



**Accelerating Change in Built Environment Education (ACBEE)  
Phase 3 Level 4/5 Case Studies**

**Costain Ltd**

***The Educational Supply Chain - Building Awareness***

**Summary of Case Study**

Costain aim to be No. 1 on social sustainability by emphasising the role of social and community improvements and the development of economic well-being linked to key infrastructure, regeneration and community based projects. Costain takes a practical approach through a leadership position on the national skills agenda using their Building Awareness Programme as a brand and tool for delivery.

In addressing this aim this case study looks at how partners within the Building Awareness initiative are addressing the problem of a skills shortage within the construction industry by establishing an educational supply chain. Building Awareness aims to raise young people's awareness of the Construction Industry through direct involvement and partnership with a number of schools and colleges across the UK. Building Awareness is linked to the Costain Business Strategy. It brings together all industry stakeholders - professional institutions, schools, training boards, the business supply chain, and Costain's own staff - together with a common purpose. To reverse the shortfall trend by lifting young people's sometimes inaccurate and unfavourable perception of construction as a career.

**Basic Information**

<b>Name of Main Author(s):</b>	Jeremy Galpin (Costain Ltd.)/Abi Jenkins (Lodestar)
<b>Industrial/Professional Collaborators:</b>	Costain Ltd.
<b>Department:</b>	N/A Industry initiative
<b>Institution:</b>	N/A
<b>Email:</b>	<a href="mailto:Jeremy.Galpin@costain.com">Jeremy.Galpin@costain.com</a> / <a href="mailto:abij@lodestaruk.com">abij@lodestaruk.com</a>
<b>Contact Telephone Number:</b>	01628 842444
<b>Case Study Title:</b>	The Educational Supply Chain – Building Awareness
<b>Theme:</b>	Addressing the problem of a shrinking workforce by raising awareness of the construction industry by engaging with education and the supply chain.

**Teaching Context**

<b>Subject Area Covered/Module Title:</b>	Recruitment, Retention, Social Sustainability, Skills Development
<b>Keywords:</b>	Building Awareness, Educational Supply Chain, Partnership, Social and Community Improvement.
<b>For how long has the engagement run?</b>	2003
<b>Subject area:</b>	Architecture/Building/Engineering/Management of Projects/Planning/Surveying

### Participants

<b>Number of Students:</b>	Sponsored 54 students for 2005-2006. 70 students since 2003
<b>Staff Involved:</b>	Around 50 staff are involved; of this around 12 have specific defined accountabilities in the scheme. As the scheme develops into 2006 the level of involvement from Costain staff will significantly increase and this will include board-level involvement.
<b>Level/Year:</b>	Aimed primarily at 15 to 18 year olds

### The Author(s)

<b>Please provide brief details of the Author(s) prior experience in this field:</b>	<p><b>Jeremy Galpin, HR Manager, Costain Ltd.</b> Costain is an international engineering and construction group with a reputation for technical excellence founded on more than 135 years of experience. The company is at the forefront of construction and asset management with emphasis on high-calibre skills and premier service.</p> <p><b>Abi Jenkins, Senior Project Manager, Lodestar.</b> Lodestar is a marketing consultancy that works with clients to develop strategy; create and manage stakeholder programmes; develop funding mechanisms and partnerships and deliver marketing and communication activities. Lodestar work with Costain to review, develop and deliver Costain's Social Sustainability Strategy.</p>
--	--

### Learning Methods & Resources

<b>Objectives/Learning Outcomes:</b>	To engage Costain staff and supply chain in the whole skills agenda that is addressing the issues of skills shortage, staff turnover, etc. to meet their clients' objectives and the business's strategic objectives.
<b>Outputs:</b>	<ul style="list-style-type: none"> <li>▪ Cheaper recruitment costs.</li> <li>▪ Supply chain engagement with education.</li> <li>▪ Apprenticeship and crafts opportunity.</li> <li>▪ Improve perception of the construction sector.</li> </ul>
<b>Teaching Method(s):</b> A brief description of what you actually did. What activities & interaction occurred?	<p>Work observation through site-visits, curriculum enrichment, work experience, work shadowing, 6th form scholarships, gap-year placements, sponsored degrees.</p> <p>In addition, NVQ and apprentice opportunities, high-profile events, engagement toolkit for schools and supply chain.</p>
<b>Assessment Procedures:</b>	<ul style="list-style-type: none"> <li>▪ Annual review of targets for work experience placements.</li> <li>▪ Events in schools.</li> <li>▪ No of schools contacted.</li> <li>▪ Sponsored 6th formers.</li> <li>▪ NVQ, day release and graduate recruits within Costain and the supply chain.</li> </ul>
<b>Support requirements:</b> <ul style="list-style-type: none"> <li>▪ For you and/or the students.</li> <li>▪ Funding/costs.</li> <li>▪ Did you or the participants require technical support?</li> </ul>	<p>Annual budget of around £60,000 excluding Costain staff input. The long-term objective is that Costain's total contribution to social sustainability including management time and all other forms of investment (i.e. in-kind) will achieve 1% of the pre-tax annual profits (currently £20 million).</p> <p>The supply chain provides work placements.</p>

