

## 'Is a little more alright?'

Hermans, Marleen

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# Marleen Hermans

# 'Is a little more alright?'

Inaugural speech November 14th, 2014





## 'Is a little more alright?'

#### Inaugural speech

Short version has been spoken on November 14th, 2014 at the occasion of acceptance of the position of full professor of 'Public commissioning' at the Faculty of Architecture of Delft University of Technology

by

Prof. dr. ir. M.H. (Marleen) Hermans

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Rector Magnificus, Members of the Executive Board, Fellow professors and other members of the university community, Members of the Construction Clients' Forum, Greatly esteemed members of the audience, Ladies and gentlemen,

#### 1. Introduction

'The invisible, internal work being conducted to the rear of the station got on his nerves; constructed of fresh, pink bricks, the building was complete but nevertheless unfinished - sometimes the scaffolding would suddenly return. All the things he used to be able to see from here: the boats, the water, the guay. Irritated, he lowered his gaze and let it glide closer by, over the square in front of the station to the new public gardens diagonally beneath him, on the opposite side of the wharf. A soft drinks stand stood there and a couple of years ago, shortly after the space was filled in, the Public Works Service had erected a bust of Prince Hendrik there, facing the IJ and the grateful flag salute from the shipping industry that he had done so much to advance. But the ships could no longer be seen from the public gardens, the station was in the way and the railway dike obstructed the view. The prince would soon look like a child staring at the trains. Regardless of the quality of the bust in itself, it was the location that once again had the final say. Why didn't people pay more attention? 'Public Works...!' he growled, turning completely red, as if everything that went awry in the city was encapsulated in those two words'.

(Rosenboom, 1999)

In his magnificent book Public Works (Publieke Werken), Thomas Rosenboom narrated the story of a small man fighting the enormous power of the Public Works. But also the story of a money-focused individual who ultimately loses out to general social interest. The book describes the world of the leading figure in my chair: the Public Client, which must constantly balance the interests of society with those of the individual, and of those directly involved with the public interest. For this reason, it never actually reaches the best solution, but always has to settle for the best possible solution with broad support.

The public client as the definitive example of problems being solved by dialogue. In my inaugural lecture, I would like to transport you into their world, introduce you to their field, and to the contribution I hope to make with my chair.

#### 2. Public works: What are they exactly?

Rosenboom wrote about public works – but what exactly are they? The term covers all construction activities carried out by governmental authorities, public institutions and private organisations with public responsibilities, such as corporations and hospitals, but also the results of these works: public real estate and infrastructure.

#### 2.1. Characterisation of public works

When it comes to public works, we initially think of infrastructure: roads, viaducts, bridges, canals, sluices, dikes and railways. But it also includes 'communal real estate' – property used by the public sector itself. Consider, for example, offices for ministries, municipalities and county councils, but also hospitals, schools, palaces, prisons, universities, and so forth. And – certainly not of the least significance – houses in the social sector, public housing. In my chair, I focus on both infrastructure and such communal, public real estate.

The lack of any unequivocal definition means that the available figures on the size of the sector are somewhat unclear. But there is, in any case, a sizeable portfolio. The Dutch stock of utilitarian communal real estate covers an estimated 137 million m² gross floor area, consisting of property used for health care, education, and centralised and decentralised governmental agencies (Heijnders & Hermans, 2013). An overview of the types of property that this portfolio comprises is shown in Figure 1.

The total housing stock in the Netherlands is in excess of 7 million houses.¹ According to the Central Housing Fund (Centraal Fonds voor de Volkshuisvesting), approximately 2.4 million of which consists of social housing units – that is, approximately 30% of the total². The country also boasts more than 2 million km¹ of infrastructure, as outlined in Figure 2. And lastly, there are an enormous number of structural works, such as viaducts, bridges, tunnels and water purification installations.

<sup>1</sup> http://vois.datawonen.nl/quickstep/QSReportAdvanced.aspx?report=cow13\_101&geolevel =nederland&geoitem=1&period=most\_recent\_period

<sup>2</sup> http://www.cfv.nl/financieel\_toezicht/de\_corporatiesector\_in\_cijfers

<sup>3</sup> http://statline.cbs.nl/StatWeb/publication/?VW=T&DM=SLNL&PA=70806ned&D1=0-1,8,14&D2=0,5-16&D3=a&HD=090330-1643&HDR=G2&STB=G1,T

<sup>4</sup> http://statline.cbs.nl/StatWeb/publication/?VW=T&DM=SLNL&PA=71531ned&D1=0-33&D2=0&D3=a&HD=090330-1647&HDR=G1,G2&STB=T

