

<u>Procuring for Success in the Finishes and Interiors Sector</u>

3 years ago



FIS, University of Reading, AMA Research and Barbour ABI are working together to understand how the fitout, finishes and interiors sector can deliver better value and improve supply chain relationships. You can complete the survey <u>here</u>.

The £10 billion fit-out, finishes and interiors sector puts the 'wow' into buildings – turning structures into functional, comfortable and safe environments. Homes, shops, offices, hospitals and schools are all rendered operational through fit-out. The workforce of 250,000 provides the essential scenery and settings which shape the lived experiences of building users. If construction is indeed to be assessed on perceptions of 'value', then the fit-out sector punches way above its weight.

Whether it be refurbishment or newbuild, construction of the interior system is a particularly time-sensitive and complex part of the building process and relies on robust procurement. Trade body, Finishes and Interiors Sector (FIS), is looking to better understand the challenges our industry is facing, how current procurement practices work and more importantly, can be improved.

The nature of the procurement process is often identified as a barrier to change. Dame Judith Hackitt's statement from the 2018 'Building a Safer Future' Report, confirmed that 'Improving the procurement process will play a large part in setting the tone for any construction project. This is where the drive for quality and good outcomes, rather than lowest costs must start.'

Whilst previous research has been published on mainstream construction procurement, such studies often fail to address the experienced realities of the specialist finishes and interiors sector. FIS recognises that more needs to be done to understand how procurement practices are affecting the fast-moving fit-out industry.



Reaching into the Supply Chain

As an initial phase, the group are inviting all in the supply chain to take part in this study and are keen to give a voice to all those doing the work to better understand how procurement practices in the finishes and interiors sector are working and need to evolve.

The research has been commissioned by FIS as part of its focus on supporting positive transformation within the sector. The aim is to benchmark current practices and explore how procurement impacts effective delivery.

Data will be gathered in the strictest of confidence and aggregated to support the wider research. All those responding will be issued a final copy of the report.

FIS Chief Executive Iain McIlwee stated: "The key to unlocking the potential of construction and unleashing the culture change that we need in the finishes and interiors sector sits squarely in procurement. That isn't a revelation. Virtually every report written about the sector has raised concerns about procurement practices that facilitate a race to the bottom and create adversarial relationships.

Our sector is complex and fast moving, too fast at times. To work out where we are going we need to be honest and open about where we are at, understand the real time pressures we are creating, the pinch points, to take stock, benchmark and vitally, to understand from all parts of the supply chain how we can improve.

The regulatory, environmental, commercial and moral drivers for change have never been stronger and this research is an exercise in active listening, an opportunity to give voice to all in the supply chain and the start of a practical call to action for positive change."

Professor Stuart Green from the University of Reading commented: "Procurement is undoubtedly of central importance to construction performance. But despite many well-intentioned previous initiatives, few have bothered to access the reality of how procurement operates within the finishes and interiors sector. We are seeking to redress this imbalance by collecting evidence from those directly involved. In striving to improve procurement practice, it is vital to establish the baseline from which we are starting. Wishful thinking alone will not deliver the sustained improvement in practice which is undeniably necessary."

You can access the survey here.

For further information or for any questions please contact FIS at info@thefis.org or call 0121 707 0077.