### Drivers for the Engagement

<b>a. Collaboration between education, industry &amp;/or professional bodies.</b>	Costain are collaborating with recruitment agency partners, professional institutions and with members of their supply chain to share best practice in order to best address the objectives of their social sustainability strategy and building awareness. All these partners to engage with the educational supply chain, i.e. schools, colleges and universities. These partners are part of the National Agenda Group which is a working group.
---	---

<p><b>b. What explicit business needs/ strategic business objectives have been identified and set down?</b></p>	<p>The ultimate strategic objective is for Costain Ltd. to expand in turnover year-on-year with double-digit growth into the future and achieving this by:</p> <ul style="list-style-type: none"> <li>▪ being No. 1 on social sustainability by emphasising the role of social and community improvements and the development of economic well being linked to key infrastructure, regeneration and community based projects</li> <li>▪ taking a practical approach through a leadership position on the national skills agenda using their Building Awareness Programme as a brand and tool for delivery</li> <li>▪ leading the debate on the skills agenda addressing issues of skills shortages and staff retention which are key to Costain clients.</li> </ul>
<p><b>c. What is the process by which these shared objectives were identified and set down in a formal partnership agreement/alliance agreement?</b></p>	<p>The initial driver was the need for Costain to expand in turnover year-on-year with double-digit growth into the future. In order to achieve this growth the recruitment and retention of staff was crucial to the business and the Building Awareness Programme was developed to engage the educational supply change to directly source the long-term staffing needs of the business.</p> <p>To supply the level of growth, the manpower planning team realised staff would need to increase by 400 over a period of three years and on an ongoing basis. In order to achieve this long-term growth in the context of a skills shortage, it was necessary to formulate a strategy that engaged with education and the supply chain. In addition, Costain’s strategic approach to the supply chain means closer relationships with small number of partners and allowing the development of a strategic approach to the skills agenda with the key partners. Through the supply chain Costain are able to offer the full range of opportunities including craft and apprenticeship.</p>
<p><b>d. What evidence exists to demonstrate the engagement is meeting the explicit shared/strategic business objectives?</b></p>	<p>The Annual Working Group meetings involving members of the supply chain partners, professional institutes and recruitment consultancies which produce reports on the internal and external stakeholder consultation.</p> <p>The annual results scoreboard is collated by Lodestar on behalf of Costain, which has reported 54 sponsored students and 36 Building Awareness events for 2005-2006.</p>
<p><b>e. What process exists to ensure the engagement is continuously reviewed and updated to align with the business needs/strategic business objectives of all partners/alliances?</b></p>	<p>The annual process of the working party are responsible for sharing best practice, reviewing progress, planning annual events and contribute to funding.</p> <p>The annual processes of collating data against targets and for setting targets along with a regular review of the dedicated staff members. The targets are incorporated into the business strategy of the scheme at the corporate level.</p> <p>Lodestar was commissioned to undertake a review of Costain’s Social Sustainability Strategy and Building Awareness engagement model with education. This has resulted in a strategic review report being produced of what the scheme has achieved to date along with the options for moving forward. This report will be the external support in taking the engagement forward in terms of the implementation process and building on what has been achieved in Building Awareness, but making it a much more strategic and integrated approach across the whole business and linking into the national social sustainability agenda. Costain is currently in the process of putting together an implementation plan.</p>

**Measurement Process** (applicable where business strategy is the driver for engagement)

<p><b>a. What measurement process is in place?</b></p>	<p>The formal measurement process that is in place is the scorecard, which Lodestar collate on an annual basis. Costain is moving towards a more sophisticated web-based system to generate the information for the reports along with information for the newsletter. This system will be tied into the company’s balanced scorecard and the EFQM model.</p>
<p><b>b. What are the targets, success criteria, measurement, etc?</b></p>	<p>In terms of the annual scorecard the measurements/targets in place are:</p> <ul style="list-style-type: none"> <li>▪ Number of BA Mentors, Construction Ambassadors, Events in Schools, Site-visits</li> </ul>

