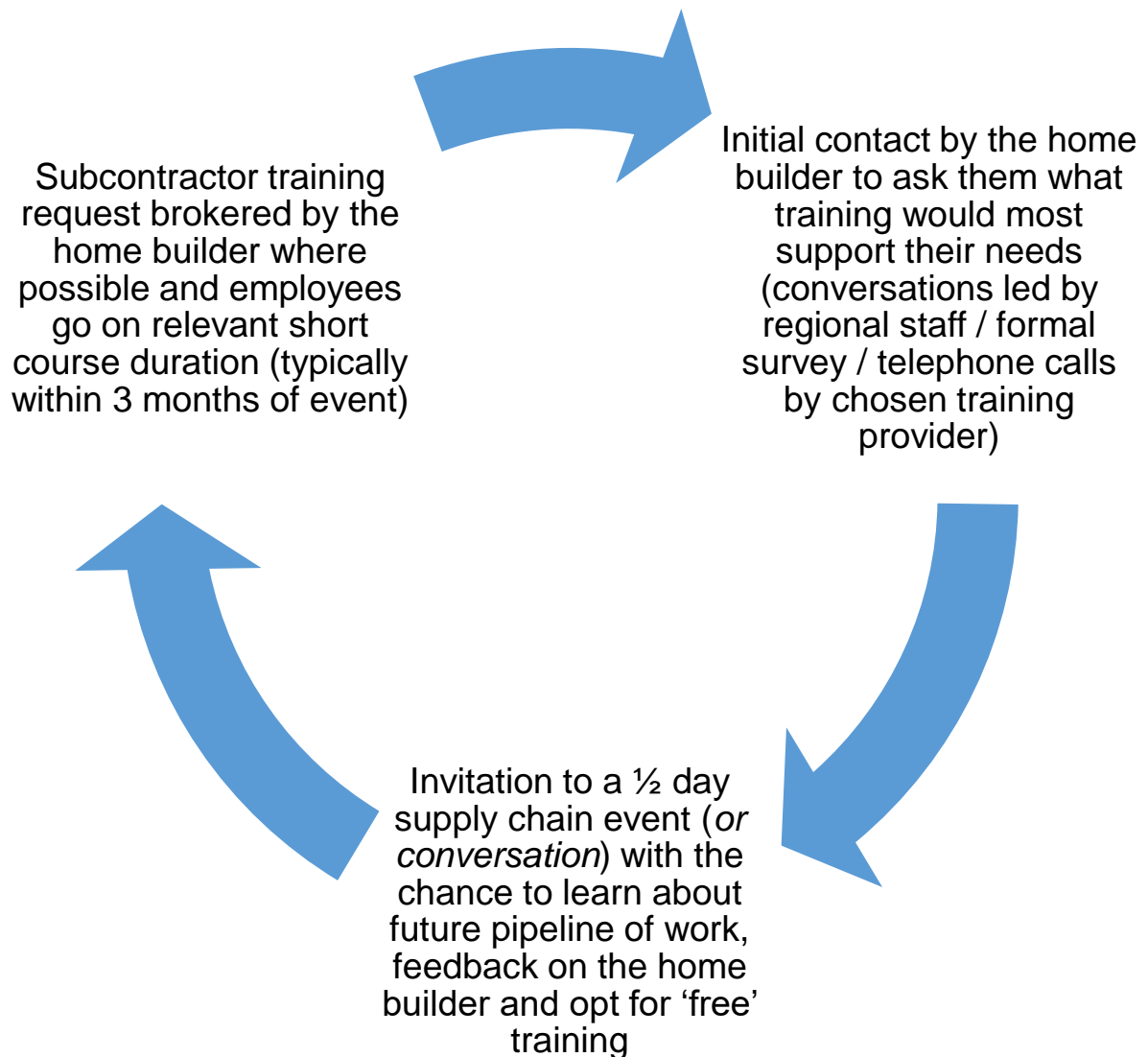
Home builders tended to have a single, lead point of contact in their organisation for the Pilot, but there were in fact many different personnel that were involved in each home builder to make all the strands come together including:

**Figure 1: Staff supporting the Pilot in home builder organisations**



From a subcontractor's perspective their experience is illustrated in Figure 2 and will have varied slightly depending on the engagement model adopted by the home builder:

**Figure 2: Typical subcontractor experience of the Pilot**



Two home builders delivered a very similar engagement model (Story Homes and Morris Homes), with the former having a particularly integrated pre-, and post-supply chain event communications plan with their subcontractors. Bovis Homes opted for an engagement model that was less reliant on events per se, rather they had structured face-to-face conversations between different members of their staff and subcontractors at their premises.

The kind of training that was delivered during the Pilot is described in Table 1. For details about the number of training interventions for each topic please see Section 4.0, Chart 2.

**Table 1: Training topics delivered during the Pilot**

Health, safety and environment	Site Supervisors Safety Training Scheme (SSSTS)	Customer service	Management development	IT training	Mates in Mind mental health awareness
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Bovis also offered workshops to Apprentices in order to help them understand self-employment and enterprise better

The kind of subcontractors engaged by the Pilot included trades across the home builders' construction supply chain. Some firms could be involved in more than one specialism.

- |   |  |   |
|---|--|---|
| 1. Mechanical / electrical installation   | 8. Drylining                           | 18. Supply and fix of windows and doors |
| 2. Plumbing                               | 9. Painting                            | 19. Cleaning and pressure washing       |
| 3. Heat and air-conditioning installation | 10. Decorating                         | 20. Bricklaying                         |
| 4. General home building construction     | 11. Glazing                            | 21. Groundwork / plant operatives       |
| 5. Floor and wall covering                | 12. Groundworks                        | 22. Carpentry                           |
| 6. Plastering                             | 13. Manufacturing                      | 23. Joinery                             |
| 7. Roofing (slaters / tilers)             | 14. Fencing                            | 24. Scaffolders                         |
|   | 15. Loft and cavity insulation         | 25. Electricians                        |
|   | 16. Supply and fitting of garden sheds | 26. Landscaping                         |
|   | 17. Hard and soft landscaping          |   |

**Key Point: Relevant training was delivered to 26 trades in the supply chain**

Three home builders were successfully awarded funding to deliver specified training to supply chain companies during this Pilot. They each adopted slightly different engagement approaches, but collectively they delivered training across 6 topics<sup>6</sup> to individuals in supply chain firms across 26 identifiable business activities / trades.

<sup>6</sup> Health, safety and environment; SSSTS; customer service; management development; IT; and mental health.

## 2.0 Evaluation purpose and method

The aim of this evaluation is to provide an independent assessment of the Pilot's success and effectiveness against the following evaluation questions agreed at the start of the Pilot between CITB (funder), HBSP (recipient) and evaluator:

### **KEQ1: Has the Project reduced skills gaps?**

Original expectation: Overall the Project is expected to encourage 500-1,000 individuals (new entrants and existing workers) undertake relevant short course duration training<sup>7</sup> that aligns with their own and home builders' prioritised requirements.

### **KEQ 2: Has the Project led to increased levels of collaborative working?**

Original expectation: The Project will seek to understand whether developers and their subcontractors have 'matured' in any ways during the Project, through closer collaborative working on identifying and meeting skills and training needs. Has the Project for example led to a more structured approach to training than previously amongst participating home builders and subcontractors? Has the culture of collaboration shifted at all because of the Project?

### **KEQ 3: Has the Project engaged with hard to reach companies?**

Original expectation: The Project seeks to engage with subcontractor firms, of whom at least 10% are defined as 'heard to reach' i.e. have not claimed CITB grant for at least two years.

### **KEQ4: How sustainable is the Project beyond the CITB-funded Project period?**

Original expectation: Through case study interviews and survey work with willing home builders and subcontractors, the evaluation will assess to what extent there is a future demand for this kind of collaborative model. Using CITB analysis of grant claiming behaviour by firms participating in this Project an understanding of how successful this funding model has been compared to the traditional routes available from CITB may be assessed.

Table 2 overleaf describes the type of evidence that has been used to inform the assessment contained in this evaluation report.

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<sup>7</sup> Short courses can be as little as 3 hours. A 'Training Day' in the context of this project would be a full day of learning by an individual or two \* 3 hour short courses. There was also important discussion about being able to capture information to allow for the analysis of the number of unique learners / individuals that undertake training, and the number of training incidences they undertake i.e. one person may do more than one training incidence and outputs need to capture data for individuals, training incidences and training days as defined (when they will then be compared to the project targets in the Agreement).

**Table 2: Sources of evidence used in this evaluation**

Source of evidence	Who provided this evidence	How this helps
<p>Training information</p> <p>The number of training days delivered, number of courses delivered, and the number of individuals receiving training broken down by operatives, supervisors and managers per home builder</p>	<p>Each home builder collected this information from subcontractor firms who were allocated training via the Pilot; they submitted it the HBSP Project Manager via monthly claims; who in turn shared this data with the evaluators</p>	<p>It enables a comparison of actual training day / beneficiary performance compared to the originally expected performance expressed by CITB and HBSP in their contract together for the Pilot.</p>
<p>Subcontractors supported</p> <p>The number of subcontractor companies in receipt of training offers via the Pilot; and proportion defined as hard to reach</p>	<p>Each home builder kept a record of the subcontractors that they provided training to via the Pilot; and informed the HBSP Project Manager who passed this data on to the evaluators</p>	<p>It enables a comparison of actual subcontractor engagement volumes / hard to reach against the original expectations for the contract. The HBSP Manager's initial assessment of hard to reach can be triangulated by CITB with historic claims data subject to supply of company names to CITB.</p>
<p>Review of all home builder monthly claims and formative, regular interviews with the HBSP Project manager</p>	<p>The claims submitted by the 3 home builders to the HBSP Project Manager were reviewed by the evaluator</p>	<p>The evaluator was able to identify patterns and trends of emerging learning that could inform the process evaluation aspect of this study</p>
<p>Subcontractor engagement event ethnography</p>	<p>The evaluators attended two supply chain engagement events (Story Homes, June 2017 and Morris Homes July 2018)</p>	<p>By experiencing the event, the evaluators observed the emotional reactions by subcontractors. Informal conversations helped better understand their motivations for attending the event and home builder staff 'immediate' reactions to their endeavour.</p>
<p>Training Plan data – this was a form filled in by subcontractors expressing interest in training topics and a stated preference for the number of people that might appreciate being trained in their firm</p>	<p>Sample data was provided by Story Homes to the evaluator via the HBSP Project Manager</p>	<p>This data helped the evaluators appreciate what volume and type of training was being requested at the time of a supply chain engagement; and how the home builder would draw up criteria for best meeting those demands.</p>

Source of evidence	Who provided this evidence	How this helps
6 monthly conversations with each participating home builder	The evaluator initiated contact with each lead contact in the 3 participating home builders	This helped the evaluator augment the written monthly claims with more qualitative insights about achievements, challenges and learning
Subcontractor surveys  A range of surveys were designed to capture '3 months' after engagement event feedback; and where time permitted in the Pilot, '12 month' post-engagement feedback. A total of 69 surveys were received from 58 businesses <sup>8</sup> . Response rate is low	The subcontractors completed the online survey(s) and sent these directly to the evaluator to encourage honest feedback about their experience and their views about the home builder and training received.	This is crucially important evidence because it enables us to understand the extent to which any outcomes have occurred for the subcontractors since engaging with the home builder in this Pilot and helps us understand what, if anything, has matured in their relationships as well as the effects of the training
Home builder case studies  Supported by a template provided by the evaluator, each home builder was given a month to 'tell their story' for inclusion in this evaluation.	The lead contact from each home builder provided their case study for review by the independent evaluator; and once checked for accuracy would be included in the evaluation report	The process of encouraging end-of-Pilot reflection by each home builder was designed to enable them to think about how their experience compared with their intentions; to tease out learning lessons; and to consider how, if at all, the activities might be sustained or developed in future
Learning lessons review  This was a structured set of interviews with all home builders in March 2019 after all training delivery had been completed and final claims submitted.	The evaluator led this joint review with the home builders and HBSP Project Manager to extract insights for the assessment of the key evaluation questions for this Pilot	This review allowed joint reflection between the different approaches delivered; and helps maximise the learning from this Pilot to inform the conclusions and recommendations in this report.
Non-participating home builders  The evaluator designed a survey to encourage feedback from home builders that expressed interest in the Pilot but chose not to submit a proposal on this occasion	The HBSP received interest from 7 home builders who elected not to submit a costed proposal during this Pilot; 4 completed a survey or interview with the evaluator in February 2019	Insight from 'interested' home builders that did not submit a proposal helps us understand their reasons for not engaging in the Pilot and how this might inform any decision to roll the Pilot out to the wider industry.

<sup>8</sup> A total of 45 surveys were received from subcontractors engaged by Story Homes; and 12 each were received from subcontractors engaged by Bovis Homes and Morris Homes.

### 3.0 Performance: monitoring data

**Table 3: Input, activity and output data (March 2019)**

Indicator	Original expectation and any agreed variation with CITB	Actual performance	
Home builders participating in the Pilot	10 home builders to engage  Revised down to 6 part way through the Pilot	3 home builders submitted approved proposals  7 expressed interest but did not submit a proposal <sup>9</sup>	↓  Not included in the CITB contract
Subcontractor companies receiving training following engagement	100 subcontractor firms	177 subcontractor firms received subsidised / free training via the pilot	↑
Hard to reach firms	10% of 100 = 10 firms	12 firms (13%) minimum	↑ May be more as the estimates do not account for any newly CITB registered firms
Individuals trained	500 – 1,000  Specified as 600 during the course of the Pilot	782 individuals were trained during the Pilot  Courses delivered: 86  Toolbox talks: 14	↑  Not included in the CITB contract
Operatives trained	55% of 600 = 330	363 trained (46%)	↑ volume ↓ % trained
Supervisors trained	25% of 600 = 150	332 trained (43%)	↑ volume ↑ % trained
Managers trained	20% of 600 = 120	87 trained (11%)	↓ volume ↓ % trained
Training Days	1,250	1,052	↓
CITB funding	£192,055	£147,127 spent	Uncommitted £44,928

Source: HBSP Project manager, 15<sup>th</sup> March 2019 triangulated by the independent evaluator with home builder supplied case studies (March 2019)

<sup>9</sup> Davidsons Developments Ltd, Hill Homes, Lovell Homes, Miller Homes, Spitfire Bespoke Homes Ltd, Strata Homes and Taylor Wimpey



The performance of the Pilot suggests that:

- The number of subcontractors engaged (177 firms) has been significantly higher than original expectations (100 firms)
- Subcontractors are keen to take advantage of the incentivised training once they have been engaged directly by 'their' home builder in the first instance
- This Pilot has reached operatives, supervisors and managers within the supply chain, across at least **26** different identifiable trades and specialisms
- Fewer than hoped home builders chose to submit a proposal during the period of the Pilot because there are barriers to overcome within home builder organisations before they can fully commit to an initiative of this nature
- In a relatively limited period of time, home builders can mobilise an engagement and training package that reaches hundreds of individuals in their 'regional) supply chains across a mix of hard and soft skills requirements.

Whilst this summary is helpful to understand the Pilot's overall performance against original, and then revised, contract output targets, it does not convey the significant learning lessons that have emerged between June 2017 and March 2019. Neither does it reveal anything about the different experiences of the home builders that delivered their engagement programme, nor whether anything changed as a result for them or their subcontractors.

The report now goes on, therefore, to use the available evidence to assess the Pilot's success and effectiveness against the agreed key evaluation questions described previously in Section 2.0.

## 4.0 Has the Pilot reduced skills gaps?

Original expectation: Overall the Project is expected to encourage 500-1,000 individuals (new entrants and existing workers) undertake relevant<sup>10</sup> short course duration training<sup>11</sup> that aligns with their own and home builders' prioritised requirements. When HBSP applied for Flexible funding for this Pilot project in June 2017, CITB had six strategic priorities, one of which was to help construction firms reduce skills gaps in their existing workforce. CITB agreed with HBSP that skills gap reduction will be inferred to have happened successfully during the Pilot if there was evidence that there had been training delivered to individuals in the supply chain. Whilst the training topics would largely align with CITB's 'training lanes'<sup>12</sup> (see diagram below), because the proposal was meant to invite innovation, the training would be influenced and shaped by the supply chain during their surveys, conversations and events with participating home builders.