<sup>5</sup> http://statline.cbs.nl/StatWeb/publication/?VW=T&DM=SLNL&PA=71024ned&D1=0-1,5,9,13,17,21&D2=0-4&D3=a&D4=a&HD=090330-1650&HDR=G2&STB=G1,T

<sup>6</sup> http://epp.eurostat.ec.europa.eu

| Sector                                      | Description   | Gross surface area (mln m²) |  |  |
|---|---|-----------------------------|--|--|
| 1 Health care                               | Cure and care<br>Care including child care                                | 52                          |  |  |
| 2 Education                                 | Secondary and higher education<br>Basic education (primary and secondary) | 18<br>27                    |  |  |
| 3 Decentralised<br>governmental<br>agencies | vernmental boards   |                             |  |  |
| 4 Central government                        |   |                             |  |  |
| Total                                       |   | 137                         |  |  |

Figure 1 Size of public and communal real estate portfolio (Heijnders & Hermans, 2013)

| Type of infrastructure              | Length (km) | Source                               |
|-------------------------------------|-------------|--------------------------------------|
| Roads                               | 138.641     | CBS Statline, 2014                   |
| Waterways                           | 6.251       | CBS Statline, 2014                   |
| Railways                            | 3.032       | CBS Statline, 2014                   |
| Overground and underground networks | 1.826.000   | Bouwend Nederland, 2012              |
| Dikes                               | 18.000      | Internal data Unie van Waterschappen |
| Watercourses                        | 225.000     | Internal data Unie van Waterschappen |
| Total                               | 2.216.924   | km                                   |

Figure 2 Length of area infrastructure (excl. objects) 3, 4, 5

#### 2.2. The value of public works

Public works represent enormous value. Both in the literal sense of the value of the real estate – the assets themselves, in which we as taxpayers have invested – but also the enormous amounts of construction work involved in creating and maintaining this stock. According to Eurostat<sup>6</sup>, in 2010, the European construction sector accounted for approximately 6% of the Gross National Product, representing added value of more than €650 billion. And according to data from the Dutch Economic Institute of the Construction Industry (Economisch Instituut voor de Bouw, EIB, 2014), Dutch construction

amounts to approximately €50 billion a year. The public sector is responsible for nearly half of this total output.

But there are other interests beyond solely the economic value: the utility value of the buildings for their users, such as motorists using the road network, patients in hospitals, tenants in social housing or civil servants working in local government offices. This functional value can be expressed in more than merely monetary terms. Public buildings, social housing, infrastructure and public space also contribute significantly to our everyday environment and in turn, to our well-being. The vote for the 'ugliest place in the Netherlands' on the television programme The Battle for the Netherlands (De Slag om Nederland) aptly illustrates the emotions coming into play in recent years with regard to public space and well-considered design. Clearly we think that the quality of the public space around us is important.

Public works and public commissioning are therefore of great significance to our everyday environment and the economy – reason enough to sharply focus on the responsibilities associated with such commissioning.

#### 3. What is commissioning in the construction industry?

Let's start at the beginning. What do we mean by 'commissioning'?

#### 3.1. A definition of commissioning

The majority of public organisations do not carry out their own construction activities, or only to a limited extent. Instead, they collaborate with the business world to get things built. The role of 'client' is created by putting these activities to tender to organisations including architects, construction firms, consultancy agencies, surveyors and maintenance and technical support companies. The Organisation for Economic Cooperation and Development (OECD)<sup>7</sup> offers the following definition of clients:

'The natural or legal person for whom a structure is constructed, or alternatively the person or organisation that took the initiative of the construction'.

The client is hence the party that initiates the construction activities. This definition of commissioning parties primarily focuses on creating a single object – 'a' structure. I would like to add several elements to this definition.

The perspective of the 'commissioning party'

First and foremost, in the case of infrastructure – utilities – in public space, it is very difficult to refer to 'a' structure. It generally concerns a system functioning

<sup>7</sup> http://stats.oecd.org/glossary/detail.asp?ID=5862

as a whole. In the case of real estate, a larger portfolio is often involved, and an object or project forms part of that portfolio. Commissioning in the construction industry therefore also involves working appropriately with the built environment as a system and positioning a project within an entire portfolio and within public space. Considerations that shape commissioning should therefore be weighed not only at individual structure and project level, but also at system and portfolio level.

Partly due to the size of their portfolios, numerous public organisations commission multiple projects and to some extent, also gear their organisations towards this commissioning, with regard to competencies, procedures, systems and so forth. Commissioning therefore concerns not only awarding a contract in specific circumstances – for example, a project or administration and maintenance issue – but also how the commissioning party itself is organised. A recent study by Pieter Eisma and Leentje Volker within my chair has revealed that relatively little research has been carried out into this commissioning role. There are numerous studies focusing on procurement and tendering, public-private collaborations and project and risk management, but very little research into the professionalism of commissioning organisations (Eisma & Volker, 2014). Within the chair, we would therefore like to focus more concretely on the 'commissioning organisation' and the professionalism it displays. I will return to this point later in my lecture.