	<p>Pupils Contacted, Sponsored 6th Formers and ultimately Recruits.</p> <p>In addition:</p> <ul style="list-style-type: none"> <li>▪ Number of educational establishments engaged.</li> <li>▪ Number of Costain staff engaged in delivering sustainability strategy.</li> <li>▪ Total investment in the delivery of the social sustainability strategy.</li> </ul>
<p><b>c. How was the process formulated, tested and validated and the targets/success criteria/measurement identified?</b></p>	<p>The process was formulated from the ultimate objective of recruiting people and the ultimate measures are how many people have been recruited. All these activities (measurements) are proven methods of attracting people into an organisation. Therefore, these build up strategically to the ultimate objective of recruiting people. The most effective method of attracting people is through work experience, which is the primary focus (second level measure), i.e. the first level is whether people have been recruited, the second level is how many work experience placements have taken place, and the other measures below that are supplementary/supportive – the whole process occurs in a funnel-like manner with the recruit finally dropping out of the bottom. These measures were agreed internally.</p>
<p><b>d. How do the results of the measurement process feed into forward strategic planning?</b></p>	<p>Costain is not analysing the supply chain activity in the standard format and there is a lack of supply chain engagement in the process along with an insufficient number of recruits are being generated from a very significant level of activity. Therefore, the strategy is evolving to standardise the engagement process on a project-by-project basis, in order to increase the number of recruits and improve the capture of information.</p>
<p><b>e. How do you ensure the measurement process is continuously reviewed and updated?</b></p>	<p>A 6-monthly External Audit process is carried by Lodestar which reviews the progress, key themes in the context of what is happening on the skills agenda and the bigger picture, targets specifically and assessing their relevance, level of engagement from the various partners, and other organisations and projects that need to be brought on board, etc.</p> <p>There are also external measures such as the Business in the Community (BiTC) PerCent Club, BiTC Companies that Count and compliance with the Considerate Contractor Scheme.</p>

**Attributed Improvements**

<p><b>From an Industry perspective, what improvement would you attribute the engagement provides in terms of:</b></p>	
<ul style="list-style-type: none"> <li>▪ Average recruitment costs as a percentage of starting salary?</li> </ul>	<p>This is considered an important attribute however this would also be affected by a number of other factors and influences that would have a greater impact. May need to target the KPI at a variety of levels depending on the level of engagement.</p>
<ul style="list-style-type: none"> <li>▪ Turnover of staff as a percentage of all staff?</li> </ul>	<p>This is relevant to Costain’s overall Social Sustainability Strategy. Again, there are a variety of factors that would influence the impact. However, this would be a factor of achieving the target of avoidable turnover of approx. 12/12.5%.</p>
<ul style="list-style-type: none"> <li>▪ Percentage of staff with first degree, professional qualification, post-qualification specialism?</li> </ul>	<p>This is less relevant as the engagement is to progress through a skills development programme. There is a potential improvement over a period of time.</p>
<p><b>From an Academic perspective, what improvement would you attribute the engagement provides in terms of:</b></p>	
<ul style="list-style-type: none"> <li>▪ Average UCAS tariff points?</li> </ul>	
<ul style="list-style-type: none"> <li>▪ Percentage of course places filled?</li> </ul>	
<ul style="list-style-type: none"> <li>▪ Student completion rates (number of students going straight through to graduation)?</li> </ul>	
<ul style="list-style-type: none"> <li>▪ Percentage of faculty at professorial level and with professional</li> </ul>	

qualification(s)? <ul style="list-style-type: none"> <li>▪ Percentage of graduates employed within three months?</li> </ul>	
<b>What other improvements would you attribute to the engagement?</b>	The number of entry staff being recruited directly from educational establishments.  The teachers engaged in the programme.  The improvement in the diversity of entry level intake, i.e. gender and ethnic diversity of staff in Costain and its supply chain through the direct engagement with educational establishments.

**Good Practice Tips**

<b>Further advice and pointers – incl. enablers/barriers/proposals for improvement.</b>	The critical issue is ensuring the correct resources are in place as these are a prerequisite to carrying out additional activities.  Integration with existing business processes is the most effective method of engaging the organisation with the Strategy.  The enthusiasm of the stakeholders involved in the engagement will ultimately drive it forward. The challenge is in capturing it for the wider benefit.
<b>How can other staff/partners adopt this technique/method?</b>	Visit the Building Awareness Website.  Download a copy of the Case Study.  Download copies of the engagement tools that are being developed. These will include: <ul style="list-style-type: none"> <li>▪ A policy statement.</li> <li>▪ A memorandum of understanding with the supply chain.</li> <li>▪ A memorandum of understanding with educational establishments.</li> <li>▪ A standard presentation to communicate what the Building Awareness Programme aims to achieve.</li> <li>▪ Corporate objectives.</li> <li>▪ Standard toolkit to be used by Costain and its supply chain.</li> <li>▪ Standard engagement process.</li> <li>▪ Newsletter</li> </ul>

**Additional Information**

<b>Any other factors/information you feel are important?</b>	The Building Awareness web site is available at <a href="http://www.buildingawareness.com/">http://www.buildingawareness.com/</a>  Partnering organisations include: <i>Institution of Civil Engineers (ICE)</i> <i>Construction Industry Training Board</i> <i>Fairfield-Mabey</i> <i>Aggregate Industries</i>
--	---

*Anders Elite*  
*Hill McGlynn*  
*Bachy Soletanche*  
*Travis Perkins*