**Figure 3: CITB definition of short duration training**



### Definition of Short Duration Training

Training with a duration of 3 to 60 hours, that delivers a measurable outcome of appropriate knowledge or skills, has agreed standards and assessment criteria, and is not part of a formal qualification (including apprenticeships).

Trade or Construction Aligned	Health and Safety Construction Specific	Skills specific	Non-trade – Construction Training
Generic training courses supporting construction skills activities or aligned activities; may be delivered on or off site.	Construction related H&S including elements essential to deliver craft/technical activity on site.	Courses contextualised to specific parts of the industry that have specialist element.	Training that is not directly related to trade/construction skills but is contextualised to the industry. (e.g. supervision & management)



CITB and HBSP agreed that it would be useful to encourage training that would satisfy the prevailing short course definition. In a meeting early on in the Pilot between CITB's Evaluation Manager and HBSP Manager it was explained (and agreed) that short courses can be as little as 3 hours. A 'Training Day' in the context of this Pilot would be a full day of learning by an individual or two 3 hour short courses.

<sup>10</sup> Criteria are yet to be defined but includes some aspects of focusing on needs identified by participants and needs identified because they are known to be affecting quality in the sector i.e. workmanship or customer experience

<sup>11</sup> Short courses can be as little as 3 hours. A 'Training Day' in the context of this project would be a full day of learning by an individual or two \* 3 hour short courses. There was also important discussion about being able to capture information to allow for the analysis of the number of unique learners / individuals that undertake training, and the number of training incidences they undertake i.e. one person may do more than one training incidence and outputs need to capture data for individuals, training incidences and training days as defined (when they will then be compared to the project targets in the Agreement).

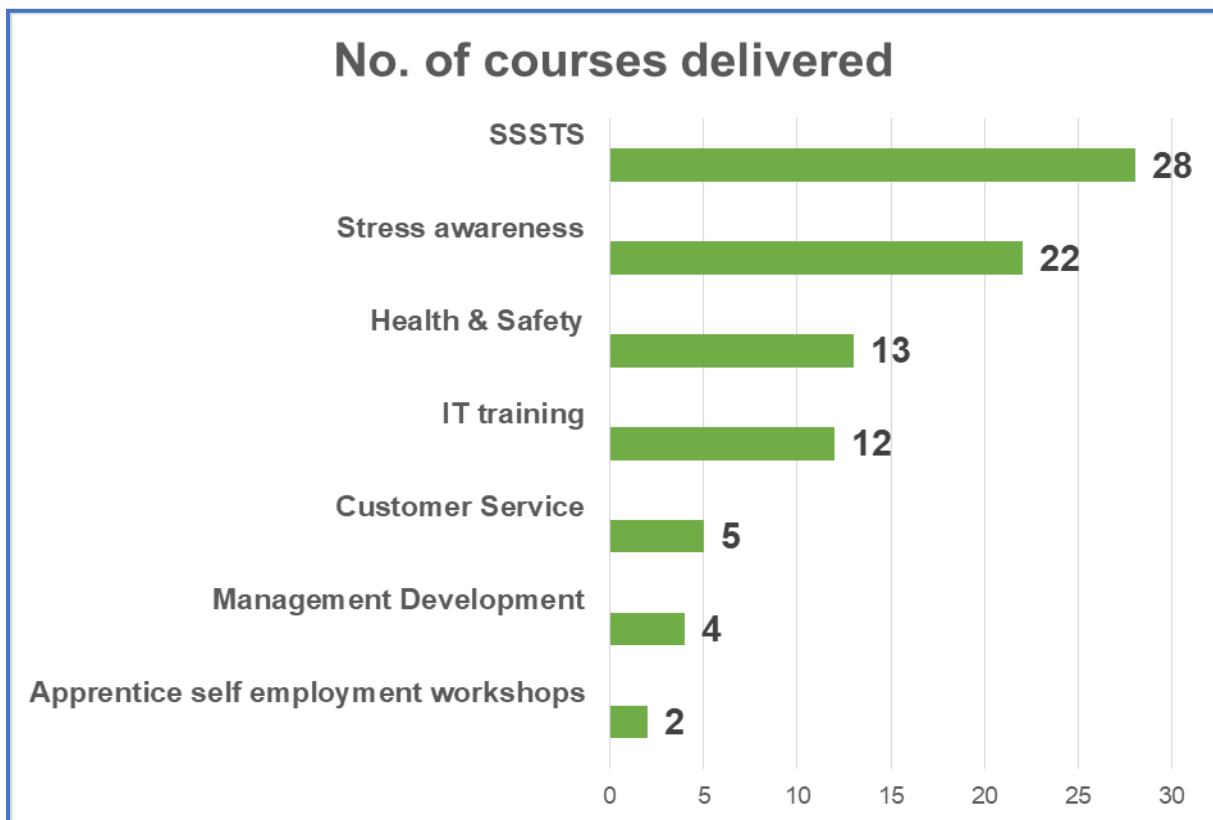
<sup>12</sup> At the time this was the terminology being used to help communicate the grant reforms being consulted on with the industry.

Further scoping discussions between HBSP, its Supply Chain Collaboration Activity Group and CITB developed a preferred profile of learners that would ideally receive training through the Pilot split between operatives (55%), supervisors (25%) and managers (20%). Together, the training topics aimed at this profile of workers in the supply chain was designed to encourage upskilling that might contribute to a more quality-driven culture.

**The number of individuals who have had skills gaps reduced**

- The Pilot has reached 782 individuals across 177 subcontractor companies in the North West, North East, Scotland<sup>13</sup>, East Midlands, West Midlands, South East and South West regions.
- These 782 individuals have received at least 4 hours, if not full day or two-day training interventions totalling 1,052 training days across topics including HSE, site safety, customer service, IT, management development and mental health awareness.

**Chart 1: Number of training courses by topic delivered during the Pilot**



A total of 86 courses were delivered by the 3 participating home builders during the Pilot. A third of these courses were SSSTS which required the delegate to complete 2 full days’ training. A quarter of the courses were on the topic of stress awareness, delivered to a mix of operatives (64% of courses) and supervisors (36% of courses) for a half day duration.

<sup>13</sup> Story Homes delivered training in the first 3 regions; Morris Homes delivered their Pilot in their East Midlands region whilst Bovis delivered to all other regions named.

**Chart 2: Number of training days by topic delivered during the Pilot**



70% (744) of the 1,052 training days delivered during the Pilot were for SSSTS. This, as we can see in Chart 3 was by some margin the most popular course attracting 48% of all delegates trained the largest share of delegates trained (372 out of a total of 782 delegates).

With the exception of the stress awareness courses (which were half day courses), all other topics were approximately one day in duration for the delegates. Home builders reflected that the customer service and management development training was less appealing to their subcontractors, but felt that afterwards, those who had invested in this type of training (62 delegates as seen in Chart 3) gained notable benefit.

**Chart 3: Number of delegates trained during the Pilot**





## **The kinds of occupations that have been upskilled**

### **Bovis**

Feedback from 12 subcontractors who had staff attend SSSTS training or Mates in Mind mental health awareness training confirmed that occupations upskilled included: bricklayers, plumbers, carpenters, dryliners, roof slaters/tilers, groundwork/plant operatives, Site/Assistant Site Managers, Branch Manager, Contracts Manager, Health & Safety/Safeguarding personnel, scaffolders.

### **Story Homes**

Feedback from 17 subcontractors<sup>14</sup> who had staff attend SSSTS, HSE (Level 1), customer service, management development or IT training confirmed that occupations upskilled included: Site / Assistant Site Managers, customer service advisors, sales advisors, landscapers, dryliners, groundwork/plant operatives, carpenters, plasterers, renderers, roof slaters / tilers, painters, decorators, scaffolding operatives, supervisors, flooring fitters, silicone sealant applicators, engineers, fencers and administrative staff.

### **Morris Homes**

Individuals involved in mechanical/electrical installation, roofing, groundwork/site preparation, kitchen fitting, painting, decorating, glazing, scaffold erection, landscaping, piling and precast concrete work and ironwork attended Morris Homes' East Midlands engagement event. Some of these have gone on to access the free training in SSSTS, HSE (Level 1), customer service, management development or IT training.

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<sup>14</sup> Of the 17 firms completing a survey that had accessed some of the free training, 8 accessed one of the four available training offers; 8 accessed 2 of the offers and 1 firm was able to send employees on free training across all four training offers.

## Evidence of technical upskilling

Surveys completed 6-12 months with subcontractor companies that accessed the training via this Pilot sought to identify if there has been any uplift in technical capability for those trained.

**Table 4: Technical competence change amongst those trained in the supply chain**

Technical competence reported 6-12 months post training	Significant positive change	Some positive change	No change really	Some negative change	Significant negative change
Bovis subcontractors (n=11)	2	4	5	0	0
Story Homes subcontractors (n=17)	3	8	6	0	0
Total (n=28)	5 (18%)	12 (43%)	11 (39%)	0 (-)	0 (-)
Morris Homes subcontractors	No time within the evaluation period to conduct 12 month post engagement surveys; these would need to be done October 2019.				

Table 4 illustrates the finding that three in five (61%) of participating subcontractors that completed a 6-12 month post training independent survey reported some or a significant positive change in technical competence of those trained via the Pilot.

When asked what kind of changes had been observed since the training responses point to a rise in self-, situational- and risk-awareness linked to health and safety training:

*“There is a greater awareness of health and safety in general.” (Construction firm; bricklayers and scaffolders received SSSTS training)*

*“Help given by Story Homes helped our workforce achieve their qualification.” (Plastering contractor firm; dryliners and plasterers completed their HSE Level 1 qualification)*

Bovis offered a mental health awareness training option via the Pilot, and they have been particularly pleased with the feedback from firms that have accessed the support. This is reflected by this subcontractor who has been significantly inspired to make deep changes having, as they do now, a greater appreciation of the topic:

*“As a business this has prompted us to look deeper into what we do in terms of support for our staff and we now have 2 mental health first aid instructors and we are about to roll out training throughout our firm.” (Electrical contractor; health & safety/ safeguarding personnel received Mates in Mind mental health awareness training)*

Example feedback from subcontractors attending training following the Story Homes Supply Chain Engagement Pilot in 2017 and 2018<sup>15</sup>

Figure 3: Subcontractor testimonials published in Story Homes newsletter

**Westwood Landscape** "Our team attended a HSE training course provided by Story Homes and we found it very interesting. The course content was very informative, easy to understand and well presented. We feel that a lot of the information will be beneficial to us in the future." - **Westwood Landscape**

**Barclay Roofing Ltd** "We found it very easy to book this course. The venue was suitable, the course was easy to follow and the tutor was really knowledgeable." - **Barclay Roofing Ltd.**

**Fine Carpets & Flooring Ltd** "The booking process for the course was very easy and Story Homes was very helpful and accommodating with us and the course itself was clearly communicated." - **Fine Carpets & Flooring**

**G.A. WILSON**  
PLASTERING CONTRACTORS LIMITED "We took advantage of this great opportunity, booking 11 candidates onto the first SSSTS course and a further 9 candidates onto the second. We had great feedback from all who attended both courses; they all enjoyed the course and the lecturer did really well." - **G A Wilson Plastering Contractors Ltd.**

<sup>15</sup> Source: Story Homes Subcontractor Newsletter April 2018.



## Motivations for reducing skills gaps

Subcontractors explained to the evaluators that the training topics they had accessed were relevant to their prevailing business needs for upskilling. The training would contribute to their business' desire to demonstrate worker competence to clients too.

*“To ensure all relevant people have had some sort of basic understanding of H&S on construction sites.” (Flooring company; fitters received HSE and customer service training)*

Completing the training in order to prove to the home builder organising it, that the subcontractor could upskill was important for some.

*“It was free training to further develop our staff to Story's standards. This would help us continue a good working relationship.” (Scaffolding company; Site Managers and scaffolders received SSSTS and HSE Level 1 training)*

One company found they were able to fill some technical skills gaps that they had not been able to satisfy previously:

*“The IT training was very good and we are now able to do a lot more on spreadsheets.” (Plumbing and heating contractor, accessing IT training)*

Further insights about the demand for training topics in the Pilot

The home builders participating in this Pilot confirmed that the SSSTS and HSE training was very popular indeed with their supply chain, to the point where in one circumstance, regrettably 20 completely full courses (400 individuals in Carlisle, Preston and Hartlepool) were cancelled (owing to funding limitations available via the Pilot)

*“We could have sold 60 SSSTS courses in each region, but the Pilot limited places to a maximum of 20 per region”*

The SSSTS training was popular because it is well known in the industry and has a market rate of at least £200, whereas via this Pilot the course could be accessed either for free or £50 in the case of one home builder who encouraged attendance by charging for administration and booking costs. One decorating firm attending a supply chain engagement event had no intention to take up SSSTS training prior to the event, but changed their minds, and having then offered it to some of their painters and decorators reported significant positive change in technical and soft skills acquisition as a consequence 12 months later.

The Core Planning and Training Manager from one of the home builders extolled the benefits of using SSSTS as the 'lead' training topic to engage with subcontractors and what this means for upskilling:

*“We have trained all our own directly employed staff in SSSTS; now we have some of our contractors trained in SSSTS – it's building consistency amongst our supervisor workforce, which we see as 'one workforce'. SSSTS was something we had already started to offer to some sites at a £50 rate on our sites, so this Pilot allowed us to build on that experience. It has proven to be a really important hook upon which to develop our training relationship with contractors” (Participating home builder)*

In terms of the health and safety topic, the Training Co-Ordinator from one of the home builders said that this training was viewed as particularly tangible and immediately useful to their subcontractors. HSE training was likely to be the most prominent and largest (training) cost that subcontractors have to afford each year, so any help with this is regarded very positively.

*“Most of the subcontractors couldn’t believe the offer was real; they were sceptical and thought ‘what’s the catch?’ The HSE training has helped some of our companies and individuals get cards; but they also needed help to understand how it all fitted together – the training, the cards, the funding available. Most find it confusing” (Participating home builder)*

There were interesting insights about each of the other training topics too. For example, two of the home builders offering IT training found it difficult to define in a way that subcontractors would understand or feel confident to commit to.

*“I’m new to home building, but I have to observe that the level of IT skills is really low in the sector – people don’t know how to do the most basic of things whether in Word or Excel. Keeping training records; automating processes. More people really do need this training, very basic levels to begin with.” (Participating home builder)*

Eligibility criteria for the Pilot meant that the kinds of basic IT needs being reported by firms could not be met via this initiative. One home builder said that at their engagement event whilst many subcontractors noted that they would like IT training, when the actual training course offers went out to them, there was a much lower conversion rate than the other topics – *“They hid under the table when we sent out the invites”*.

Two home builders offered management development training, and whilst saying this was a harder sell to their supply chain companies, went on to report that there were particularly positive benefits to those who received the training.

*“Management, IT and customer service training are not something many of our subcontractors have ever engaged in before. It’s harder for them to see why they would need to do this for themselves without encouragement or incentive. The experience has led us to realise a step-change in our future approach to management – we will likely make this available to more of the workforce in future.” (Participating home builder)*

Customer service was offered by all three participating home builders, but with extremely different experiences. One had been investing heavily already in the customer service skills of direct employees so reaching the wider (indirect) workforce would come next. Another said there had been some interest and demand to meet which this Pilot satisfied. The other found that subcontractors were neither ready, nor wanted customer service training which was problematic, because:

*“We must reduce defects and errors at home handover and improve service levels when our subcontractors are snagging and completing customer home visits. We have a real drive to train all people on all our sites in customer service, not just how contractors talk to people moving in to homes but also how the trades relate to the site agents – managing conflict; and how to deal with stakeholders generally. These soft skills would make a big difference to hard edged business objectives.” (Participating home builder)*

One of the external training providers that delivered SSSTS training during the Pilot said the feedback from individuals being trained made the experience worthwhile.

