

Colas

Colas changes its attitude

A different mind set is being developed by Colas, to speed its transition from materials supplier and surfacing contractor to being a long term service provider.

Colas is no longer content with having a solid reputation merely for highway materials, products and processes. The company does not want to be seen only as a supply chain partner. It has considerable skills in roads construction and maintenance and is building a portfolio of long term service contracts with local authorities and the Highways Agency. In a nutshell, what Colas wants is to be perceived as it is: an increasingly significant player in the UK's highway services market.

"We're punching at a higher level than we used to, but our footwork has to get better and our talents better known," says Colas Director of Highway Services Adrian Sheppard.

It is Mr Sheppard's job to develop the company in the long term maintenance market so that it is more than a match for the current competition. Colas has already had a fair share of success: it has won the pioneering Portsmouth PFI contract to maintain the city's roads 'fence to fence' for 25 years, local authority TMCs (term maintenance contracts), other framework contracts and – in joint venture – the Highways Agency's Area 14 MAC (Managing Agent Contract) in Southampton and Newcastle. It is also a joint venture partner in SWH and provides highway maintenance services to Devon County Council.

All this is just a start. Adrian Sheppard is building a team – known, appropriately

enough, as the Highway Services team – dedicated to identifying further actual and potential opportunities in the highway maintenance and management services market. Team members are tasked with helping clients identify exactly what they need; putting in the right bids for the work, in terms of quality and price; and then making sure that the contracts are set up and running to everyone's satisfaction.

"The absolute keys are knowing the clients well and fully understanding their requirements. Only then can we develop the best contractual models to ensure delivery. Along with actually winning the contracts, these are the primary functions of the Highway Services team," he says.

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There are currently around 25 team members, split into two groups. One of these – the 'work winning' group – identifies clients, looks at new opportunities and writes the quality submissions. It also looks at business development in general. The 'commercial' group does the estimating, supply chain organisation and number crunching. It then actively supports the new business when this is secured, making sure everything Colas said it would provide is actually delivered. This is an ongoing function.

"Colas is becoming a provider of highway maintenance solutions across the board and

Colas' Portsmouth PFI team – central to the company's long term strategy for service provision





Promises made by the Work Winning team ensure clients benefit from innovations such as Colrug thin surfacing

will we hope increasingly be seen by the public sector as such," he says. Adrian Sheppard was recruited two years ago from the Atkins consultancy, where he was involved with integrated services delivery, "looking at the same markets that Colas is now". As much as anything, his role is to effect cultural change.

"Colas was extremely good at doing what it did and could still make a comfortable living as a materials supplier and supply chain partner. But as that kind of company, you are dependent on the success of others and have much less control over your own destiny. We want to be a bigger player as a major maintenance contractor, more in control of events.

"Colas was relatively late into the highways services market. Perhaps we are now benefiting by the mistakes others have made, opening up the new marketplace. Whatever. Times have changed especially in procurement and we're having to change with them, in order to prosper in the future."

Internally, Colas launched a business improvement initiative, 'Make it happen', to make its people conscious of the need for change and aware that the company could not stand still. Clients are better informed and more demanding these days, employees were told. For instance, they no longer want the best price, they now want the best quality

at a price they can afford. And relationships with clients do not last for three months or a year any more, while a job is being built; now they last for three, or five, or even 25 years.

Some scepticism has had to be overcome and some silos broken down, in getting the messages across. "What you know is easy, what you don't know can be discomfiting," Sheppard says. That said, Colas is in an enviable position as one of the few organisations to boast a complete vertical supply chain: from provision of aggregates, to coating and delivering these aggregates, to delivering surfacing as part of term maintenance contracts, for instance. Many of its employees' traditional skills and knowledge remain just as pertinent in the 'new age'.

Nor is the company averse to bringing in high calibre outsiders who understand the principles of services provision, who can look at – say – transport in the round, rather than just roads construction

"We need the broader view of highways and transportation and people that can innovate (and I'm talking services innovation here, not just materials) and bring in new ideas, to meet client needs and deliver more. People capable of helping the company achieve a public service mind set."

Colas' term maintenance turnover is running this year at around £100M, a figure

the company wishes to double in short order. A measure of its success in recent months is that, out of a number of major submissions, it secured one and came second in three. In tender debriefings, it had come top in several more in terms of quality. And of term maintenance contracts emerging, the company is prequalifying for three quarters of them.

PUTTING INTENT INTO PRACTICE

Colas' declared aims are "to provide best value solutions in the fast developing local authority sector" and "to strengthen our services to the Highways Agency" as a provider of Term Maintenance Contract (TMC), Early Contractor Involvement (ECI) and Framework activities.

It is currently involved in: HA Area 14 MAC (in the A-One JV with Halcrow); London Borough of Hammersmith & Fulham TMC; Devon County Council TMC (SWH JV); Portsmouth City Council PFI; Kent County Council street lighting; and East Sussex County council vehicle maintenance and street lighting.