#### Commissioning in the existing stock

One final remark regarding the OECD definition is that it appears to focus heavily on activities related to new buildings. However, the annual volume of work in and on existing stock is at least as extensive as that focused on new construction (EIB, 2014).

#### Construction per sector

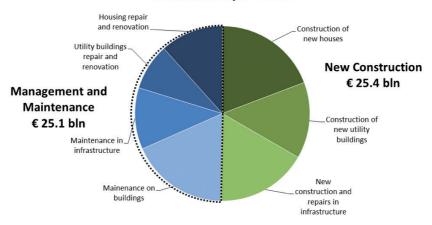


Figure 3 Construction per sector, 2012, in millions of euros; figures (EIB, 2014), adaptation by the author

In light of the long life span of structures, over a full life cycle, we can assume that the total expenditure on management and maintenance work will be much greater than for new construction. In addition, preservation and improvement work takes place in considerably more complex contexts than new constructions. A greater number of risks are involved with existing buildings, more uncertainty and — in the case of monuments — greater vulnerability. The available information is generally also limited. These are all reasons to specifically devote additional attention to commissioning involving existing assets, real estate and infrastructure. I am therefore expressly adding the dimension of commissioning in existing stock to the chair's work domain.

### 4. What makes the construction sector special?

The chair concerns commissioning in the construction industry. What is it that makes the construction sector such an interesting playing field for commissioning parties?

#### 4.1. The construction sector and its fragmentation

Manseau & Seaden (2001) joined many others in highlighting the extraordinary characteristics of the construction industry. It is an enormously fragmented sector in which a complex collaboration of specialists constantly offers one-off solutions based on agreements as to effort expended, through a labour-intensive process on construction sites, sometimes exposed to the elements.

The commissioning party, the client, also holds a special position in this process.

Unlike with consumer products, the client is often the party that orchestrates the construction process or that employs someone to organise things on its behalf. The client takes the initiative to start a construction process, drafts a schedule of requirements and appoints an architect who, in turn, produces a design. The client is then responsible for implementing the design and eventually the final product is brought into use, at which point the maintenance and management process begins.



We do not often give much thought to how extraordinary this process actually is. I would like to ask you to think about the following. Imagine that you are about to order a new mobile phone. Try and imagine how you would approach the process if there were no Samsungs, Apples or Nokias already in existence, but that you first have to 'just' draft a schedule of requirements, then look for a designer, organise the production process, find one manufacturer for the chip and another for the screen... Would you even bother?

You will appreciate that this traditional operational process demands a great deal of professionalism from the client in order to oversee and manage all of the steps to ultimately arrive at the desired result. Is that a problem? Well, in some respects, yes.

#### 4.2. The culture in the construction industry

This is also linked to the culture within the sector. Internationally, the construction sector does not in all aspects have a reputation of producing good quality (Boyd & Chinyio, 2008, Manseau & Seaden, 2001), as aptly illustrated in our own country by the Parliamentary Committee of Inquiry into the Construction Industry

(Parlementaire Enquête Bouwnijverheid, House of Representatives of the States-General, 2003), real estate fraud and, more recently, the Parliamentary Committee of Inquiry into Housing Associations (Enquête Woningcorporaties, House of Representatives of the States-General, 2014).

Delivering quality appears not to be the top priority and construction errors result in enormous cost, hardly any of which can be recovered by the client. The Economic Institute for the construction industry (EIB) and The Central Bureau for Statistics (CBS) (EIB & CBS, 2008) in the Netherlands calculate failure costs at an average of 11.4% of turnover in the sector. Suppliers work on agreements based on effort expended rather than results, are remunerated on the basis of lowest price, and stand to benefit from 'supplementary work'. Basically, the risks lie with the client.

Egan's reports, entitled Rethinking Construction (Egan, 1998) and followed by Accelerating Change (Egan, 2002), illuminate the challenge of introducing change to the sector. They formed the starting point for a large number of Dutch and international programmes of change. I name PSIBouw and Vernieuwing Bouw, and the more recent initiative to found a 'construction campus' (Bouwcampus) as the best known Dutch exponents of this.

#### 4.3. The challenge of introducing change to the construction industry

So, the sector needs to change. What have been – and are currently – the most significant challenges? A quote from the French writer and poet Antoine de Saint-Exupéry offers an apt summary: ....