*“The firms were really grateful they could upskill their staff and it wasn’t going to cost them anything. So instead of putting one lad through SSSTS that year because it’s all they might have been able to afford, they could put 6 people through and suddenly they’ve got 6 people that can lock up on sites; and when the Site Manager is ill they’ve got plenty of cover.*

*There is one person who really stands out for me. He suffers from dyslexia. He worked for a groundwork company for 18 years and the training coordinator there adored him, but she said never wanted to risk paying for him for SSSTS because she knew he wouldn’t pass it. She was worried that it might affect him badly. I said ‘leave it with me.’ We worked up a way of supporting him, obtaining special exam conditions that suited his situation, and the great news is that he passed it. Since then he has gone on leaps and bounds and is looking to do further learning to become a Site manager. He’s a North East lad, started in the trade aged 16 and he’s now 34. His colleague had great faith in his ability on site but was worried he didn’t have the H&S knowledge. We supported the process via the Pilot with method statements and risk assessments that filled this gap. He was made up – he had lots of low self-esteem and no qualifications, he had been just a labourer and he said to have someone put him on a high level course was a huge boost.” (External training provider involved in the Pilot*

### **Summary: skills gaps**

The Pilot has delivered 1,052 training days to 782 people, who will have had the opportunity to gain or refresh their knowledge in relevant topics that can equip them to perform better.

Based on sampled data, around three in five (61%) of those receiving training have improved their technical capability within the supply chain.

Whilst the hard technical skills training topics have been most popular, it is the belief of the participating home builders that the really exciting positive gains can come from pursuing the opportunity for developing softer skills including management, customer service and IT as these will improve interpersonal capabilities; whilst also reducing avoidable errors and rework.

The home builders have reported that offering SSSTS at a discounted rate has been a critical ‘hook’ on which to develop the wider relationship and dialogue around further training opportunities.

As we will learn later in this evaluation, the experience of completing training has led to a greater appetite for further or additional learning amongst subcontractors, suggesting that the model could help tackle different skills gaps in future if planned and co-ordinated together.

## 5.0 Has the Project led to increased levels of collaborative working?

Original expectation: The Project will seek to understand whether developers and their subcontractors have ‘matured’ in any ways during the Project, through closer collaborative working on identifying and meeting skills and training needs. Has the Project for example led to a more structured approach to training than previously amongst participating home builders and subcontractors? Has the culture of collaboration shifted at all because of the Project?

Home builders and subcontractors are united in their view that the Pilot has brought them closer together in a number of ways. Table 5 presents evidence from 29 subcontractors completing surveys 6-12 months after they engaged with the Pilot across two of the participating home builders’ supply chains.

**Table 5: Collaborative culture and behaviours encouraged by the Pilot**

	Strongly agree	Agree	Strongly/Agree Total	Neither	Disagree	Strongly disagree
We collaborate more positively on skills and training (no need for this when you say ‘more’)	8	14	22/29 = 76%	7	0	0
There is more emphasis on our ‘people’ than there was before	6	13	19/29 = 66%	9	1	0
Our relationship with the home builder is now more trusting than it was before	6	9	15/29 = 52%	12	2	0
There is a more formal approach to identifying training needs together than before	4	11	15/29 = 52%	12	2	0
We are more in tune with each other’s business ambitions and challenges than before	3	12	15/29 = 52%	4	1	0
Base: 29 subcontractors that accessed the training offer via Story Homes or Bovis Homes surveyed 12 months after their initial engagement with the Pilot						

Three quarters of subcontractors report 12 months after engaging with the Pilot that they collaborate more with the home builder on skills and training , and two thirds assert that there is a greater emphasis on ‘people’ than previously.

One in two think there is a more formal approach to identifying training needs, a better understanding of each other's ambitions and more trust than before. These sentiments were also starting to emerge very soon after the delivery of a supply chain engagement, which is interesting, because while trust requires time and continuity to deepen in a relationship, the events in of themselves created the conditions whereby scepticism and distrust was less likely to occur for the rest of the Pilot. Consider the results of surveys completed by subcontractors attending engagement events hosted by Morris Homes and Story Homes within three months of attending:

- 33 out of 35 (94%) respondents said there had already been benefits of investing time on coming to the half-day event.
- 24 of 35 (69%) subcontractors said that they thought the host home builder had to some or a great extent listened to and acted upon the feedback and suggestions they provided at the event. 21 out of 25 subcontractors (60%) said that their view of the home builder had changed positively as a result of the event and their effort to identify and meet some of their training needs before, during and after the event

### **Collaboration between home builders and their supply chain**

At the end of the Pilot, the three participating home builders were asked whether they felt there was more collaboration as a result of the initiative. They were unanimous in their view that this was definitely a directly attributable impact of the Pilot. This is evidenced by the increased regularity and nature of communication between each party.

*"I just get more calls from our subcontractors since the event compared to before then; they want to keep up to date with us, and whilst they know I was always there before and they could have called me, they seem to have more courage to talk to me now about what's working or if there are problems that need solving." (Participating Home builder)*

Reflecting about how 'trust' was manifesting itself in practical terms, one Training Co-Ordinator offered this explanation:

*"I know that if we did any other engagement event our subcontractors would be much more receptive to come together, even if the subject matter was not about training. They now believe that we will do what we say we will do, and that there isn't a catch." (Participating Home builder)*

The Core and Training Planning Manager from one of the participating home builders felt that the Pilot, whilst building on foundations already laid as part of a wider investment in learning and development, had enabled them to demonstrate to a sample of their supply chain across the country that they were serious about creating partnerships.

*"We said we would offer training and we did. That builds trust. We also think the Pilot has shown that we can offer helpful guidance, advice and support which taken together helps create the impression that as an industry we look after our people and each other. It has shown them that we think (people) 'development' is important. By showing that we see the workforce – our direct employees and those in our contractors – as one, and by mixing up the different workforce members in the training room, we build a better quality culture." (Participating Home builder)*

This collaboration has manifested itself in numerous ways. For example, an increase in the quantity and quality of two-way feedback about what could be improved to site working with appropriate resolution by each party; and greater discussion about 'people' and training needs rather than, as previously the case, solely performance management assessments between developer and subcontractor.

The participating home builders say that the Pilot has encouraged them to think more about what their subcontractors need, and armed with that knowledge have pulled together a package of training materials and support that their supply chain is now more aware of and can access if relevant to their needs. And if the home builder cannot provide a solution themselves, they appear to be more inclined to take the time and trouble to signpost or refer on elsewhere instead.

*"I had a lady call me up only yesterday, 15 months after we met at the engagement event, and she was just after some help. She chose to pick up the phone out of the blue and ask me whether I knew how to access a particular form of training. In fact it wasn't something we offered, or could offer, but I did know how to help her and was able to signpost on. This is just one example, but the Pilot has given me moments like this where I felt like I really helped subcontractors get them where they wanted to be." (Participating Home builder)*

### **Collaboration within home builder organisations**

The other interesting effect of the Pilot has been to encourage more collaboration between different members of staff within the home builder organisation itself. For example, in having to develop an engagement methodology, learning and development staff needed to persuade and then work with their commercial teams to extract the subcontractor lists for marketing and communications purposes; whilst also having to get buy-in and sign-off for the Pilot from a range of Directors and senior staff that might at any might have created blockages should they feel there were more important priorities to address.

### **Collaboration between home builder organisations**

The Pilot has helpfully created the conditions for the sharing of experiences and approaches between the participating home builders and HBSP. Examples include:

- The way in which the Story Homes engagement approach inspired Morris Homes to develop a similar blueprint. Both home builders say this was the first supply chain engagement event with subcontractors they had ever hosted so there was a fear that it might not work. Being able to learn from each other, and via the conduit of the HBSP Project Manager, helped build confidence during the Pilot.
- A Director from Morris Homes was invited to, and attended, the inaugural Story Homes engagement event in Chester-Le-Street in June 2017, a clear example of collaboration, which in a highly competitive sector, would never have happened in the period prior to the Home Building Skills Partnership's existence.
- At the end of the training delivery period for the Pilot, representatives from Bovis Homes and Story Homes came together with the HBSP Project manager to complete a joint reflective learning lessons session where each participant was able to openly describe what worked or did not work so well in front of each other.



## Maturity

Independent surveys with subcontractors encouraged them to describe their relationship with the host home builder prior to and after their engagement experience. The maturity of relationship, and associated adjectives, were varied.

It was clear that some subcontractors had been working for many years with the home builder in question describing their relationship as *'good'*, *'professional'* or *'very close and based on trust'*.

Others were more recent additions to the home builder's supply chain. These firms described the relationship as *'starting to progress'*. One firm said their relationship prior to the event was *'more site based without the necessity to contact the administrative staff'*.

Twelve months after the supply chain engagement event relationships appeared to move from *'good'* to *'very good'*; of from *'good'* to *'good and strong'*. From a relationship that was progressing it was now described as a *'good working relationship'*. The firm that had previously been more site-based in its contact with one home builder said that they now *'feel we are included with the ongoing progress and have a relationship with [the home builder].'*

*"The relationship was good in the first instance but even more proactive since the training and being engaged directly with [the home builder]" (Subcontractor)*

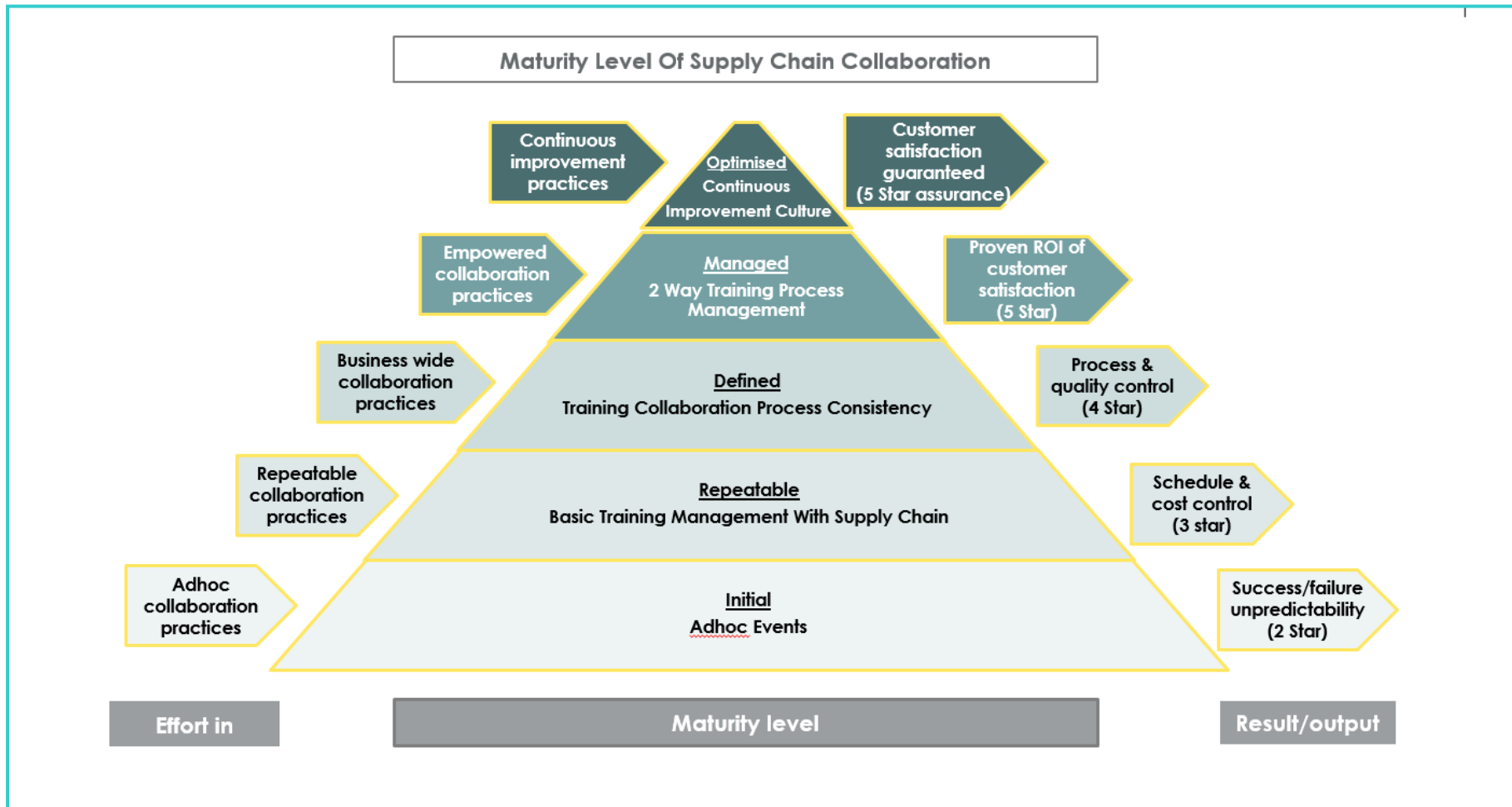
Considered together, the evidence from this evaluation suggests that it would be possible to develop a maturity matrix that demonstrates the way in which a home builder and subcontractor relationship can become more supportive over time using the stimulus of a co-designed training programme. The dimensions of this matrix are likely to include:

- ❖ Knowledge and increasingly close understanding of each other's ambitions and future plans
- ❖ Increased confidence to discuss capacity and capability to meet ambitions and future plans
- ❖ Communication and engagement approaches with one another from guarded to proactive
- ❖ Culture of relationship from distrust to trusting, from vertical to horizontal 'partnerships'
- ❖ Processes to more formally discuss and plan training needs in advance
- ❖ Attitude towards and willingness to invest in skills and training together

The maturity matrix would need further dedicated work beyond the evaluation period, but Bovis Homes, as part of their contribution to this Pilot, reflected on their experience and have provided a working draft that helped them articulate the way in which this Pilot has encouraged maturity, and illustrated how the 'effort in' relates to the 'results out'. Please see diagram overleaf.



Figure 4: Bovis Homes Supply Chain Collaboration Maturity Matrix



Drafted by Paul Flynn, Bovis Homes 14<sup>th</sup> December 2017

## Wider effects of increased collaboration

Although not an expected result of the Pilot, there appear to have been some additional positive knock-on effects for the home builders and subcontractors growing out of their more mature relationship. One of the participating home builders, Story Homes, agreed with the evaluator, to survey wider business benefits 12-15 months after their initial engagement event, presented in Table 6. (Not sure the results below strongly suggest wider business benefits)

**Table 6: Wider business benefits for subcontractors that engaged in the Pilot**

Since attending the Story Homes supply chain engagement event in 2017 has your business...	Yes	% of 15 respondents
Increased the total financial value of work the business receives from Story Homes	5/15	33%
Increased the number of Story Homes Regions they deliver	2/15	13%
Received a formal assessment of performance from Story Homes to suggest that it is better / higher quality	3/15	20%
Received a performance 'bonus', reward or incentive / arrangement due to the quality of work	1/15	7%
Base: 15 subcontractors, October 2018		

Further analysis of these responses found that these wider business changes were reported by 5 firms in total; of which four reported on more than one change. 4 of these 5 firms said that the changes reported were partly attributable to the Story Homes supply chain engagement initiative (i.e. the event and follow up support to help them get relevant training).

### Summary: collaboration

The Pilot has catalysed more collaborative skills and training behaviours between the home builders and three quarters of subcontractors that have participated. The frequency and nature of dialogue between both parties has improved and deepened, with more routine reference to 'people' needs than was previously the norm.

The Pilot, in the view of the home builders has catalysed collaboration on soft skills training areas that, in its absence and without incentive, their subcontractors would have been unlikely to have done for themselves in 2017/19. The collaboration is therefore demonstrating to each party that through open discussion about training wants and needs solutions can be put in place much sooner than might otherwise have been realised.

Collaboration can, for one in three relationships, lead to wider business benefits including the financial value of work transacted between home builder and subcontractor. The Pilot appears to be a catalyst or contributor to creating a culture of collaboration that might not happen as quickly or as effectively in its absence.

