"Leading Through Technology" - CEO Forum- October 2014

The Housing Forum CEO Forum on the topic of Leading Though Technology - aimed at the key information management challenges facing housing providers. *Chaired by John Cross, Deputy Chair of The Housing Forum Board with Principal Speaker, Dr Mike Waterston. Contributions from: Elspeth Mackenzie, Thrive Homes; Karen Heaney, Home Group and Jeremy Kape, Affinity Sutton and chair of The Housing Forum Working Group "Investing in our housing assets"*. Hosted by Waterstons Ltd, 22nd October 2014.

The Housing Forum runs a monthly CEO Forum to support our permanent campaign for more homes and better homes through 3 Working Group work streams: *Building homes for the future, Investing in our housing assets* and *Smarter Supply: Smarter Resources (the supply chain)*. We build leadership and influence within the housing sector and the cross sector representation of our membership equips us to investigate issues that require collaboration and expertise for successful outcomes.

TOPIC: "Leading Through Technology - Focus on Strategic Skills for Housing Leadership"

Covering: -

- **the relationship between business drivers for change within housing provider organisations and leading the application of technology by senior executives.**

All businesses in the housing sector can achieve material outcomes and improve productivity and income through technology but Mike Waterston argues that its application falls well below potential and in many organisations is a massive missed opportunity.

Elspeth Mackenzie, Chief Executive, Thrive Homes opened discussions, covering the perspective of housing associations, and future business challenges - in relation to processes and staffing skills. It is generally the case that customers now expect accessible services "on line" drawn from their experience of 24 hour retail offerings. These expectations are making housing associations think about the organisation of their own business processes and how "agile" working practices can be introduced. Managing brands in an online environment can also be a challenge for Housing Associations. Individual staff members also use their own personal IT technology which is often more advanced that that used by their employer. Recruiting staff with the right IT skills and keeping control over business critical issues are two of the current principal challenges.

Karen Heaney. Director of Asset Management, Home Group gave an overview of the strategic challenges particularly in relation to business processes, organisational challenges and future decision making Home Group are diversifying into justice and probation contracts and integrated care services so need appropriate processes to balance the group's social purpose and mission with geographic challenges.

Enhanced understanding of core processes and their potential for integration will be achieved through Enterprise Resource Planning which will be supported by culture change and will deliver an annual saving of £9.5m. Home Group's Property Condition Survey is a substantial factor in the group's knowledge of their housing stock. It is critical to understanding and planning for component renewal and life cycle costing for a national stock of 55,000 properties. Business is further supported by a strategy that focuses on the office as a location for team building and connectivity with tenant interface largely mobile estate based, supported by self selection consumer points. This has allowed the number of office locations to be halved and it is likely numbers will reduce further over time. Simplifying the core processes is critical to releasing capacity to deliver priorities, especially in a scenario of reducing grant.

The host and Principal Speaker, *Dr Mike Waterston* gave his views on leadership challenges in the future, covering how housing associations particularly have access to a mass of information - on property and on residents and are affected by Government systems e.g. welfare benefit processing.

Mike's opening message to the Chief Executives is to have a discernible strategy for your business understanding the strategic context, what needs to be achieved and where IT fits in. Mike spoke of his general experience encountered in large customer facing organisations. The application of IT issues is rarely understood and consequently decisions are taken for the wrong reasons - a massive missed opportunity by not using technology to advantage. If there is a lack of appreciation then this can lead to IT not being valued and so IT solutions are off loaded to an IT director which pigeon holes technology as a only a cost justified concept. The starting point should be the actual strategy of the organisation and a communicated strategy for the business. At the top level, organisations have to embrace the whole idea of defining a strategy and IT is only one part of this.

Waterstons' "discipline driver model" looks at 3 types of businesses: Operationally Excellent, Product Leader and Customer Intimate - and then, at what type of IT is needed to follow those businesses drivers. Devolution to a specialist group is misguided with many examples of failure.

Another element is to identify whether there is a material benefit. How much money am I going to make not save is the critical question using 5 criteria - *Improve customer service, raise productivity, get management information in a timely manner, encourage innovation through collaboration and eliminate risk impact*.

It is very important to choose IT staff carefully and see through the mystique - best dealt with by a leading staff member who is aware of both the business and technological sides.

Discussion centred on:

- Cost and complications can arise by seeking bespoke solutions but experience shows that standard solutions generally work better. Housing organisations run the risk of seeking too much specialism when generally a standard solution can do the job. The technology is the enabler of change and the biggest challenge is changing the way business practices operate to benefit from the changes.
- A robust change management plan is crucial to ensure successful transition of processes with strong leadership required to overcome any management difficulties.
- Control of data is critical and businesses need to understand that data quality is a key business responsibility. Leadership can focus on rationalising procedures, and spotting duplication
- 2%-3% of company turnover should be sufficient to cover the ongoing cost of IT.
- Future flexibilities- what are you expecting the IT system to do? Systems are becoming adaptable so ask if it is possible to "flex" your system. IT should always be viewed as a Business Project, not just an IT Project.
- Shared service platform - with expertise and applications shared between housing providers is yet to be explored for the sector.

Jeremy Kape, chair of The Housing Forum Working Group "Investing in our housing assets" set out the emerging priorities from this Working Group and its call to action for government to focus on a simple, effective energy strategy, giving the social sector the opportunity to lead and ensuring certainty for research and development in the supply chain.

THE HOUSING FORUM IS GRATEFUL TO WATERSTONS LTD FOR HOSTING THE CEO FORUM

GUESTS ATTENDING:

- Yvonne Arrowsmith, Chief Executive, East Thames Group
- Elaine Bailey, Chief Executive, The Hyde Group
- Jo Barratt, Operations Director, Thrive Homes
- Andrew Billany, Managing Director, Homes for Haringey
- Lorraine Collis, Chief Executive, RLHA
- John Cross, John Cross Consulting (Chair)
- Colin Farrell, Senior Partner, Faithorn Farrell Timms LLP
- Shelagh Grant, Chief Executive, The Housing Forum (Co-Host)
- Karen Heaney, Director of Asset Management, Home Group
- Jeremy Kape, Director of Property Investment & Chair of The Housing Forum Working Group "Investing in our Housing Assets"
- Elspeth Mackenzie, Chief Executive, Thrive Homes
- Alistair McLeod, Director, Waterstons Ltd (Co-Host)
- Nadine Musgrave, Southern Area Manager, Waterstons Ltd (Co-Host)
- David Renwick, Chief Executive, Ocean Housing Group
- David Standfast, Chief Executive, Saxon Weald
- Laura Waind, Membership & Development Manager, The Housing Forum
- Mike Waterston, Managing Director, Waterstons Ltd (Host)
- Chris Willis, Partner, calfordseaden LLP