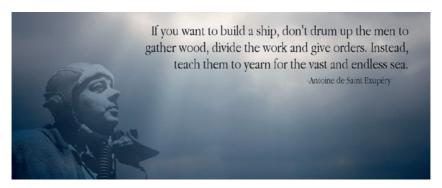


Figure 4 Antoine de Saint-Exupéry on encouraging change 8

It comes down to the fact that, in this sector, we have lost sight of our ultimate goal. To borrow a term from the currently immensely popular Simon Sinek, we have lost sight of our 'why' $^{9}$ . At some point during the building process, we forget why we are building. The 'why' – for what and for whom are we doing

this? – needs to be brought back, and serve as a shining beacon for all those involved.

What do we want to achieve together in the field of commissioning? In concrete terms, it concerns matters including:

- creating structures that function effectively and have future value;
- paying according to performance instead of effort;
- dividing responsibility transparently so that parties can be held to account for their contribution to the end result – every individual action should be a demonstrable and accountable contribution to the end result;
- improving the distribution of risk, so that risks are actually positioned where they can be best managed;
- improving the control and grip on the process in order to create more certainty regarding the quality of the product;
- selecting partners based on the level of quality to be jointly realised instead of the lowest price;
- in a nutshell, having all partners involved display a greater level of craftsmanship;
- increasing the scope for innovation, learning and improvement.

In order to achieve this, the commitment of both clients and suppliers is necessary, even essential. The chair is concerned with what is required for this change of role on the part of the commissioning party. With regard to giving shape to these changes, there will be a specific focus on public clients. This is partly due to their major influence on and responsibility for output in the construction industry as mentioned above, but also to the fact that they are public organisations. I will return to this point later.

#### 4.4. The Construction Clients' Forum and the creation of the chair

In light of these responsibilities and the unique position of public organisations, in 2005, a large number of Dutch public clients decided to jointly found their own network: the Construction Clients' Forum (Opdrachtgeversforum in de Bouw)<sup>10</sup>. Its members envisage serving an exemplary role in the field of commissioning and are keen to exchange expertise and stimulate further development in order to fulfil this role to the best of their abilities. A couple of years ago, the forum concluded that 'commissioning' should be recognised as a profession. They decided to establish a chair in the Faculty of Architecture and the Built Environment at TU Delft in order to give shape to this profession.

<sup>8</sup> http://www.quotessays.com/images/antoine-de-saint-exuperys-quotes-3.jpg

<sup>9</sup> http://www.ted.com/talks/simon\_sinek\_how\_great\_leaders\_inspire\_action?language=nl

<sup>10</sup> http://www.opdrachtgeversforum.nl/

The following objectives were set for the chair:

- to professionalise the field of 'commissioning' in the public sector;
- to provide a central point of contact for research in this domain;
- to centralise related (post-doctoral) education; and
- to offer substantive inspiration for the Construction Clients' Forum and associated parties.

The substantive aspects of the chair are what we will be discussing today.

# 5. What makes 'public' commissioning parties different to private clients?

A subsequent issue that determines the substance of the activities within my chair concerns the public nature of the commissioning. It seems that there is cause to establish a chair on commissioning specifically for the public domain. What is the reason exactly?

Public bodies are required to comply with a number of public values, or principles of effective management. De Graaf & Paanakker (2014) propose distinguishing within public values those concerning the substantive performance of a public body. There are also a number of procedural values linked to the quality of the operational process. I would like to take a moment to introduce these various types of public values and their significance for commissioning in the construction industry.

#### 5.1. Performance-oriented objectives

#### Primary role

When it comes to objectives, the primary concern is the public – social – responsibility that a public organisation was established to fulfil, e.g. providing health care, housing or security. A responsibility which, at a certain point, we all decided would better be organised by the government as opposed to by a private body. The difference between public and private bodies can therefore be traced back to their objective, their primary role. Fulfilling this responsibility requires real estate, infrastructure or public space.

#### Social objectives

But it is not sufficient for a public body simply to efficiently fulfil its own responsibilities. It is also expected to adopt several additional social objectives. For example, safeguarding cultural values, contributing to spatial quality and providing sustainable solutions. In this regard, public organisations are held to account more stringently than their private counterparts.

#### Guide function

There are also requirements and expectations regarding the manner in which these objectives should be determined and achieved. For example, through encouraging the involvement of other stakeholders, companies and citizens. Or through forming links between and connections with the various administrative levels: from the state, to local authorities, to citizens.

Another pertinent expectation of public organisations is that they lead the way in terms of modernisation and innovation, assume an exemplary role or act as guide, both for the business sector as well as to other – perhaps less professional or experienced – public commissioning parties. This role is illustrated by the establishment of knowledge centres such as, in the Netherlands, Pianoo and PPS Support and the Construction Clients' Forum itself.