## 6.0 Has the Project engaged with hard to reach companies?

Original expectation

The Project sought to engage with subcontractor firms, of whom at least 10% are defined as 'heard to reach'. The definition supplied by CITB, just after the Pilot had commenced, end of June 2017 was as follows:

Not claimed in 2+ years	Not claimed in 3+ years	Never claimed	New registrations
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Analysis by CITB, HBSP's Project manager (using data supplied by participating home builders) and the evaluator in March 2019 revealed difficulties with being absolutely certain about the status of the 177 subcontractor firms that had received training during the Pilot. At best therefore, this evaluation can provide a range of possible estimates for 'hard to reach firms' engaged.

An initial analysis by the HBSP Manager estimated that 54 (31%) of 177 firms were hard to reach. This calculation was based on data provided by the subcontractors to the home builders. 16 firms were thought not to have claimed from CITB in the past 2-3 years from the Bovis Homes supply chain, 32 were similarly thought not to have claimed from the Story Homes supply chain and 6 from the Morris Homes supply chain. This calculation did not factor in the variable of having to be CITB registered, rather that these firms had not claimed funding for training from CITB in the recent past, and the Pilot had therefore stimulated a change in their training behaviours.

Further analysis by CITB matching subcontractor company information with grant claiming data found that:

- 12 out of 83 identifiable CITB registered firms were hard to reach (13%)
- Out of the 71 that had some recorded claiming behaviour almost all had claimed in either 2017-18 or 2018-19. It is possible that some of these are newly registered since the Pilot commenced in June 2017, but this would need validating.
- 37 firms were not in CITB scope (21%)
- The remaining 57 firms could not be identified by CITB in their records and therefore cannot be classified with certainty using the CITB definition. They can, however, be described as construction-related companies working in the home building sector

### Summary: Hard to reach firms engaged

Depending on the way in which the data is interpreted, at least 13% of subcontractors engaged in training have satisfied the CITB definition of being hard to reach (exceeding the 10% target for the initiative). In reality, many more construction companies that have never or recently claimed any funding support for training – for whatever reason – have elected to take part in this Pilot and improve the skills base of themselves and their workforce.

### **Case study: Hard to reach firm accesses training via the home builder**

A medium sized business with 200 staff based delivering groundwork, site preparation and general home building construction work attended the Story Homes Supply Chain Engagement Event in Chester-le-Street. The Construction Director explained he had attended in order to get closer contact with senior staff and to understand the direction Story Homes were going in and how they intended to work together with supply chain companies such as their own.

Despite their size, and being CITB registered this company had not claimed grant for training from CITB in the previous two years, but as a direct consequence of attending this home builder-led event, they expressed interest in training. In fact they had an appetite for much of the offer that was presented including IT, H&S/behaviours, management training, diary booking and customer service. The Director also told others in his company about the type of training support available from Story Homes, and went on to successfully book eight of his staff on various courses, all completed within three months of the event itself which was seen as responsive to their needs.

The Director said his view of Story Homes had changed positively and in future hoped that other training topics might be supported, specifically collaborative programming.

He concluded by saying that if he has an understanding of Story Homes' business plan and targets, his firm could work further on skills and training activity together successfully in future.

### **Case study: CITB-registered firm claiming grant and engaging in the Pilot**

For this decorating company with just under 50 staff, the chance to engage with the Pilot was not about the training per se. In fact after attending the home builder supply chain engagement event they felt that they were unlikely to apply for training and instead had already derived benefit from hearing about the home builder's future pipeline of commercial activity. They engaged at the event also to use the opportunity to feedback to the home builder what it was like working on their sites and how improvements could be made.

"We believe we now have a better understanding of their [the home builder's] mantra".

The individual attending the event went back to their office and told someone else about the training available through the Pilot, and following discussion it was agreed that having some of their painters and decorators do the SSSTS training would be beneficial after all.

Ultimately this proved to be a good decision as 9 months after the training there had been an observable, 'significant positive change' amongst these individuals in terms of their technical competence, attitude towards training / learning, behaviours on site, productivity and quality of work.

Since attending the supply chain engagement event this business has increased the total financial value of work received from the home builder, has received formal assessment of performance from them to suggest that it is better/higher quality and increased the number of regions in which they deliver for this home builder. The firm believes these wider business changes were partly due to this initiative.

With hindsight, this firm thinks they would have done the same training, at the same time, for the same number of people in 2017/18 because of their experience with claiming grants from CITB, but importantly they attached value to the wider business benefits of the engagement initiative. The relationship between their firm and Story Homes had changed positively. It was described as more trusting.

- ✓ There was more positive collaboration on skills and training
- ✓ There was a more formal approach to identifying training need together
- ✓ There was more emphasis on 'people'

If the home builder were to offer more engagement events / training next year the team would be very likely to attend. The firm would very likely apply for funding support for training from CITB in the next 12 months as well and seek all forms of support that are available to help them grow their capability as a business.

## 7.0 How sustainable is the Project beyond the CITB-funded period?

### Original expectation

Through case study interviews and survey work with willing home builders and subcontractors, the evaluation will assess to what extent there is a future demand for this kind of collaborative model. Using CITB analysis of grant claiming behaviour by firms participating in this Project an understanding of how successful this funding model has been compared to the traditional routes available from CITB may be assessed.

### Subcontractor preferences for the future

Based on 69 surveys received from a total of 58 subcontractors<sup>16</sup>, the Pilot has been a very positive experience for participants. 33 out of 35 subcontractors who completed surveys 3 months after attending an engagement event reported feeling they had benefited and had taken some practical action soon afterwards<sup>17</sup>. It was the home builders' hope that by creating a positive experience for subcontractors throughout the Pilot period, they would be more inclined to take up the training offer available to them and provide feedback to help improve future decisions about how best to collaborate beyond the funded period.

### Key Point: Conversion rates from engagement to uptake of training varies

Conversion rates from a subcontractor attending an event / being engaged by the home builder to actual take up of the training ultimately varied from 30%<sup>18</sup> to 80%<sup>19</sup>. The reasons for this variation are explored in the 'learning lessons' section of this evaluation.

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<sup>16</sup> A total of 45 surveys were received from subcontractors engaged by Story Homes; and 12 each were received from subcontractors engaged by Bovis Homes and Morris Homes

<sup>17</sup> 23 out of 35 (66%) expressed interest in the training available; 29 (82%) had told someone else in the organisation about the support available; 18 (53%) had successfully booked some of the training and 9 (26%) had already completed training requested

<sup>18</sup> Morris Homes, 13 firms out of 45 engaged at their event

<sup>19</sup> Story Homes, 57 firms out of 71 firms engaged at one of their 2 events converted to training. Bovis Homes engaged 96 subcontractors and it is believed because of the engagement approach employed the conversion rate to uptake of training was similar to that of Story Homes.

## Future appetite for more engagement and training

Subcontractors completing surveys towards the end of the Pilot (12-15 months after an engagement event) were asked about their future engagement and training preferences and likely behaviours too. Each home builder approached this slightly differently.

### Story Homes

The evaluator designed three surveys for the Story Homes subcontractor community<sup>20</sup>. 22 subcontractors completed these surveys in October 2018. Communication related questions were posed that would help Story Homes develop their subcontractor engagement activity in future. The results were encouraging:

- 22/22 (100%) of participants said 'Yes' they would attend future engagement events if offered by Story Homes in 2019/2020
- 19/22 (%) of participants said 'Yes' they would be interested in Story Homes' offer of an "open house afternoon." 13 (%) of the 19 participants agreed they would be very likely to attend this kind of event. While the other 6 (%) agreed it would be likely they attend.
- 19/22 (86%) participants said 'Yes' they would attend more training next year if Story Homes were to offer it.

### Bovis Homes

This home builder used different techniques to engage their subcontractors compared to Story Homes and Morris Homes. Having accessed data about firms via their Commercial Teams, Bovis Homes undertook some initial survey work, but found that a more effective method for them was to have tailored face to face conversations with selected subcontractors to identify their needs and wants. In January and February 2019, the evaluator surveyed the Bovis Homes subcontractors that had been engaged in the Pilot. 12 of these firms provided valuable insights about their experience and future intentions.

Just like the Story Homes subcontractors, Bovis Homes' supply chain participants appeared to be very positive about the experience and if Bovis Homes was to offer more training next year, all 12 firms (100% of those surveyed) said they / their team would attend.

#### **Key point: There is appetite for future training via a home builder**

Of 34 subcontractors asked the question 12-15 months after their initial engagement with the Pilot, across two home builder supply chains, 31 (91%) said they or their team would attend more training in 2019/2020 if it were to be offered by the home builder that had given them the opportunity via the Pilot. This suggests that these subcontractors had a positive experience, and have appetite for more training via the home builder in future.

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<sup>20</sup> The first sent to those firms that engaged at an event and subsequently went on to access the free training; the second was to firms who accessed the training offer but did not attend an event (i.e. they engaged in another way); and the third survey was sent to firms who engaged at an event but for whatever reason chose not to take up the training offer available.

## Morris Homes

The Morris Homes Pilot project started much later than the other two participating home builders' projects, with training being delivered as late as the end of February 2019. This means there has not been opportunity to complete a 12-month post engagement survey with subcontractors. However, a survey completed 3 months after the engagement event in Leicestershire back in July 2018 demonstrated positive reaction from subcontractors:

- 7 / 12 (58%) had expressed interest and successfully booked in the training support
- 10/12 (83%) had told someone else in their organisation about the support available
- 3 / 12 (25%) had completed some of the training already

Ultimately, 13 out of 45 firms engaged at the event converted their interest into training, however, it should be noted that the lead contact from Morris Homes and HBSP Project Manager felt it important to report that had more time been available, more subcontractors within this home builders' supply chain would have been able to participate. Organising training across the period October – February proved particularly difficult owing to year-end pressures, and ideally the training would be spread across the year avoiding 'pinch point months'. This point is revisited later in the 'learning lessons' section of this evaluation.

### Future training demands: stated preference

Subcontractors engaged by Story Homes, Bovis Homes and Morris Homes had the opportunity to say what training support they would welcome in future if available<sup>21</sup>. The objective of this question was not to quantify future needs, rather to establish if subcontractors appreciated being asked about their needs, and what, if any kinds of training their business would most appreciate if available via the home builder.

#### **Key Point: The idea of training 'via the homebuilder' is more positive over time**

25 (53%) out of 47 subcontractors<sup>22</sup> asked the question said they would like to see other types of training and development support from 'the' home builder to help their business. Further analysis reveals that subcontractors asked this question a longer time after receiving their training are even more likely (67%<sup>23</sup>) to desire this kind of support i.e. when their experience has provided them with something positive, their view that the home builder can actually deliver the support they need is reinforced.

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<sup>21</sup> Based on data from 24 out of 45 subcontractors completing post engagement surveys.

<sup>22</sup> Comprising 7 out of 12 subcontractors completing a survey 3 months after attending the Morris Homes engagement event plus 10 out of 23 completing a similar survey from the Story Homes supply chain and 8 out of 12 subcontractors completing a Bovis Homes post-engagement survey in January/February 2019.

<sup>23</sup> Based on Bovis Homes data 12-15 months after engagement, 7 out of 12 subcontractors.



The training topics subcontractors would like support with in future were grouped into three categories: HSE, soft skills and technical skills.

### **Health, safety and the environment**

1. Site safety (SMSTS training for site staff and SSSTS for supervisors)
2. First Aid training
3. Health and safety awareness training, expectations, guidelines (for site staff)
4. Cat A asbestos, Emergency first aid at work – ‘for all roofing occupations’
5. PPE Awareness training
6. Manual handling training
7. Abrasive wheels training
8. Working at heights
9. Mental health awareness for all site staff

### **Soft skills**

1. Communication (especially for site managers/supervisors)
2. Customer service (including one reference to NVQs)
3. Behavioural training (to help people with communication especially)
4. Management Courses
5. Leadership
6. Collaborative programming
7. Company processes and practices e.g. specification requirements
8. IT training

### **Technical skills**

1. Forklift Truck training
2. Apprenticeship and NVQ development (linked to the subcontractor’s specialism)
3. NVQ development (for window installers)

### **Key point: There is an opportunity to collaborate further on different training topics**

The surveys demonstrate a range of subcontractor training needs across HSE (compliance), soft skills and technical skills that might be met with the support of a home builder.

## Subcontractor predicted training needs

During the Pilot subcontractors were asked what they expected their training needs to be in the 'next year' compared to the last 12 months.

**Table 6: Wider business benefits for subcontractors that engaged in the Pilot**

Compared to the last 12 months what will...	Yes	% of 34 respondents	Variance by home builder
More training will be needed in the next year	11/34	32%	18%-58%
About the same amount of training will be needed next year	20/34	59%	42%-68%
There will be a reduction in training needed next year	3/34	9%	0%-9%
Base: 34 subcontractors surveyed 12-15 months after initial engagement in the Pilot. Surveys were completed with 22 subcontractors in the Story Homes supply chain and 12 subcontractors in the Bovis Homes supply chain.			

Across two supply chains, about one in three subcontractors surveyed expected that they will need more training in the next year. This figure masks a large variation between the predictions of those subcontractors engaged in a medium compared to larger sized home builder with those in the larger home builder likely to say they will need more training.

Three in five subcontractors expect to need the same amount of training next year as they have required in the current year and less than 10% expect training needs to reduce from this sample.

### **Key point: Subcontractors have training needs and demands for the future**

Taken together, the evidence from subcontractors that have completed independent surveys as part of this independent evaluation suggests that they have appreciated the opportunity to access training to meet business needs via a home builder. If training were made available by the home builder in future, there appears to be a strong appetite. Moreover, if the training available were able to flex to the different HSE, technical and soft skills required, subcontractors and home builders would more likely be able to meet each other's needs with greater confidence. If the training is spread across a year, and avoids half-year and end-year home builder pinch points, a conversion rate of 'engagement to uptake of training' is likely to exceed 30%; and with dedicated training resources employed by the home builder able to conduct one-to-one follow up communication and relationship management activity after events, the conversion can reasonably be expected to be closer to 80%.

But would it happen anyway? The next section seeks to address this important question.

## Would the training have happened anyway?

In seeking to understand the importance of the Pilot's effects on subcontractor training investment behaviours the evaluation sought to understand what these firms might have done in its absence. Data was gathered via 12-15 months post-engagement surveys from 29<sup>24</sup> subcontractors of the Story Homes and Bovis Homes supply chains<sup>25</sup>.

**Table 7: Likely training behaviours in the absence of the Pilot**

Do you think you would have done the same training, at the same time, for the same volume of people in 2017/18 if....	Yes	No	Don't know
...the home builder had not been able to provide the administrative support required <sup>26</sup> ?	2 (7%)	23 (79%)	3 (10%)
...the training had still been subsidised, but you had to organise it for yourself accessing CITB funding or grants instead	5 (17%)	19 (66%)	5 (17%)
...the training had not been free / subsidised to £50 per person <sup>27</sup> ?	4 (14%)	18 (62%)	7 (24%)
Base: 29 subcontractors across the Story Homes and Bovis Homes supply chains			

Table 7 suggests that the three key ingredients of the Pilot's incentive have affected behaviours in ways that might not have happened otherwise for approximately three-fifths to four-fifths of the subcontractors that participated.

### **Key point: The Pilot's catalytic and additionality effect on subcontractors**

Between three-fifths and four-fifths of subcontractor firms<sup>28</sup> would not have trained in the same way in the absence of the home builder supported model. Note, this included a mix of CITB registered and non-registered firms in the Story Homes and Bovis Homes supply chains.

The results suggest that the most critical ingredient has been the support provided by the home builder, and the value attached to that function provided by people in that organisation.

<sup>24</sup> 17 subcontractors from the Story Homes supply chain that accessed the free training via the Pilot and 12 Bovis Homes supply chain firms that accessed the Pilot's training offer

<sup>25</sup> As has been explained previously in this evaluation, the Morris Homes training delivery was not completed until February 2019 and therefore not enough time had elapsed in order to complete a similar 12-15 months post-engagement survey with their supply chain participants.

