

# NO FLIGHT OF FANCY

**What happens when ground-breaking innovation meets an aggressive timeline? In the case of our seventh Pathfinder project, Air New Zealand's Project Kingfish, the outcome was success, but valuable lessons were learned along the way.**

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**A**nyone who has been to an airport lately will have seen the results of Project Kingfish, which aimed to improve the customer journey, thus requiring Air New Zealand's processes to be streamlined. This 15-month project installed the latest mobile and barcode technology and platform and kiosk systems within 26 domestic airports around New Zealand. One of many challenges was that the airports had to continue to operate as usual. The result is a world-leading end-to-end automated check-in, bag drop and flight procedure.

## Pressure brings pain

Although a successful project – it met the client's expectations, was delivered on time, to quality and to budget – issues arose due to the aggressive time constraints.

These issues are generic in the current climate. Clients are trying new procedures such as alternative methods of delivery or, as in this case, a hybrid, but they are setting them up under pressure and are not always aware of the consequences of the choice they are making.

The project team proved they were able to step up and deliver, but the cost was a conflict of expectation, particularly between the client and the internal Property Group. The Property Group's role was to ensure that the fundamentals were maintained. From prior experience, they preferred the traditional procedures, which gave control of delivery and a known level of documentation in case things go wrong. In realising the client's timeframe, and still achieving necessary documentation to gain 26 consent processes and 26 airport authority approvals while designing, meant expectations were not always met. Tension between the different parties often resulted as people engaged in this superfast-track delivery process.

## Project evolved to include rebuild

Initially, Air New Zealand had set a 12-month target. Four of their major departments (IT,

Marketing, Operations and Property) were involved, plus consultants – at some stages, over 400 people. The construction segment made up only 20% of the work involved.

Nine months in, the Air New Zealand client found that the project had evolved from reviewing and redefining the customer process, particularly updating technological parameters, to addressing the full customer experience. The new experience needed to be supported by a new design layout and rebuild of the domestic terminals.

Concurrently, both Air New Zealand's Property Group and Coffey Projects were highlighting the extremely challenging timeframe that the client had set, yet the client was determined to achieve the timeline, as it was of strategic importance.

## 6 months from design to completion

There were now only 6 months for the design, appointment of contractor and construction fitout of 26 domestic terminals, each with special requirements. The need to coordinate between the stakeholders, improve information flow and push design decisions resulted in Ignite Building Consultancy's Peter Harris being appointed as Kingfish Airports project director. Ignite Interiors were also appointed to complete the design work.

The project was go! The fast-track approach required to meet this timeframe was challenging and meant that the preferred fairly traditional procedures (linear design, procure, build) had to be modified.

The Property Group selected Hawkins as the contractor prior to the commencement of design, and a negotiated contract was agreed based on a fixed margin and a schedule of rates. Their established relationship with Air New Zealand, extensive knowledge of the different airports and the trust that had been developed between the two parties prompted their selection. It was felt that they would support the fast-track process well and not take advantage of the lack of documentation.

## Blurred roles, on-going changes...

The intensity of the superfast-track approach often resulted in tension due to the 'real time' process and behavioural changes needed to achieve the deadline. Blurred roles provided the greatest source of angst. People were either missed out of the loop, unsubstantial documentation slipped through at times and traditional procedures were carried out that were at odds with the demands of the workflow. Initially, this had an adverse effect on establishing relationships, but the team became stronger as people started to accept the need to work differently and see that the goal was achievable.

The strong focus on innovation, both in design and IT, further exacerbated the pressure on the tight deadline. The continual evolution of both design and IT meant that, each time one aspect changed, it affected the other.

The client also had to grapple with the sheer volume of decisions required from both the overall design and the different requirements of the 26 airports. There was no blueprint to base decisions on, and all departments needed to review changes to ensure both the functionality and consistency of branding. R&D and design were happening simultaneously.

## Key systems for success

Several systems were important in helping make the project a success.

*RACI matrix* – This identified and confirmed the roles and responsibilities of the project team and helped communication and information flow. Having this structure helped, although the focus on delivery meant procedures weren't always followed.

*Combined risk register* – The potential risks were discussed at a workshop, and this formed the basis of the combined risk register.

*Project control group* – This was established early to control process and act as a decision-



making forum, which ensured issues were aired/resolved quickly and helped minimise mistakes recurring.

*Health and safety* – This was strictly adhered to, even under time pressures, resulting in clear procedures and exemplary records.

*Project planning* – Site delivery of construction was micro-managed despite there being little forward planning due to time constraints. Project stages were detailed and carefully thought out, and activities were mapped on a daily basis.

*Communication* – Key parties were available for input 24/7 throughout the critical phases of the project. This was vital to success.

### Challenging project but great outcome

The outcome was that Air New Zealand's vision became a reality. The journey was intense, often resulting in tension. On the upside, the intensity also generated friendships, and everyone was extremely happy with the outcome and the sheer achievement of this most challenging project.

### Corporate and property clients

This Pathfinder project is a good example of the dilemma that clients often find themselves in today. Clients come in two halves – corporate and property clients. The corporate client's business is moving people in transit, or selling them goods and services, and so on, whereas the property client is the team within the client organisation whose role it is to deliver and manage property and infrastructure solutions to support the core business. The two client halves are not always operating under the same drivers.

In this case, the corporate client's driver was to introduce a new customer experience as fast as possible, and the property client's driver was to maintain integrity of the process and ensure the best price. They achieved the client's timeframe, a remarkable achievement, but at a premium cost, and so far there have been no major repercussions to the sometimes minimal specifications that supported the work.

### Upskill before change

Property clients today would benefit by being more aware of alternative approaches to achieving their corporate goals *before* the corporate client descends upon them with a live challenge. Also, corporate clients need to understand the implications and long-term consequences of

their decisions. New approaches require time to upskill and embed behaviours. The business case for change has become clearer over recent years, and there are many sources of further information on achieving best value from the construction supply chain.

Trialling and adopting new ways of working under pressure may mean clients get what they want, but not without some pain and a risk of failure. Ideally, the two client halves should evaluate their procurement procedure together and develop an overall strategic plan aligned to their drivers before they 'feel a project coming on'. In this case, the procurement procedures needed to match the fast-track approach demanded by the client. ❖

Project	Kingfish
Client	Air New Zealand, Todd Grace
Construction project director	Ignite Building Consultancy, Peter Harris
Architect	Ignite Interiors
Contractor	Hawkins Interiors, Graham Smith
Overall project managers	Coffey Projects, Andrew Taylor, Auckland
Region	Nationwide (26 domestic airports)
Sector	Interior fitout
Final contract value	\$15 million
Tender	Negotiated contract
Contractor selected	May 2008
Construction timescale	June–December 2008
Form of contract	NZS 3910 with special conditions