#### Efficient and effective

Public organisations need to fulfil this total package of social objectives in a way that is both efficient and effective. After all, their quest to achieve these objectives is – partly – financed by tax revenue. And we all like to see our taxes put to good use.

#### 5.2. Process-linked values

In addition to these performance-related values, De Graaf & Paanakker (2014) also identify values linked to operational process and procedure. Values often mentioned include legitimacy, transparency, equality and fairness. While these values are of obvious significance in the private domain, there are differences – as indicated in the research by De Graaf & Van der Wal (2008) – from the public domain, reflected for instance in governance and accounting rules.

With regard to commissioning, these values are reflected in, for example, behavioural and integrity codes that have been introduced – partly influenced by the Parliamentary Committee of Inquiry into the Construction Industry. But also in the numerous regulations that public construction clients are required to comply with when putting work on the market, i.e. during the tender process. Please refer to the European guidelines<sup>11</sup>, adapted to the Dutch situation in the Tendering Act (Aanbestedingswet)<sup>12</sup>, which sets out a large number of regulations specifically focused on the public domain.

<sup>11</sup> http://ec.europa.eu/internal\_market/publicprocurement/modernising\_rules/reform\_ proposals/index\_en.htm

<sup>12</sup> http://wetten.overheid.nl/BWBR0032203/geldigheidsdatum\_24-02-2015

#### 5.3. Conflicting values as a starting point

All in all, there are a huge number of values that public organisations need to take into account, which influence how they commission projects. The problem with public values, as identified by De Graaf, Huberts & Smulders (2014) is that they are not mutually exchangeable, comparable or even consistent. 'Value pluralism' is evident. The perception of the significance and meaning of each of the values also shifts with time. What we consider to be significant today, we may find less significant tomorrow, or not significant at all. Dealing with conflicting values is a fact of life for public organisations. In this sense, sound management means handling this dynamic and the unavoidable conflicts as well as possible. Balancing, solving problems through dialogue and careful consideration are inherent in the public domain.

This constant consideration of various values is also perceptible in commissioning in the construction industry. For example, when balancing transparency with confidentiality, or integrity with efficiency during the tendering process, and cultural values with functionality. In practice, numerous political discussions address how well the authorities manage to strike the right balance.

The current debate surrounding the cruise ship SS Rotterdam – in which a corporation decided to renovate a ship of historical importance to the city due to social considerations –is particularly revealing in this discussion of the key responsibilities of corporations.

The considerable delays during the course of the Rijksmuseum project, caused by a number of reasons, can to a large extent also be attributed to changing perspectives on the importance of various values that all needed to be safeguarded. The discussion regarding the tunnel – which saw the cycling residents of Amsterdam claim victory over the interests of the museum visitors – and vicissitudes during tendering were both directly linked to the specific public context, and would either not have occurred in the private domain, or at least not in such a manner.

#### 5.4. What will I do in my chair? A little more 'public values'

In relation to commissioning in the construction industry, relatively little has been committed to paper regarding public values and dealing with 'value pluralism'. We also have only a fragmented view of how public clients handle these concerns in practice.

In my chair, I would therefore like to increase the focus on this phenomenon and attempt to identify the strategies that public commissioning parties can utilise to deal with public values. As part of this work, I will certainly collaborate with fellow academics from the departments of Architecture and Urban Planning, as well as with other departments that address public values, such as Technology Policy and Management, and Public Administration and Political Science.

#### 6. Organisations and commissioning

I would now like to return to a point I mentioned earlier in more detail: the matter of perceptible differences between how various organisations fulfil their commissioning role and how they give shape to this role.

#### 6.1. Not all clients are the same

#### 6.1.1. Various types of clients

By no means are all public organisations primarily concerned with managing assets, such as infrastructure, networks or real estate. Different types of clients can be split into various categories, with distinctions often being based on amount of experience, legal position (public or private) or the sector in which they operate. Each of these aspects influences the approach to commissioning and the professionalism required of the client and its organisation.

The fact that numerous clients, also in the public domain, only occasionally fulfil the role of commissioning party (Chinyio et al., 1997) is particularly pertinent in relation to the demands placed on how their organisation is set up. Johannson & Svedinger (1997) identify three types of construction industry clients:

- User clients
- Manager clients
- Vendor clients

The first two are most relevant to the public domain. User clients both own and use their own buildings; they fulfil the role of client solely for these buildings or structures. Housing is an asset, and housing and facilities services often fall under the organisation's ancillary – or support – operations. The primary responsibility of these public organisations is not managing the property but, for example, providing education, caring for patients or making art accessible. The commissioning role of such organisations is often limited or fragmented. Manager clients control a stock of real estate or infrastructure that is used by others. The primary responsibility of their organisation is to effectively manage this stock and the surrounding network as a whole. This type of client repeatedly or sometimes even constantly fulfils the commissioning role for projects linked to new construction, maintenance, improvement or modernisation of the portfolio. The Government Real Estate Agency (Rijksvastgoedbedrijf), the Infrastructure Agency (Rijkswaterstaat), municipal urban planning, public works and property services, housing associations and district water boards all fall within this category.