<sup>26</sup> Administrative support refers to the different tasks involved in moving a subcontractor from first being engaged e.g. at an event where they were able to see training provider presentations organised by the homebuilder, through the process of expressing interest in training and ultimately booking staff and settling all financial and evidence collection processes

<sup>27</sup> One homebuilder made the training completely free whilst another raised a £50 surcharge for administration per subcontractor booking for SSSTS courses only.

<sup>28</sup> Sample = 17 subcontractors in receipt of the training offer.

The subsidy in of itself, has been an important and appreciated element of the Pilot. However, the finding that two thirds of subcontractors might not have trained the same number of people in the same period if they had to organise it for themselves accessing mainstream sources of funding or grant suggests that it is not the direct costs of the training on its own that is incentive enough to drive the kind of training behaviours achieved during the Pilot. The results suggest that subcontractors really appreciate having someone else help them move from a position of having training needs, to having them met in practice. Having someone, in this case, from the home builder help with that navigation is especially valued it would seem.

### CITB registered firms training behaviours

Further analysis found that 17 of the 29 subcontractors providing data 12-15 months beyond the initial engagement with the Pilot said they were CITB registered.

**Table 8: Likely training behaviours by CITB registered firms in the absence of the Pilot**

Do you think you would have done the same training, at the same time, for the same volume of people in 2017/18 if...	Yes	No	Don't know
...the home builder had not been able to provide the administrative support required <sup>29</sup> ?	3 (18%)	14 (82%)	0 (10%)
...the training had still been subsidised, but you had to organise it for yourself accessing CITB funding or grants instead	3 (18%)	10 (59%)	4 (24%)
...the training had not been free / subsidised to £50 per person <sup>30</sup> ?	5 (29%)	7 (41%)	5 (29%)
Base: 17 subcontractors across the Story Homes and Bovis Homes supply chains that said they were CITB registered in a survey completed post-training			

Comparing the results of CITB registered company surveys (Table 8) with those of the wider sample of subcontractors trained (Table 7) the value attached to the home builder providing administrative support is still the most attractive element. The implication is that regardless of whether registered or not, firms would not have trained to the same volume in the same period without this home builder-based support being in place to help them organise and book their training when they did. Three in ten CITB registered firms say they would have trained to the same volume in the same period regardless of the training being free or subsidised suggesting they were less sensitive to this element of the Pilot than the wider sample (where only 1 in 7 would have trained if the subsidy was not available).

<sup>29</sup> Administrative support refers to the different tasks involved in moving a subcontractor from first being engaged e.g. at an event where they were able to see training provider presentations organised by the homebuilder, through the process of expressing interest in training and ultimately booking staff and settling all financial and evidence collection processes

<sup>30</sup> One homebuilder made the training completely free whilst another raised a £50 surcharge for administration per subcontractor booking for SSSTS courses only.

CITB registered companies are eligible to training grants and funding via mainstream channels. Interestingly, three fifths of registered companies (59%) said they would not have trained to the same volume at the same time as they did during the Pilot if the training was subsidised but they still had to organise it for themselves.

### Hard to reach firm insights and likely behaviours

Of the 17 CITB registered firms, 13 said they had claimed grant in the past and within the past 3 years. Four firms said they were registered but had never claimed CITB grant and one firm said they think they had claimed grant in the past but were uncertain if this was within the past 3 years. These 5 'hard to reach' firms have decided to engage in training via this Pilot whilst exhibiting the characteristic of not accessing training grant despite it being available to them from CITB. 4 of these 5 companies said they would not have trained to the same volume in the same time had it not been for the home builder administrative support. 2 said they might not have trained the same way if the training had not been subsidised. 2 of the 5 firms said that they would have trained to the same volume in the same time if the training had been subsidised and were left to claim via the CITB channels available.

#### Key point: Value is especially attached to the 'wrap around' support

The analysis of both CITB and non-CITB registered firms that accessed training during the Pilot suggests that whilst the financial incentive is important, the most valued aspect of the package is the 'administrative support provided by the home builder'. For hard to reach CITB registered companies 2 out of 5 say they would have done training to the same volume in the same period had the training been free and they had to organise the training themselves, suggesting that 3 of the 5 firms would not. Although the base is small, and should not be generalised, the additionality effect of the Pilot on these companies is larger than the displacement effect of the Pilot on these companies.

**Table 9: Likelihood of CITB applying for support in the next 12 months**

	Very likely	Likely	Unlikely	Very unlikely
Likelihood of applying for funding support for training from CITB in the next 12 months	10 (59%)	3 (18%)	3 (18%)	1 (6%)
Base: 17 subcontractors from the Story Homes and Bovis Homes supply chains that said they were CITB-registered				

Based on sampled data from 17 CITB-registered companies, 13 (76%) say they are very likely or likely to apply for some funding support from CITB for training in the next year. This means that 4 (24%) firms, despite being registered are very unlikely or unlikely to seek funding support. Interestingly, the 4 firms less inclined to seek support from CITB were all from one home builder's supply chain. Whether their application for funding support to CITB would lead to the same amount of training they might consider if the ingredients of the Pilot

were still available is more difficult, but not impossible, to assess. Subcontractors were asked if the home builder was unable to continue to provide the kind of support they had trialled with them during the Pilot (including the engagement processes, training brokerage and administrative support as well as financial incentive) how might this impact their ability to train in the next 12 months. As might be expected, different impacts would be felt by the subcontractors ranging from 'no impact' to 'some impact' to a 'large impact' and some saying they do not know what the impact would be.

**Table 10: Impact on training if same incentive not available (CITB registered firms)**

<i>'If Story Homes were unable to continue to provide the kind of support they have trialled with you since the supply chain event you attended how might this impact your ability to train in the next 12 months?'</i>
CITB-registered companies
<i>"Training is still needed, which we would fund." – NO IMPACT</i>
<i>"We would still need the training when required" – NO IMPACT</i>
<i>"Slight impact" – SOME IMPACT</i>
<i>"Probably no training would get done due to the time to arrange and organise." – LARGE IMPACT</i>
<i>"Staff might not attend as much training." – SOME IMPACT</i>
<i>"It will be less convenient." – SOME IMPACT</i>
<i>"Training would possibly be on a smaller scale." – SOME IMPACT</i>
<i>"We would have less training and therefore less staff qualified." – SOME IMPACT</i>
<i>"We would take advantage of any training relevant to our business." – SOME IMPACT</i>
<i>'If Bovis Homes were unable to continue to provide the kind of support they have trialled with you since the supply chain event you attended how might this impact your ability to train in the next 12 months?'</i>
CITB-registered companies
<i>"Don't know" – UNCERTAIN IMPACT</i>
<i>"Continued improvement of employee skills." – NO IMPACT</i>
<i>"It would mean a greater level of input required, without the support from Bovis." – SOME IMPACT</i>
<i>"Possibility that we would not be able to offer the training due to cost implications." – LARGE IMPACT</i>
<i>"Increase the man hours to organise training." – SOME IMPACT</i>
<i>"It wouldn't impact our ability to train." – NO IMPACT</i>
<i>"We would have to try and find another training provider which would no doubt be more expensive." – SOME IMPACT</i>

Based on the classification approach seen in Table 10 of 16 CITB registered firms willing to speculate, 4 (25%) feel that there would be no impact on their ability to train in the next 12 months, whilst 9 (56%) would feel some impact and 2 (13%) would feel a large impact. 1 (6%) would be uncertain of the impact. Those saying there would be some impact suggest that training might continue but not to the same volume that the Pilot has enabled; or potentially not in as efficient a timeframe. Those saying there would be a large impact fear training would suffer owing to the increased costs in staff time and money to organise and fund the training. Effects are similarly classified for non-registered companies in Table 11.

**Table 11: Impact on training if same incentive not available (non-registered firms)**

If Story Homes were unable to continue to provide the kind of support they have trialled with you since the supply chain event you attended how might this impact your ability to train in the next 12 months?
Companies not registered with CITB
<i>"We would not be able to provide training opportunities to operatives." – LARGE IMPACT</i>
<i>"If more training requirements are made law we would struggle as a company to finance this." – SOME IMPACT</i>
<i>"It would have an impact." – SOME IMPACT</i>
<i>"We would still ensure that all required training is fulfilled, however other training which is desired, rather than required may not occur." – SOME IMPACT</i>
<i>"We carry out retraining but every little helps given employees come and go." – SOME IMPACT</i>
If Bovis Homes were unable to continue to provide the kind of support they have trialled with you since the supply chain event you attended how might this impact your ability to train in the next 12 months?
Companies not registered with CITB
<i>"We would be able, as a large company, carry out our own training (we already in house train the SSSTS) we do however appreciate the prompts from main contractors as to what they perceive to be a priority." – NO IMPACT</i>
<i>"It would lessen the number of operatives being able to undertake additional training over and above the mandatory requirements." – SOME IMPACT</i>
<i>"Unsure." – UNCERTAIN IMPACT</i>
<i>"We would probably be more selective with the training we carry out within the business." – SOME IMPACT</i>



## Comparing the experience of mainstream funding channels to the Pilot

Subcontractors were asked: “If you have had experiences of claiming grant or applying for funding from CITB in the past, how does that experience compare with the supported model from Story Homes?” 9 out of 17 CITB registered companies elected to give their view and were able to compare the experience of applying directly to CITB for grant using available systems and the home builder routed model. They were more positive about the home builder supported model.

*“Easier.”*

*“Very similar.”*

*“Easier with Bovis.”*

*“It’s a lot easier and straight forward through Bovis.”*

*“Supported model easier.”*

*“The model from Story Homes was spot on for our business needs.”*

*“CITB grants are great but obviously take more work at our end applying for them.”*

*“Tougher to apply on our own.”*

*“CITB is long winded and passed from several people with Story we deal directly with one person.”*

One non-registered (landscaping) company, perhaps with past career experience also took the opportunity to comment and simply said the supported model was *“better.”*

## Skills and Training Fund

At the time of the surveys (administered between October 2018 and February 2019) 14 out of 17 CITB-registered firms had heard of CITB’s Skills and Training Fund, and of these 7 (50%) had applied for training support via this Fund.

Of the 3 firms that had not heard about the Skills and Training Fund, they said they were very likely or likely to apply to CITB for funding support (not necessarily from this Fund though) in the next 12 months.

The 4 firms who said they were very unlikely or unlikely to apply for funding support for training from CITB in the next 12 months had all heard of the Skills and Training Fund when surveyed, but had not ever applied. .



### **Summary: Future sustainability**

The question as to whether home builders will continue to deliver engagement activity and training support to their supply chain is considered in detail within the next chapter of this report 'Learning Lessons'.

It will reference the fact that all three participating home builders wish to use the learning from the Pilot to embed into their 'business as usual' operations in future, however, the ability to achieve this is at risk for one of these home builders owing to a change of senior personnel and loss of buy-in for investing further dedicated resource to the initiative.

Continuity of personnel at a home builder organisation is key. Personnel that buy-in to and own the initiative at the start see and are still employed by the home builder at the end can see its success and often have the influence to continue or evolve it in future. Where key staff leave a home builder organisation, particularly those who influenced its creation, the initiative is at risk of being less influential and the case for its continuation is much more difficult for anyone left with someone else's legacy.

For the other two home builders, encouragingly, their company has invested in more learning and development assets and capability to meet not only the training needs of directly employed staff, but also their 'select' subcontractors. One even went so far to call the Pilot the start of their 'Training and Skills Shortage Campaign' with plans to take forward further training for their supply chain

In the absence of any further grant or incentive to take the Pilot forward and catalyse the uptake of training sooner than it might otherwise happen, home builders will make an internal business case for focusing effort in particular areas that are deemed most urgent. If support were available from any external organisation, it would likely be most appreciated by home builders to increase the amount of subcontractors that receive training in topics such as management development and customer service, as these are topics that go to the heart of solving problems such as rates of rework and the costs of defects, as well as the continual need to strive for better customer service levels.

Encouragingly, subcontractors, when asked in follow-up survey work are almost unanimously attracted by the idea of attending further engagement events and training organised by the home builder, and if anything, like the positive experience they seem to have had during this Pilot.

## 8.0 Learning lessons from the Pilot

The Pilot offers many lessons for home builders, subcontractors, CITB and other professional Federations who are seeking to develop the maturity of developer-supply chain relationships; particularly via a skills and training stimulus. The evaluators have sought evidence from a range of stakeholders in order to form a small number of thematically grouped lessons detailed in this chapter, including:

- Multiple in-depth interviews with the 3 participating home builders, including the perspectives of different staff within each organisation that have played a part in the Pilot whether strategic, operational or administrative.
- These interviews were triangulated with the monthly claims and reports submitted by home builders to the HBSP and then on to CITB. These monthly reports included space for identifying learning lessons on a formative basis whilst the interviews gave space to elaborate and understand the context for each lesson in more detail.
- Each home builder was invited to develop a reflective case study that sought to establish the link between their initial motivation for involvement with the Pilot – the problem to be solved or opportunity to be grasped – and the outcomes for themselves and their subcontractors.
- A collaborative learning lessons and knowledge capture session was facilitated by the evaluator in March 2019 where participating home builders and the HBSP Project manager were encouraged to share insights about what worked, what did not work as well as hoped, what they would take forward from the experience in future, as well as what the wider sector could learn from their experiences.
- Independent surveys with subcontractors sought to reveal insights about their experience of the process and any improvements that could be made were home builders to continue to offer support in future. Surveys were completed with not only those who engaged and took up the training offer, but also a sample of 5 subcontractors that attended an event but who did not go on to access the training support in order to understand why not.
- A blend of independent self-completion survey and in-depth telephone interview was completed with 4 (out of 8) home builders who had expressed interest in the Pilot, but who for a variety of reasons elected not to submit a costed proposal to formally participate in the incentivised period.
- A depth interview was completed with one of the private training providers who delivered the largest share of training for one of the home builders in order to establish their insights for this Pilot, and its approach compared to other experiences.
- Multiple formative conversations with the HBSP Project Manager during the Pilot helped build a picture of learning throughout the study; and she was also able to put the Pilot's progress into a wider context of ambitions led by the HBSP's supply chain collaboration activity group which had an oversight role to ensure it contributed to the agreed HBSP Business Plan objectives.

Formative learning gained throughout the Pilot led to an agreed variation of parameters in order that the Pilot could be extended by 4 months until the end of March 2019 (22 months), and a reduction in home builders expecting to engage (from 10 to 6).

A range of process lessons have been shared continually by HBSP's Project Manager with CITB's contracts manager and funding team, the HBSP Supply Chain Collaboration Activity Group and HBSP Leadership Board.

The independent evaluators have focused on learning lessons across the following four themes that might be helpful to the wider home building and construction sectors should similar initiatives ever be planned.

1. **Preconditions** – what ideally should be in place before the Pilot commences to give it the best chance of success?
2. **The incentive package** – what mixture of incentives work best together to encourage subcontractors to invest time in training they might not otherwise have done as soon or in the same volumes?
3. **Supply chain engagement** – what range of tactics and techniques can be used by a partnership to engage subcontractors across all the different trades and professions in a home building supply chain to encourage training assessment and uptake?
4. **Sustaining momentum** – what internal and external factors affect the ability to create the conditions where training behaviours can persist beyond a pump-primed Pilot?

## Learning Lesson 1: What needs to be in place to maximise a subcontractor engagement initiative that leads to upskilled workers and better relationships?

### Home builder

#### A genuine motivation to develop ‘partnerships’ with subcontractors

Initiatives to upskill subcontractors appear to work best if there is a clear desire within the home builder’s business to develop their reputational capital with external organisations such as subcontractors. As one home builder phrased it *“we want to be seen as an employer and developer of choice”*. Those home builders who feel they can compete for subcontractor loyalty based on partnership values, fair treatment and sharing risk to grow together are more likely to create the right conditions for success.

#### Urgency in the business

There has to be a sense of urgency within the business to make the case for allocating staff time and wider organisational resources to invest in subcontractor development, beyond the transactional relationships already being managed via commercial teams.

This urgency can come equally from a negative stance (i.e. the quality of home building and consistency is problematic and customers or others are noticing affecting brand reputation); or positive stance (i.e. there is a finite availability of skilled, quality supply chain labour but it can be developed with joint effort to become better over time).

Moreover, thinking about home builders that chose not to engage with this Pilot, they felt that whilst the concept was strong, the ‘supply chain initiative’ should not be either conceived as, or positioned as something stand-alone or separate; it must feel a part of the wider corporate narrative to ‘develop people’. These home builders also conceded that the home builder must be ready to devote and direct focus to their supply chain workforce, and they can only do this *“if we have got our own house in order, which means that we have got the skills and quality we need from our direct employees first.”*

Timing to land the proposition is therefore important. If a home builder, for example has been investing in leadership and development expertise or personnel, or has given profile to particular ‘signature projects’ such as an in-house academy or equivalent, to build internal buy-in, those signature projects must be given the opportunity to succeed with direct employees first. If deemed successful, senior directors are more likely to be receptive to the idea of then making that training asset or capability available to strategically selected subcontractors, but it will likely take 2-3 years for such trust to develop internally.

#### Buy-in and senior sponsorship for the initiative

Strategic buy-in from at least 1-2 senior executives, coupled with a senior sponsor—someone with enough influence that can interface skilfully between a corporate or regional MD, and operational staff that will take the Pilot forward on a day-to-day basis – are ideal conditions for an initiative like this to create sufficient momentum. Trialling in one area / region / division is the way to further create momentum and then to slowly cascade that experience to other regions where they feel it can complement their localised objectives too.

## **Dedicated training (or learning and development) resource**

Dedicated training resource to drive an initiative like this forward is the key factor determining the level of success achieved if measured by the number of subcontractors that convert their interest into actual training; or if the measure of success is that the subcontractors report feeling more positive about working for the home builder and its approach.

Dedicated training co-ordinator resource within the home builder's business, who for at least part of their (ideally) full-time role<sup>31</sup> can drive forward the training relationship with selected subcontractors. One participant in this Pilot allocated two days, six hours per day, to the role, over a 12-month period and was able to manage and co-ordinate 'the training programme' in three regions, manage 70 subcontractor relationships<sup>32</sup>, select and oversee delivery of training by 5 external providers, whilst brokering and monitoring the training completed over 29 courses in relevant areas that met subcontractors' preferences.

The Pilot suggests that having a dedicated learning and development / training co-ordinator resource can significantly impact the conversion rates of a subcontractor moving from a point of expressing initial interest in training, and actually being supported to convert that interest into real commitment and uptake of the training when the offer is made.

## **Subcontractor**

### **A genuine motivation to develop relationships that are beyond transactions**

Subcontractors that have worked for a home builder for a long time have formed an opinion about the benefits and drawbacks of that relationship. Subcontractors that are newer to a home builder's supply chain will have formed their opinions on the hearsay of other subcontractors and will be looking to see if the home builder is distinct or different from the others they routinely work with.

*"We are a supplier of Story Homes and felt it important we could understand their plans and future growth so we can expand and support if required."*

Regardless of the length of relationship, subcontractors that invest time into engagement events with a home builder with a predisposition to want to do more business with that home builder, and to develop into a preferred position for contracts are more likely to gain the most from activities such as those trialled in the Pilot. Examining the motivations described by subcontractors for getting involved in the Pilot there appear to be multiple reasons including a desire to better understand the home builders' future plans (organisationally), to understand the likely pipeline of work available to them and to take part in a process of two-way feedback that has rarely been afforded beyond transactional contractual performance review.

*"To give an insight into where Story Homes are with future work load and how as a company we could build on our contractor relationship."*

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<sup>31</sup> i.e. in an ideal situation the homebuilder has afforded a Training Co-ordinator or equivalent within the business that routinely organises training for the directly employed staff; and that part of their role can be allocated to doing a similar role for selected 'strategic' subcontractors who are viewed by the business as critical to joint growth and success.

<sup>32</sup> This included personal phone calls to all attendees at two engagement events.

**A desire to invest in the skills of themselves and their workforce**

Supply chain companies can range from sole traders, through micro, small, medium and reasonably large companies so their capacity and structures for organising their learning and development varies immensely. But companies that have engaged in the Pilot appear to have a common trait, despite this variability, and that is that they want to be better, or be the best they can be. They understand the relationship between understanding their customer's needs (the home builder) and being able to demonstrate their capability to continue to win repeat business and / or expand the value of work placed with them by the home builder.

*"It (the Pilot) was cost effective for our business and it gave me a great opportunity to upskill our operatives."*

This desire to demonstrate worker competence to the home builder was apparent in the subcontractor surveys received by the evaluators. Moreover, given that a typical subcontractor will work with between 6 and 10 home builders on average in a year, they are investing in capability that will have wider benefits for their business and livelihoods so taking the opportunity to access relevant training topics, in an incentivised environment is something that attracts firms who want to succeed in the home building sector. Anything that helps them demonstrate their workforce has robust HSE knowledge and CSCS cards is immediately attractive to most supply chain firms, but beyond that the ability to demonstrate supervisor capability or things that their customer appears to value can also be attractive to the more progressive subcontractors too.

*"This was free training to further develop our staff to Story's standards which helps us continue a good working relationship."*

**A willingness to invest in new capabilities (soft skills)**

Whilst the training topics of HSE and SSSTS were demonstrably the most attractive to subcontractors across the participating supply chains, the companies that are most likely to have shifted the perception of the home builder (customer) are the ones that used the Pilot as an opportunity to upskill their operatives, supervisors and managers in training that they would not ordinarily invest in.

Those companies that are willing to show the home builder they are prepared to invest in management development, IT, customer service and mental health are providing 'signalling' to the home builder that they are thinking about a relationship that is built around planned growth and management, and goes beyond just the ability to be technically compliant and competent. A predisposition, therefore, towards soft skills is likely to develop a relationship that is aiming at something long-term rather than short-term and purely transactional.

Home builders commented on this in their reflective learning lessons session with the independent evaluator in March 2019, and it is clear that they have a particularly positive view of those subcontractors that will 'invest together' in areas that could help both parties in the context of a long-term relationship.

## Learning Lesson 2: What incentives help to encourage joint investment in skills by the home builder and their subcontractors?

To take the decision to forego paid work, supply chain firms have made a conscious decision to risk their time engaging with the home builder in a way they have not previously done.

### **Commercial insight and potential future business benefit**

Firstly, to make the investment of time to attend a half day engagement event with a home builder (or equivalent time spent in face to face conversations with home builder personnel), the subcontractor needed to feel confident they would learn about future commercial opportunities. Without that 'hook' attendance would have been lower than was achieved. Similarly, to invest 4-5 hours of a day – rather than a more traditional investment of an hour in a breakfast meeting or CPD session that is more the norm across the trades via their Federations or Trade Associations – a higher value has been attached to the potential of the home builder engagement event or activity.

### **Chance to shape the content of an engagement event in advance**

Critical to their attendance, therefore, was the feeling that they knew in advance what the engagement sought to achieve, and ideally came off the back of survey and conversation work that led to the design of the engagement event / approach in the first place. The incentive to come therefore was boosted by the fact that subcontractors had been given an opportunity a few months in advance to help shape its content.

### **Having an opportunity to feedback to the homebuilder**

The third incentive to attend, from ethnography by the evaluators and follow up surveys, was having an opportunity to feedback on what it good and what is not so effective in working with the home builder. This chance to openly discuss, in an environment with other subcontractors, very practical issues about improving contracting procedures, behaviours and site working conditions was something they had not been used to. The feeling that a two-way conversation was allowed, rather than a one-way *“being told what was wrong with their performance”*, was really appreciated.

### **The convenience of hearing from training providers ‘in one go’**

The actual inclusion of the ‘free training’ as an incentive to come to an engagement event was less important for firms making an initial decision to invest time in that engagement activity. However, the opportunity to hear from a range of training providers about topics that resonated with their business, was in the moment of an event or a conversation, seen as a very positive development. Again, this is because it was novel. Supply chain firms – who typically work with 6-10 home builders per year – were telling the evaluators that the kind of support and feedback opportunities being enabled by Story Homes, Bovis Homes and Morris Homes was distinctly different from what they were used to.

### **Three ingredients that work together to incentivise uptake of training**

The decision to invest further business / employee time in the training that was made possible via the Pilot was catalysed by three ingredients, in order of value to the supply chain companies as follows:

1. The ease to book the training they needed via a single, personal contact employed by the home builder. The time saved to identify/source, choose, place and administer the training was reported as being very easy. For those able to make the comparison, CITB registered companies, felt the home builder model was easier than the mainstream channel available to them. They attach value to the time saved in these functions.
2. The free or heavily subsidised training for technical skills that they most tangibly and immediately benefit from when trying to demonstrate compliance and workforce competence i.e. HSE and SSSTS. For some firms, they would see this offer of training via the Pilot as a means of avoidable training cost because they would – at some point – commit to training in these areas; but the free or subsidised training offer has enabled them to bring forward this training and / or put more employees on for training than they would otherwise have done.
3. The free training for soft skills that most firms would not have invested in as soon as has been achieved because there was no compliance or client driver to force the firms to invest in this way. However, for those firms that did use the Pilot to complete training of this nature, they feel that they have been able to create competitive advantage for themselves, for example, by demonstrating to the home builder that they have been willing to invest in skills such as management development, customer service and IT – areas that the home builders report are severely deficient amongst the home building sector's supply chain at a UK level.

### **Easing the burden of finding, booking and claiming for training**

The important point is that the training was not free. It was a co-investment of time and cash resources by the different stakeholders. The learning lesson is that you need a number of incentives working in unison to actually convince businesses / owners / self-employed individuals to forego paid work to invest in a relationship and skills development. Moreover, despite mainstream channels such as grant being available to all CITB registered companies, there appears to be resistance by some to invest the time required to get to a point of completing a claim. Having someone that eases this burden for them is highly appreciated.

### **Reputational commitment**

The fact that a person within their client's company (the home builder) is organising their training, creates a real sense of motivation and commitment within the supply chain firm to convert their initial interest and desire to action. It is a powerful model because the client is showing the subcontractor that they want to make their life easier to get the training they want or need; and the subcontractor is showing their client that they are willing to invest time (and therefore money) as a result of that effort.



This means there is a reputational bond created through the transactional process of asking for training and fulfilling it. Moreover, the exchange of information between subcontractor and home builder during the Pilot over numerous contact points, has allowed each party to learn about each other. Learning and Development staff within Bovis, for example, are building a comprehensive picture of subcontractor needs, preferences and challenges which in turn enables them to improve and refine their L&D and Talent planning for the wider business.

The Training Co-Ordinator from Story Homes, and their communication and organisational development personnel were able to build up insight about the different preferences of their subcontractors in one region, and to cascade this into another two regions with greater confidence. And the lead for Morris Homes was able to use the conversations with subcontractors in the lead up to their engagement event, beyond that event, before and after the training to understand what package of support might most be appreciated in future by supply chain companies. This in turn helps them improve the realisation of their Operating Framework, and especially their aim to have a dedicated and loyal workforce (including their supply chain) and be a developer of choice.

**☑ Motivation and commitment heightened by this model**

The evaluators believe that the same levels of intrinsic motivation – and reputational risk – would not exist in any other model. If CITB were able, as an alternative model, to provide incentives, such as proactive, wrap-around one-on-one, experienced home building subject matter experts and relationship management, that go beyond the financial support for the direct costs of training, then perhaps gains beyond ‘training outputs’ will more routinely be achieved i.e. home builder / subcontractor relationship maturity; trust; willingness to collaborate on other issues beyond training; and sharing risk over time.

**Learning Lesson 3: What are the most effective ways to engage with subcontractors to stimulate uptake of relevant training?**

Home builders were asked to describe how they had typically engaged with subcontractors prior to the Pilot, and how they engaged during or since the Pilot to observe any changes.

**Table 12: Engagement approaches prior to, during and since the Pilot**

Engagement prior to the Pilot	Engagement during / after the Pilot and anything that was different about the approach
<p>Home builder 1</p> <p>Regular subcontractor meetings centred on where the business was heading and what was expected of them – <i>‘we rarely touched on training and / or recruitment’</i></p> <p>Discussions with subcontractors largely about what problems were occurring as, or after they happen</p>	<p>Home builder 1</p> <p>Bespoke regional supply chain engagement half day event, incorporating an update on future pipeline of work, feedback on relationship and dedicated time to identify and broker training needs</p> <p>More frequent, trusting conversations, talking about things before they happen and / or how to avoid issues on site</p>
<i>“Communication with ourselves and the companies who have had the training has improved.”</i>	
Engagement prior to the Pilot	Engagement during / after the Pilot and anything that

	was different about the approach
Home builder 2  Supply chain workforce already identified as critical and an incentive to offer SSSTS training to contractor supervisors at minimal cost had been trialled (£9,000 had been invested in 54 supervisors). Conversations were mostly about what the home builder was planning and could do for subcontractors via its own learning and development / talent strategy funds and intentions	Home builder 2  Conversations with subcontractors over the course of the Pilot have evolved to be not only about what the home builder can do for them, but also to help them understand other funding streams available from industry bodies.  The dialogue with the supply chain now has 'a thread of development' throughout which enables the home builder to discuss not just the current workforce challenges but also the future workforce opportunities with subcontractors.  With the benefit of further investment in the learning and development capability at this home builder, the conversations with subcontractors are oriented to be more 'long-term' in nature than they could before.
<i>"The supply chain find it very difficult to navigate their way to CITB funding. Consequently, not all persevere with this and therefore miss out on funding available. We are in a unique position to offer training and development. Without our support a lot of our subcontractors (certainly the smaller firms) simply would not have the opportunities to engage in these forms of learning and development."</i>	
Engagement prior to the Pilot	Engagement during / after the Pilot and anything that was different about the approach
Home builder 3  In terms of training there was very little or no contact with subcontractors.  Commercial and Production teams had meetings with subcontractors to discuss plans and issues but no support was offered in terms of training people to the standards required on sites	Home builder 3  There was a conscious effort to engage with subcontractors through conversations and formal surveys in one region to help shape the Pilot and gain trust (co-design).  The engagement event enabled the first opportunity for open and honest feedback about working with the home builder; 11 staff from the company (across all areas) facilitated round-table discussion sessions so they could really listen and learn together  Post-event communication activity has been timely and motivating including customised one-on-one phone calls with the Training Co-ordinator; and a bespoke supply chain newsletter led by the Communications Team. Further post-survey work has helped shape future communication plans for open days and informed the home builder about the preferred ways that different members of subcontractor companies would like to receive communication from the home builder
<i>"We have never held a forum such as this and it was enlightening to receive feedback and suggestions from the people who help to build our homes."</i>	

☑ **From transactional to developmental engagement conversations**

The main difference observed across each of the participating home builders is the move away from transactional performance management conversations to more holistic, developmental conversations. From communications about what was wrong, to two way feedback and correspondence about what could be avoided before it happens and what opportunities there are for improved practices. From short-term 'day-to-day' communications (though these still occur of course) to a more trusting set of engagements that are built on the ideal of forging, or continuing, long-term relationships.

☑ **The importance of a single, personal point of contact**

In terms of assessing which engagement approach works best, the evaluators would observe that when triangulated with the survey results from the subcontractors, the most appreciated ingredient appears to be having a single point of contact within the home builder whom they can talk to or email when working through the process of identifying, brokering and placing training for themselves or members of staff. A real human to talk to, who can understand their business context and help them work through a process they do not feel either familiar or expert at is the most likely single factor that will lead to high levels of conversion from showing interest in training to actually doing it. That person, being enabled and encouraged to conduct proactive one on one communication with each subcontractor being targeted for this level of support and collaboration appears highly effective and appreciated too.

Other methods of engagement contribute to different decisions and behaviours including:

**Pre-training:** The chance to be asked what training the company might need or welcome

**Pre-event:** The chance to say what topics they would like to learn about

**During event:** Pipeline update and group discussions about working practices (feedback)

**Post-event:** Timely, proactive follow up by the home builder to help place the training

**Post-Pilot:** Chance to receive further information about 'next' opportunities (can be training or non-training related via newsletter / ongoing conversations)

**Innovation:** Chance to be nominated for a celebratory award (Contractor of the Year)



**SPOTLIGHT ON OUR SUBCONTRACTORS**

As a growing business, we are proud to work in close partnership with our subcontractors and we highly value your contribution to our business. We believe that creating a sustainable future for ourselves as well as our supply chain is vital, and supporting and developing our supply chain partners is now more important to us than ever before.