#### 6.1.2. Embedding the commissioning role in the organisation

Linked to these various types of clients are the different ways in which the commissioning role is implemented and positioned within an organisation. Referencing Mintzberg (1989), this commissioning can sometimes fall under supporting structures, whether combined with procurement or not.

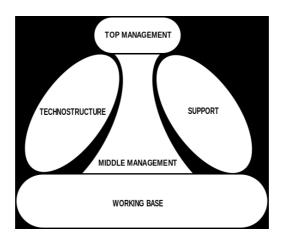


Figure 5 Organisation configuration (Mintzberg, 1989)

An apt illustration of this can be found in the collaboration agreements relating to procurement between local authorities. In other cases, commissioning is part of the organisation's primary process, of its main operations, the 'working base' along with operations such as project, asset or object management. This is the approach within numerous district water boards and the Central Government Real Estate Agency, for example.

In my chair, I am keen to improve insight into how the commissioning role is embedded in organisations. As yet, too little research has been conducted into this area.

#### 6.1.3. Do it yourself or put it out to tender?

A vital question linked to commissioning relates to which tasks within the whole construction and management process a client carries out itself and which tasks it puts to the market. In the past 15 years, an increasing amount of work within the public domain has been outsourced, also influenced by political aspirations for compact government. Consider, for example, the adage of the Dekker Committee: 'Execute in the private domain if possible, work in the public domain if necessary.' ('Privaat wat kan, publiek wat moet', Commissie Fundamentele Verkenning Bouw, 2008).

When it comes to commissioning, numerous public clients strive for a so-called 'strategic coordinating organisation', partly influenced by the crisis. This is an organisational model in which public organisations concentrate on strategic actions as much as possible and outsource operational and tactical work to the market as far as possible (Dreimüller et al., 2013).

First the operational responsibilities were outsourced to the market – privatising in-house maintenance services – followed by consultancy services, which means that internal engineering and design departments have been severely depleted, while inspection, supervisory and also procurement responsibilities are also being outsourced more and more often. A recent development is that coordination responsibilities, which attune design and execution, are also being outsourced to the market through new types of partnership.

Creating a strategic coordinating organisation usually goes hand in hand with other forms of collaboration with the market. Partly influenced by the need for change, a complete range of new forms of collaboration has now been developed, each with its own advantages and disadvantages – from integrated contracts and supply chain collaboration to alliances, co-creation agreements and long-term partnerships.

Based on differences between portfolios, projects, contexts and organisations, significant differences in the commissioning role of public organisations can already be identified. Each form of collaboration uses its own type of management, financial settlement, specific employee competencies, monitoring and contract management. Clients looking to introduce a new form of collaboration will need to ensure that the organisation can support it. In the chair, I plan to focus specifically on the demands placed on the commissioning organisation when introducing different ways of implementing the construction process.

#### 6.2. Clients' level of professionalism

A subsequent question relates to what we consider to be a 'professional' client. Again, little has been written on this subject in the literature specifically dedicated to our sector. In recent months, the chair has focused on changing this. Building on the aforementioned literature review by Volker & Eisma (2014), we developed a maturity model that can be used to chart the task maturity — or professionalism — of clients (Hermans et al., 2014). We arrived at a total of ten related aspects that together offer an indication of the commissioning organisation's level of professionalism.

|                   |             |              |                 | Aspects of  | professional pu | ıblic commission | ing              |              |                |              | _  |          |
|-------------------|-------------|--------------|-----------------|-------------|-----------------|------------------|------------------|--------------|----------------|--------------|----|----------|
|                   |             |              |                 |             |                 |                  |                  |              |                | Optimised    | 5. | >        |
|                   |             |              |                 |             |                 |                  |                  |              |                | Managed      | 4. | Maturity |
|                   |             |              |                 |             |                 |                  |                  |              |                | Standardised | 3. |          |
|                   |             |              |                 |             |                 |                  |                  |              |                | Repeatable   | 2. | leve     |
|                   |             |              |                 |             |                 |                  |                  |              |                | Ad hoc       | 1. |          |
| Organisational    | Culture and | People and   | Decision models | Stakeholder | Public role     | Public rules of  | Interaction with | Managing     | Creativity and |              |    |          |
| strategy & policy | leadership  | learning     | and portfolio   | mngt        |                 | play             | supply market    | projects and | flexibility    |              |    |          |
|                   |             | organisation |                 |             |                 |                  |                  | assignments  |                |              |    |          |
| I                 | A SARK      |              |                 | HAMPAN      |                 |                  |                  | 2            | W.             |              |    |          |
| 1                 | 2           | 3            | 4               | 5           | 6               | 7                | 8                | 9            | 10             |              |    |          |