With this in mind we would like to take the opportunity to put the "spotlight" on one of our valued subcontractors.

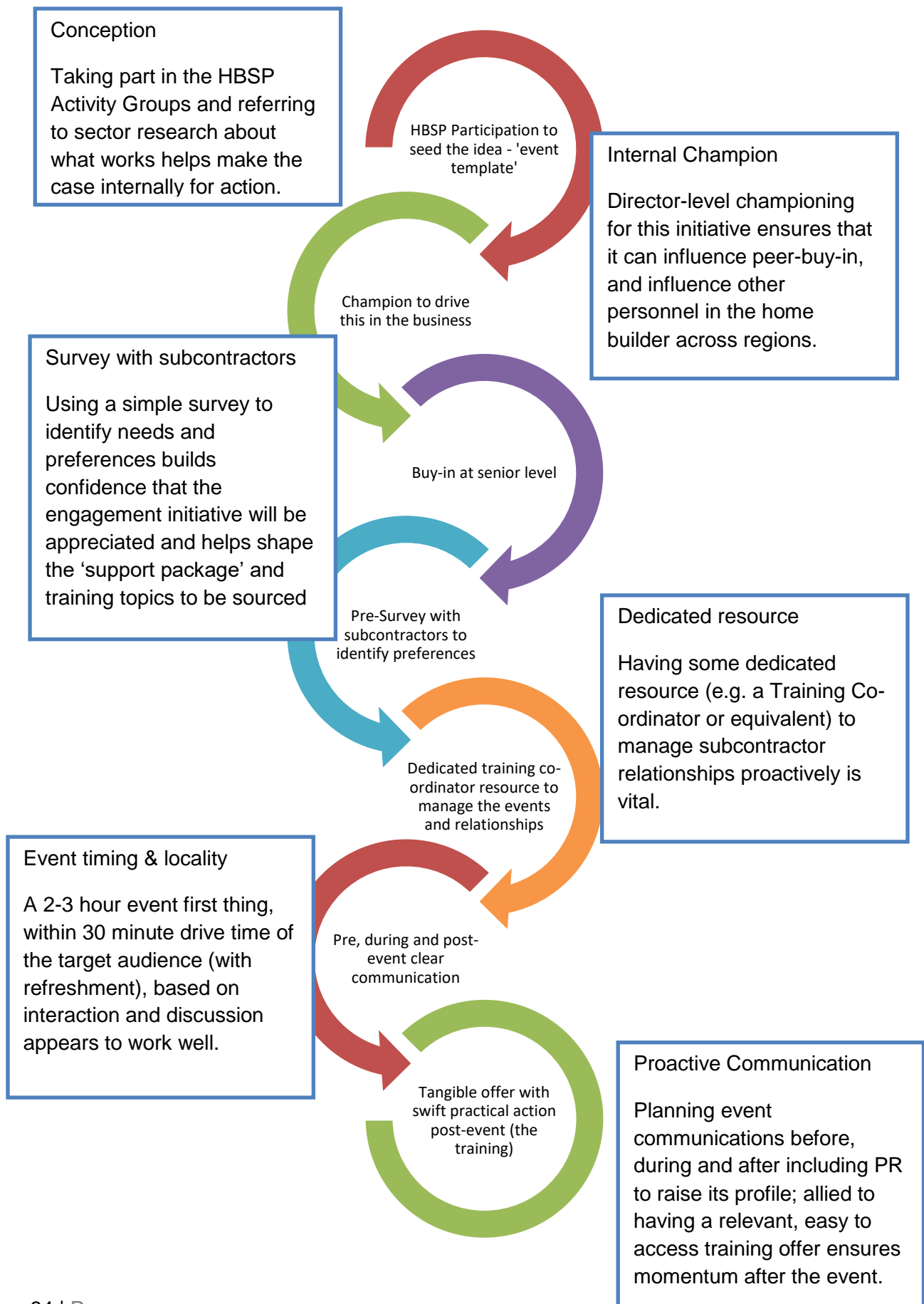
**Robertson & Johnstone, Painters and Decorators**

"Robertson & Johnstone consistently perform to a high standard and the outputs that they produce are top quality in every plot. As a painter and decorator, their job is to put the final touches to our houses and ensure that when the customer walks into their home for the first time, they are pleased with the aesthetic that they see.

We know we can trust R&J to produce the high specification finishes that our homeowners expect to see - they really care about the overall finished product and our customers. We are proud to have them as one of our subcontractor partners."

**Mark Cash, Site Manager at Eden Gate (Carlisle)**

## Ingredients for successful engagement of subcontractors by a home builder



**☑ Clarity and understanding of funding and company eligibility criteria vital**

As a point of learning for one home builder, owing to some confusion over the maximum funding available for training and particular quotas that would be required by the Pilot, there was an excess of demand for SSSTS to the point that 20 courses (20 people in each one) had to be cancelled. The need to go back and cancel these courses was described as highly damaging for the reputation of the home builder and external training provider that had to resolve this issue and it reminds us of the importance of having explicitly clear contract terms and processes between grant giver and recipient to avoid such situations.

**Learning Lesson 4: What are the vulnerabilities and opportunities for sustaining the training behaviours observed in the Pilot beyond the incentivised period?**

**☑ Home builders agree the Pilot has been a success, in different ways**

The three home builders participating in the Pilot view their experience, and the initiative as a success. They are uniform in their assessment that the Pilot has been a good investment of time and resource to develop a model of engagement that has derived short-term benefits for both them and the participating subcontractors. They have appreciated the opportunity to either build on existing supply chain / subcontractor partnership strategy within the business, and / or invigorate a new style of working with some of their subcontractors that might not otherwise have been achieved by 2019.

**☑ Home builders differ in their future approach to sustaining activity**

Home builder 1

One home builder said that commitments to their supply chain workforce had already commenced prior to the Pilot, but this initiative (and the funding from CITB via the HBSP) had enabled them to deliver the training earlier than anticipated. For them, the Pilot has therefore catalysed desired upskilling outcomes amongst their supply chain (across the UK) in areas deemed mutually beneficial including SSSTS and mental health awareness. The latter topic, in particular, is seen as a game-changer for them, particularly if they can get the knowledge and mental health awareness capability rooted across their entire workforce (both directly and indirectly employed). Members of the learning and development team who are set to become qualified mental health first aiders will be able to deliver mental health awareness training to subcontractors in future without relying on external resources. Indeed, some supply chain partners have also invested in their own staff becoming qualified in this area and a plan is being formed to see how these individuals might support each other.

This home builder will therefore continue to as part of their wider and growing learning and development capability, deliver support and training in areas of strategic interest beyond the Pilot. The Pilot has reinforced their belief in the importance of building long term partnerships with their supply chain. Specifically this home builder intends to further engage with their supply chain in 2019 and 2020 by providing access to other site related training opportunities, but also incorporate them into their internal leadership development programmes.

*“The project has highlighted that there is a real desire to build relationships and learn and improve amongst the supply chain community. A single house builder can in fact deliver significant effect by working together with its contractor partners. In the future we envision further development of our partnerships with our contractors beyond site specific requirements to more development focused on soft skills and leadership to build consistently high standards and promote positive behavioural change across the industry”*

In the absence of a continuation of funding for training that was available for the Pilot, in the case of this home builder, it is likely that training will nevertheless take place for targeted training topics and targeted subcontractors, but it might not necessarily happen to the same scale as quickly. Moreover, the range of learning preferences reported by their supply chain outstrips their current plans to meet all needs so a prioritisation process will see a focus on those areas of training deemed most important to the home builder and where aligned to existing business strategy.

### **Home builders 2 and 3**

Commentary in this section is provided for two home builders together owing to the fact that they share many similar characteristics, being medium sized home builders and having adopted an almost identical engagement approach during this Pilot. They selected regions in which to trial the engagement methodology, and then brokered in training for supply chain companies expressing interest via their inaugural events.

Looking to the future, however, the ability to sustain engagement activity and training is likely to be a very different trajectory; not only between each other, but also compared to the other (larger) home builder that has participated in the Pilot too.

One home builder, reported that despite having extremely strong initial corporate buy-in for the initiative the situation has changed within 18 months. The Pilot has demonstrated that a brand new engagement model could reach a community of specialist trades effectively in a region; deliver conversion rates of 80% from initial interest in to actual training; and prove a measurable increase in the reputation of the business. Yet despite these successes, the learning is unlikely to be embedded in the business or rolled out more widely as originally hoped and intended. Any future events will be ad hoc rather than planned in, and training support will be less cohesive than it might be were the conditions at the start of the Pilot persisting now in 2019.

The reason for this change is that there has been a wholesale change and turnover of internal, senior staff in the business, including those that originally conceived, advocated and sponsored the ambition so that there was buy-in at Management Board and business owner level. This is a huge disappointment for the lead contact who remains in the business, who does not feel sufficiently empowered to contest the view of the Executives that the business has to now focus on ‘getting the basics right’ to the detriment of anything that falls outside of this more risk averse culture. Ironically, the shift in focus to getting things done to quality directly correlates with the ambition of working with the supply chain to upskill so there is clearly a real need to help translate the link between ‘supply chain development’ and ‘quality home building’ across different hierarchical levels within a home builder business. Without a senior sponsor, or directorial buy-in, it would appear that great delivery is of itself insufficient



to keep or grow the momentum from what is otherwise assessed to have been a successful initiative to develop relationships, trust and deliver a more skilled workforce.

The other home builder has had a different experience. They completed some research with their subcontractors, both quantitative and qualitative to understand needs, demands, preferences and likelihood of collaborating on a training initiative. Once that had been completed, the Directors needed to be sure that the time was right for them as a business – with competing priorities within their Operating Framework – to invest in a regional initiative with supply chain companies. This meant that a fully costed proposal was submitted in 2018 rather than 2017 when the Flexible Fund opportunity commenced, and therefore meant only a small number of months were left within the time bound period of the Fund to actually organise and deliver training. With more time, the home builder is certain more subcontractors would have taken part in training.

Encouragingly though, in this same period the home builder has recognised the importance of developing skills and capability in their workforce, which includes their directly employed and indirectly employed (supply chain) workers. In the 2018-2019 period there has been investment in a Training Co-Ordinator and training key roles / departments are being established. In addition the company has started to invest in directly employed Apprentices and the whole emphasis on people development has become more positive.

Owing to these changing conditions therefore this home builder is very positive about how the learning from the Pilot can be embedded and sustained beyond the Pilot. In the short-term they will:

- Communicate with the subcontractors that have taken part in their engagement event and training since July 2018 as an ongoing means of building what they are calling their ‘Training and Skills Shortage Campaign’
- Prioritise, and seek ways to get support for supporting more management development training both in-house and in their supply chains because, in the words of the lead contact, *“The Pilot has helped bring about a step change in our attitude towards the value of this kind of training.”*
- Prioritise, and seek ways of gaining support to help them invest in customer service training because operationally there is a real need to reduce defects errors at home handover; and improve service levels when there are revisits / snagging

In the medium-term, this home builder hopes to be able to organise more supply chain engagement events and ideally recruit subcontractors who received benefit from the Pilot to act as speakers and advocates at such events in the future to really help reinforce the message of the tangible benefits of training to small and medium sized companies. These experiences highlight a number of vulnerabilities and opportunities for sustaining the engagement activity and training support for supply chain companies. Some of these could be addressed by agreeing the use of Project underspend.



**☑ Vulnerabilities and opportunities for wider sector adoption**

Seven home builders expressed some interest in the Pilot during 2018 as a result of HBSP communication within the Partnership. This represents approximately one tenth of the HBSP Pledge signatory companies. Interviews with four of these home builders suggests that there are a mix of opportunities and vulnerabilities in the wider sector for achieving the kind of supply chain engagement and training collaboration outcomes observed in the Pilot.

**Table 13: Opportunities and vulnerabilities for wider sector adoption**

Opportunities	
✓	Delivering supply chain engagement events that are built around the wider generic themes of ‘growth, certainty and trust’ with training being just one element of that wider, more embedded conversation (one home builder reported they had committed to 12 such events in 2019 alone with one outcome being that participating subcontractors will be able to develop training plans and commit with confidence)
✓	Making supply chain engagement events flexible in their topic coverage, and shaped, almost dictated by the attending supply chain companies so they have more power in these situations
✓	Another home builder is committing to supply chain engagement events in 2019 focusing on the theme of quality and says they will be likely to promote the availability of CITB-funded skills and training to attending firms although they said they would <i>“start on a small scale and pilot the initiative”</i>
✓	Another home builder has already taken the learning from the Pilot and developed their own style of subcontractor engagement event in Scotland hosted at a college to help identify the range, scope and funding of training available to firm. The event would also seek to help identify a future plan for supporting Apprentice recruitment
✓	Supply chain engagement and training is reported by some home builders as having a growing profile in their business and is likely to increase further in the next 3 years, but its profile is always competing with very hard-edged financial targets and KPIs that drive each business / unit. Respondents reported that there is variability in profile across their different Business Units which can be a blocker to rolling out anything in a consistent fashion at Group level.
✓	Two of the four home builders expressed interest because they wanted to see whether they could learn from the experiences of others involved in the Pilot and / or more engaged in the Supply Chain Collaboration Activity Group’s work, suggesting that there are some home builders consciously eager to invest in anything that they think will bring benefit – but they are less likely to be pioneers, rather wait and see before building their internal case for investment
✓	The Pilot offers learning for home builders who have not had opportunity to segment their supply chains into different types of company that might benefit from long-term investment – <i>“it has made us think about which subcontractors would be the best to support.”</i>
✓	Home builders expressing interest, but not submitting a proposal felt that the concept behind the Pilot was very strong in that it focused on ways to address skills gaps within the supply chain workforce whilst also creating a commitment towards more developmental, as opposed to transactional, relationships between developer and subcontractor
✓	Despite not writing a proposal in 2018 when the Flexible Fund was available via the HBSP for applications, two home builders said that the conditions in their business had changed such to the extent that if the Fund were still open they would potentially pick back up
✓	One home builder explained that a reason for not submitting a proposal during the Flexible Fund period was because the internal focus was on training directly employed site managers. That needed to be positioned first before turning their attention to subcontractors. The opportunity is to sell ‘partnership’ internally which is not easy, there is always resistance.

Opportunities (continued)	
✓	One home builder had been focusing investment in bricklaying upskilling as a means of creating internal interest and momentum. As that has been going well, the conditions feel right to further develop interest in subcontractor support beyond this specialism.
✓	One home builder, highly engaged it should be noted, in the wider activities of the HBSP, has been able to embed many of its ideas and solutions within their corporate approach to learning and personal development reviews. Success in these areas, noted by senior directors, makes the likelihood of supporting any future or next set of proposals to invest in non-directly employed individuals greater. But to do the Pilot before demonstrating success in agreed priority areas would have been the wrong strategy to build trust.
Vulnerabilities	
❖	There is limited resource within some home builders to react to a 'proposal' or 'funding' opportunity such as the one made available via the pilot, and the person attending an information session about it may not be the 'right' person who can then make a compelling case for investment in-house – the decision tends to get shared amongst different personnel in HR, a Director and / or MD who has not heard the information directly so is less likely to buy in to it unless the representative is influential and empowered
❖	The home building industry is not united or consistent in its desire to, or support for subcontractors in its supply chain. The cultural conditions are not right for this kind of working across the industry, it will only appeal to certain types of home builder – those who are focused on developing a 'one workforce' approach, have a genuine desire to invest in collaborative partnerships <i>“rather than to pay lip service to it”</i> and those that value people development throughout their strategy and operational frameworks. <i>“Our culture is collaborative but also confrontational! We are probably more stick than carrot”</i>
❖	Better to avoid using terminology like 'subcontractor relationships' or a programme because it can come across as just another management process and can be treated as such. Better to think of this as long term partnerships with contractors and 'treat them as people' not a targeted area of intervention.
❖	Buy-in from MD or CEO can often be lacking; and so other people in the company inspired or motivated by the idea of improving relationships in their supply chain choose not to waste their energy on developing interventions or activities that would help.
❖	Some home builders, despite organising supply chain engagement events in 2019 are reluctant to and therefore unlikely to promote the availability of CITB funded skills and training because “they or the industry still don't understand systems and by the time you get to the end of the trail things will change or dates will move. Resource for this is high and benefits if they come, are low.” In one home builder's view, their perception is that CITB still focuses on large developers and have little time for the SME.
❖	Two of the smaller home builders felt the Pilot was a great concept and initiative but did not feel it could be taken forward by them because they did not have any dedicated resource in-house to manage the required activity to be effective
❖	One home builder reported a lack of internal support to develop a proposal; furthermore highlighted resistance by one of the Construction Directors to offering training to their supply chain.
❖	One home builder said they really struggled to understand and apply to CITB for funding and grants even for their own company as they <i>“find it very complicated”</i> . Given that reality, it is highly unlikely that they would feel confident to promote CITB funding channels to their supply chain.