Figure 6 Model of task maturity in professional commissioning (Hermans et al., 2014)

The objective of this model is to increase awareness at public organisations of the scope of their commissioning role. An important guiding principle is that each client needs to select an appropriate interpretation of its commissioning role, based on its own portfolio and tasks. A client is considered professional if it succeeds in making a conscious, explicit decision in this regard, and subsequently embeds this decision in all levels of the organisation, while also making suitable processes and resources available to adequately support the chosen approach.

#### 6.3. Greater focus on organisational aspects of commissioning in the chair

In short, up until now, only a limited amount of research has been conducted into how an organisation's commissioning function is set up, and which tasks are considered to be part of this function. Research into professionalism and performance with regard to commissioning is still in its infancy. We currently only have limited insight into the demands that new forms of collaboration place on commissioning organisations, and there are currently only limited assessment frameworks and decision models to support organisations in determining which forms suits them and which do not. Reason enough to devote attention to the matter in my chair, on which I will be working closely with colleagues both within TU Delft and further afield.

#### 7. Definition of public commissioning

On the basis of the aforementioned considerations, I have chosen to adopt the following definition of public commissioning in the chair:

The manner in which an organisation in the public sector shapes and carries out its internal and external interactions with the market in view of its responsibilities in the built environment.

I consider commissioning to be the sum of four activities:

- how the public organisation collaborates with the market, through specifications, tendering, contracting and contract and supplier management

   this also requires examining new forms of collaboration and tendering methods;
- 2. how the public organisation succeeds in allowing this collaboration with the market to contribute to its own organisational objectives both effectively and efficiently, in accordance with public regulations;
- 3. how the public organisation succeeds in allowing this collaboration to contribute to providing users with a good service;
- 4. how the organisation succeeds in allowing this collaboration to contribute to responding to social and political expectations.

All in all, commissioning encompasses a much more extensive range of activities than procurement and direct interaction with market parties alone, although this is another area in which we need to gain a good deal more knowledge and insight. I plan to devote attention to each of these aspects in my chair.

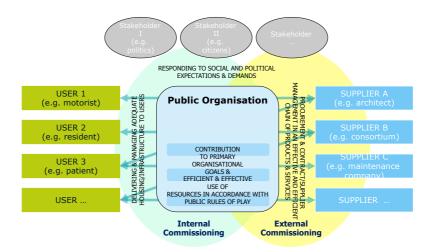


Figure 7 Roles and responsibilities of public commissioning parties

#### 8. Change is by no means simple

The role of clients is hence both diverse and subject to change. This raises the issue of how clients deal with change.

#### 8.1. Facilitating innovation

Shaping innovation and change processes is not something typically associated with the construction industry. Technical innovations are more up our alley than designing the actual process of change. We are good at launching pilot projects for a wide range of things, but never take care to allow them to truly become pilots. There is hardly ever additional budget for the extra work required to make a new process or product a reality, and we rarely actively manage knowledge and information to ensure that lessons are learned from pilots and new developments. And to top it off, we only consider a pilot to be a success if it proves more efficient than our 'traditional' process – irrespective of teething troubles and the time and energy needing to be devoted to developing and learning it. This is not really an approach that guarantees smooth introduction of change in the sector.

The capacity for innovation in the sector can be improved by, for example, including pilots within a programme, reserving budgets for risks, and assuring and sharing expertise. It is essential to stress the value of experiments in general, irrespective of the outcome of any one. In short, it is important to shape innovation and change processes within an organisation. Pilots are one way of doing this, but there are other means, too: gradual organisation-wide change, for example. A large range of change strategies and approaches are conceivable. Through research in the chair, I will attempt to supply expertise in this field, drawing on, for example, the field of change management.

In this matter, collaboration between organisations is essential. Between clients and suppliers, because without knowing and utilising each other's interests, expertise and skills, essential innovation will not get out of the starting blocks. But also between clients themselves — especially if an organisation has insufficient capacity for its own programme but does have a need for change. I would like to make a passionate plea for increased collaboration between clients in this field, particularly between the more minor players. This will enable efficient joint exploitation of individual strengths and help employees keep their expertise up to date.

### 9. Is a little more alright?

'Is a little more alright?' is the title I chose for my inaugural lecture. You may well be wondering why I chose this title. While I hope that you have already

gained an impression of the message I would like to leave you with today, I would still like to explain a little.

It's with a touch of melancholy that I remember the Saturday shopping trips of my youth, visiting the baker and the butcher. Where the butcher sliced your meat while you waited, on one of those nice, shiny machines. Where the aroma of roast beef, rolled meat, or one of the other delicious house specialities filled the air. Where the butcher would always ask 'Is a little more alright?' if he sliced slightly more than you had ordered, and where the children were treated to a slice of sausage. That feeling of 'the customer always being right', of craftsmanship and passion for the trade, is less evident at supermarkets, with their enormous assortments but much more impersonal service.

Within the construction industry too, I see us ceasing to value craftsmanship and standing by our products, perhaps not focusing on customers as much as we should be or, to put it bluntly: our focus is wrong. The client should once again be the 'customer who is always right' and the construction industry the butcher who is proud of his delicious products and tries to sell a little more than ordered.

As we have seen, commissioning in the construction industry is a field undergoing rapid development. Under pressure from the encroaching economic and political tide, many public organisations are reconsidering their tasks. This includes the – in many cases secondary – responsibility of being a commissioning party in the construction industry.

It is a field in which teaching and research are still in their infancy. And that is why the Construction Clients' Forum has established the chair of Public Commissioning in the Construction Industry: a field that certainly deserves a little more attention.

Through and via my chair, I hope to be able to achieve several objectives:

- increased focus on and insight into the scope of the role of commissioning organisations;
- increased focus on commissioning within existing stock and asset management;
- increased focus on the various types of collaboration between parties and the demands they place on both client and supplier;
- increased focus on embedding the commissioning role within organisations;
- greater understanding of and insight into social responsibilities and public values relating to commissioning;
- increased focus on organising innovation itself become a little more open of

innovation and change;

- increased focus on assuring and sharing expertise, among clients and suppliers alike – paying significantly more attention to building expertise in the professional 'community', instead of individual organisations.

And, as I have outlined, in order to achieve these objectives, I envisage increased collaboration between all parts of the faculty, but also further afield. By sharing this expertise and insights with students and the professional field I hope, on the one hand, to pique students' interest in the fascinating profession of being a commissioning party and, on the other, to offer clients and perhaps even suppliers new insights that can assist them in their continued drive towards professionalisation.

In short: I hope that my chair can contribute to increasing the level of craftsmanship in commissioning. To the field of 'commissioning' becoming a serious profession – not nostalgic or old-fashioned, but open and innovative. Because, as I hope to have demonstrated to you today, public commissioning really matters and makes a fundamental difference to our everyday environment. And for all of us, a little improvement is a proverbial slice of sausage – vegetarian if preferred.

#### 10. Conclusion

I would now like to bring my inaugural lecture to a close. I think that it is important to take a moment to personally thank several people and organisations that made it possible for me to stand here today, wearing this lovely robe.

First and foremost, of course: the Construction Clients' Forum, which has been chaired by the inspirational Jan Hendrik Dronkers, Director General of Rijkswaterstaat, for a number of years now. After all, the forum – under the leadership of his predecessor Peter Jägers – initiated this chair. Without them, there simply would be no chair. I would like to offer deep thanks to them both, and to the forum itself, also for the trust placed in me.

And naturally: Hans Wamelink, currently interim dean of the faculty, Head of the Real Estate and Housing Department and the DCM Section, for the fruitful collaboration and his confidence in me. Also to members of my chair: Leentje Volker, Pieter Eisma, Rilana van der Gaag and, since recently, Karen Mogendorff. Without them, there would be no research and no organisation, just a busy woman in charge. Thanks to you all, especially Pieter for his contribution to the presentation material that you have seen this afternoon.

Thanks also to my colleagues at Brink Groep, who thought that this was an outstanding opportunity for me and help me to divide my time in – as one

colleague charmingly put it – an impossible, schizophrenic manner.

I am also proud to see people here today who have assisted me in my career from the very beginning and shown confidence in me. Hubert-Jan Henket, my thesis supervisor at Eindhoven and role model — along with Hans de Jonge; passionate, 100% motivated people and great to work with.

Thank you to my family, to my beautiful daughters Jula and Fiene, who suffer the most from my double role. They handle it exceptionally well and are happy when I am actually home. And they also help me keep things in perspective: as far as they're concerned, I am just a teacher at a school for really big children. And I think that sums it up quite well.

Thank you very much.

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#### Faculty of Architecture and the Built Environment Department of Management in the Built Environment

P.O. Box 5043 | 2600 GA Delft The Netherlands

T +31 (0)15 278 1697

www.tudelft.nl