*“My own view at the time of hearing about the Pilot was that I wasn't convinced it would work, but on reflection, and having heard about the experience of another home builder, I know it is the right thing to do. We recognise that some of our subbies will not have the internal resource to understanding the funding for training, we could play a supporting role.”  
(HBSP Pledge signatory home builder)*

## 9.0 Conclusions

The Home Building Supply Chain Engagement Pilot has delivered 1,052 training interventions to 782 individuals from 177 subcontractor firms working within the supply chains of three participating home builders.

### **Technical and additional soft skills gaps have been reduced**

The evidence finds that technical skills gaps have been reduced amongst three in five subcontractors, in areas including site safety supervision, health and safety, management development, customer service and IT. Almost all subcontractors (97%) confirm that the behaviours on site of those trained has improved within 6-12 months. Nine in ten firms (91%) say that attitudes towards learning more generally amongst those trained have also improved.

### **Developer subcontractor relationships have matured with mutual benefits**

Additional to the training outcomes, three quarters (76%) of subcontractors report 12 months after engaging with the Pilot that they collaborate more with the home builder on skills and training than they did before, and two thirds assert that there is a greater emphasis on 'people' than previously. Home builders confirm reciprocal uplifts in trust and communication about training, planning and working better together by improving site conditions.

### **Engagement has been diverse**

The Pilot has reached workers employed in 26 different trades and professions across operative, supervisory and managerial roles in multiple regions of the UK. This has been achieved with relatively modest engagement by 3 home builders and suggests that as a means to reaching subcontractors, the approach of dedicated resource to develop events and / or conversations linked to the ideal of 'growing together' has widespread appeal. At least 13%, and potentially 31% of firms engaged had never claimed funding support for training in the recent past or ever before. With tighter focus or conditions in any future Pilot it would likely be possible to increase the reach to these kinds of firms who may never have felt supported with their workforce development before.

### **The Pilot has catalysed training behaviours amongst subcontractors**

Based on sampled evidence from 29 subcontractors independently surveyed 12-15 months after their training intervention, the data finds that between three-fifths and four-fifths of subcontractor firms<sup>33</sup> would not have trained in the same way in the absence of the home builder supported model during 2017-2019. The Pilot has therefore had significant catalytic and additionality effects for the majority of participants. The results suggest that the most critical ingredient has been the support provided by the home builder in the form of 'wrap around' support to assess needs, source, broker, organise and administer the funding for the training required, and the value attached to that function provided by people in that organisation. The financial incentive has also been an important factor, though slightly less important than the dedicated support element. The funding encouraged some subcontractors to decide to invest their time in training displacing income from paid work.

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<sup>33</sup> Sample = 17 subcontractors in receipt of the training offer.

Based on sampled data from 17 CITB-registered companies, 13 (76%) say they are very likely or likely to apply for some funding support from CITB for training in the next year. This means that 4 (24%) firms, despite being registered are very unlikely or unlikely to seek funding support. Whether their application for funding support to CITB would lead to the same amount of training they might consider if the ingredients of the Pilot were still available is uncertain, however, the evaluation suggests that three-quarters would not be able to behave in the same way they did during the Pilot (i.e. train to the volume / pace) in its absence were they left to the pre-existing mainstream channels available to them.

## **The Future**

91% of subcontractors surveyed said that they or their team would attend more training in 2019/2020 if it were to be offered by the home builder that had given them the opportunity via the Pilot. This suggests that these subcontractors had a positive experience, and have appetite for more training via the home builder in future.

25 (53%) out of 47 subcontractors said they would like to see other types of training and development support from the home builder to help their business. The surveys demonstrated a range of subcontractor training needs across HSE (compliance), soft skills and technical skills that might be met with the support of a home builder in future.

Two of the three participating home builders have made a number of commitments to sustain specific training activities based on their learning from this Pilot, but without any further innovation funding, this may be limited to topics that they – not necessarily their subcontractors – feel are important. Continuation of any activity allied to supporting supply chain workforce development is dependent upon the home builders' availability of internal training or learning and development resource / asset; and the extent to which direct employment training priorities have been, or are being met.

The Pilot has taken slightly longer than originally anticipated, and whilst not as many home builders engaged as was hoped, their reasons predominate around the lack of internal training assets (dedicated resource) to drive forward an initiative that might be seen as a secondary priority, compared to the training of directly employed staff. A Pilot such as this might therefore best suit medium sized home builders with growing internal training assets (e.g. learning and development or training personnel with the ability to engage different people across their business units), and who are striving to become an employer of choice for direct employees and 'partner of choice' for external stakeholders such as firms working in their supply chain.

Overall the evaluators conclude that for those that participated in the Pilot, as well as technical skills outcomes, there is evidence of soft skills and wider business benefits that bear the hallmarks of relationships that are now more developmental than transactional; and more collaborative rather than isolated. Full roll-out of the model would be inappropriate, but a more targeted initiative aimed at medium sized firms using the learning lessons and recommendations in this report may yet prove beneficial to the wider sector.

## 10.0 Recommendations

Twelve recommendations are made, aimed at different stakeholders including HBSP in combination with HBF, CITB, home builders and sub contractors more generally in the industry.

The recommendations are best summarised thematically as follows:

1. Disseminate the findings of the evaluation, share learning across the wider industry and inspire other home builders and subcontractors to take action for themselves.
2. Determine the level of demand and appetite from the home building sector to scale up the supply chain engagement pilot, and develop an appropriate longer-term (suggested as 3 years) proposition to discuss with CITB.
3. Develop collateral that can help human resource, learning and development and training staff within home builders make a persuasive case to other senior leadership teams in their business to support collaborative supply chain engagement around skills, training and workforce development.
4. Jointly publicise the availability of skills and training funding to subcontractors at home builders' planned supply chain engagement events; and develop home builder confidence to understand and then refer subcontractors on towards these streams of support.

HBSP	Why	How
<p>1. Leadership Board to discuss and decide if and how the Pilot could be scaled up in future in conjunction with the Supply Chain Collaboration Activity Group (SCCAG) based on an updated review of the demand within the industry for an initiative of this nature</p>	<p>The evidence points to successful outcomes for Pilot participants but engagement was limited to 3 home builders. The HBSP Team report that other home builders are expressing interest and are keen to learn about the experience, risks, commitment involved.</p>	<p>Evaluation report to be shared with, and presented to, the Leadership Board in June 2019; leading to agreement of a survey/consultation process to identify the scale of demand. Proactive meetings convened with mid-sized home builders<sup>34</sup> would help inform the provision of an options appraisal / outline proposition to be prepared for the September or December 2019 Board</p>
<p>2. HBSP Partnership Team to disseminate the evaluation report, learning lessons and case studies more widely</p>	<p>To encourage more home builders and sub contractors to consider the way they might naturally and more routinely collaborate with one another on skills, training and organisational growth and development</p>	<p>Consider professional design of the evaluation summary; and seek permission from participating home builders to edit and publish their case. Agree which partner websites / media to use to promote the products.</p>

<sup>34</sup> 1,000-2,000 units per annum

3. Develop a simple checklist / guide to encourage home builders to develop processes for identify training needs and sign-posting them on to available funding / grant	The evaluation report is far too dense to be a practical tool that will be used in a business scenario. The translation of the learning lessons into an accessible checklist made freely available may encourage adoption of the good practice identified	Commission the development of a practical checklist that home builders can use to introduce or modify simple processes to better collaborate with subcontractors to identify training needs; and refer on to available funding
<b>HBF</b>	<b>Why</b>	<b>How</b>
4. Support dissemination processes recommended in this report to add value to its members; including consideration for inclusion of a presentation slot for the supply chain pilot experience at the March 2020 Policy Conference	HBF's communication channels are mature and can reach multiple roles within each home builder organisation thus increasing the reach and proactive targeting of specific roles in each business	Director of External Relations and HBSP Director to agree an appropriate dissemination plan using HBF's email bulletins, targeted mailings and events calendar; liaising with Bovis Homes, Morris Homes and Story Homes for the conference
<b>Home builders</b>	<b>Why</b>	<b>How</b>
5. Work with the HBSP Leadership Board and Partnership Team to understand their current and future intentions and desire to collaborate with their supply chain on skills, training and workforce development. Form a collective group to develop a propositional approach that could be discussed with external funding organisations.	Without evidence of a collective demand external funders are unlikely to support any request for investment support; however, demonstrating a commitment to increasing training levels within the supply chain for agreed topics and across occupations using the learning lessons from the evaluation may be beneficial and more persuasive.	Feed in to the proposed latent demand research activity to be led by HBSP and work with the HBSP Partnership Team to develop an appropriate proposal / options that can be at one and the same time useful to the Leadership Board and external funders such as CITB by the end of 2019
6. Identify 2-3 home builders that would be willing to learn more about CITB funding processes and support available for registered companies in their supply chains; and to then promote those via planned supply chain engagement events in 2019/20	To help home builder L&D / training co-ordinators understand how the various CITB schemes and funding streams work to be able to pass this insight on to their subcontractors with greater confidence	HBSP to identify 2-3 willing home builders; and broker appropriate support with CITB if this is something deemed mutually beneficial

<b>Subcontractors</b>	<b>Why</b>	<b>How</b>
7. Support any efforts by home builders to research their training needs to help develop the case for a co-ordinated / funded longer-term project between 2019 and 2022	Ultimately homes are not built without home builders. The quality of homes depends on subcontractor capabilities and each subcontractor works with between 6 and 10 home builders per year so their practice is applied on multiple sites. Knowing what gaps in knowledge and skill could be supported to improve quality and productivity is at the heart of this whole initiative	Subcontractors could proactively discuss their training needs with the home builders they supply services to; and / or attend supply chain engagement events and use the opportunity to feed back about their business growth ambitions - and assuming the relationship has become trusting – the need to work together to grow competence and site behaviours that lead to positive outcomes for all.
<b>CITB</b>	<b>Why</b>	<b>How</b>
8. Disseminate the evaluation report and summary to the wider sector – consider supporting HBSP with agreed dissemination / publication costs	To encourage the adoption of the learning lessons and good practice identified in the evaluation amongst the wider sector.	The professional design of the evaluation report outputs and case studies (if approved for publication by the home builders) will likely increase the likelihood of them being read and used
9. Develop very simple grant and funding collateral that home builders could consider promoting / having available at supply chain breakfast / events in 2019/20	Home builders reported that they did not always feel confident promoting CITB funding but if that can be overcome, and given that supply chain engagement events have good reach in terms of both numbers and specialisms of firms attending, there is opportunity to increase awareness	CITB to provide an agreed type / amount of collateral in hard / online formats as agreed with the HBSP to distribute at future events. CITB to track any uptake / enquiries as a result of the tactic.
10. Share with HBSP any learning from other parts of the sector where supply chain collaboration models have been piloted	To identify learning from other parts of construction and to advise on what steps have been taken after such pilots were completed in case these can help shape a home building sector response	CITB representatives (research, evaluation, innovation, senior leadership as advised) to share insights with the HBSP Director and / or feed in any such paper via CITB's Leadership Board representative



CITB and HBSP	Why	How
<p>11. Discuss the opportunities for developing a presentational toolkit / best practice guide / 'making the business case for supply chain collaboration' for HBSP home builders who have dedicated training co-ordinator or learning and development officers in-house.</p>	<p>Time and again, this evaluation finds that there are motivated L&amp;D/HR individuals a home builder business who wish to innovate and develop contractor partnerships, but find internal blockers, senior director resistance and / or regional business unit variation. Having the tools, evidence and practical examples of the gains from this kind of investment would help them "win over Directors, egos and personalities".</p>	<p>Set up a task and finish group and small budget to develop the collateral. Align the content / the business case to pre-existing priorities in businesses such as NHBC service indicators, 5 star builder status, improved customer service levels and a reduction in errors and defects.</p>
<p>12. Discuss the opportunities for aligning any new supply chain engagement proposition developed by HBSP to the new CITB Business Plan, desired outcomes and commissioning priorities with a view to a longer-term project</p>	<p>Subject to there being a latent demand / decision by the HBSP Leadership Board to take forward a wider / new project, the evaluation found that lead times to create momentum is longer than 18 months. A 3-year period would be more appropriate, and a focus on medium-sized businesses with L&amp;D / dedicated training staff or assets is more likely to reap sustainable success based on the evidence.</p>	<p>As well as discussing the use of any underspend from the Pilot (which HBSP will seek to discuss with CITB with specific suggestions in 2019) more importantly the opportunity to co-produce a specification for any scaled up or extended supply chain engagement project will help shape the conditions for greater success between 2019 and 2022 aligned to shared ambitions and agreed outcomes.</p>



***“The term ‘subcontractor’ itself implies a vertical relationship; we wish to engage in partnerships with contractors where respect for each other is the norm and where principle contractor and contractor work together, earning respect and trusting in each other’s capabilities.”***

***(Home Builder collaborating in the Pilot)***

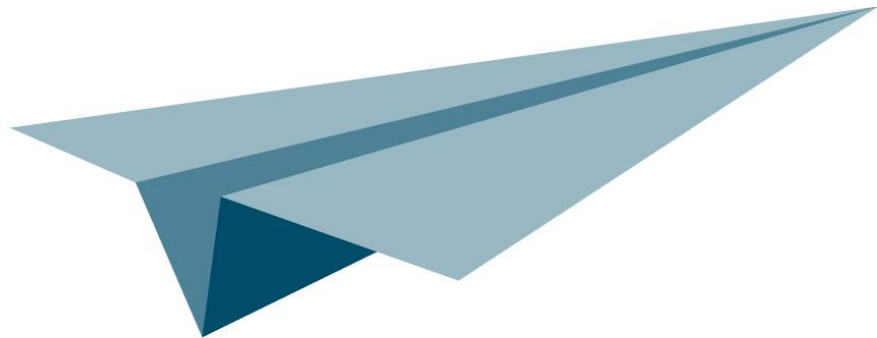
This independent evaluation has been completed between June 2017 and May 2019.

The full report is being shared with the HBSP Director, Project Manager and CITB personnel with responsibility for the contract and its evaluation.

The Executive Summary, conclusions and recommendations will be shared with the HBSP Leadership Board in June 2019 for review.

A separate document has been compiled containing a detailed case study being authored by each of the 3 participating home builders using guidance supplied by the evaluators. These case studies have been approved solely for supply to the HBSP Leadership Board, Partnership Team and CITB Head of Evaluation as a companion document to the independent evaluation report. Permission has not been granted by these home builders to use their case studies for external publication purposes and any such requirement would need to be discussed with them for consent or otherwise.

Please direct any queries about this evaluation to [alan@skyblue.org.uk](mailto:alan@skyblue.org.uk).



# SKYBLUE

## RESEARCH & EVALUATION

Disclaimer: Information in this report is presented in good faith and is thought to be accurate at time of publication (31<sup>st</sup> May 2019), but the authors cannot accept responsibility for errors or omission.