

Overview

This unit is about improving your products and processes and managing business risk. It is about assessing and managing the risks to and the opportunities for the business. You must be aware of the wider strategic world that your business is part of and make strategic judgements about the risks you need to deal with, and the opportunities you choose to exploit. You must also be able to gain the support of your teams for your decisions.

You will need to assess your current practice and the potential for continual improvement. You should also be able to obtain feedback from your clients or customers as to how you are serving them and how this service could be enhanced to further meet their needs and expectations

Performance criteria

You must be able to: **Assess risks and opportunities**

- 1 identify and review information relating to risks and opportunities
- 2 identify risks and opportunities arising from the review
- 3 identify and assess the significance of the risks and opportunities of current and future activities
- 4 take responsibility for checking and confirming that risk management processes are undertaken
- 5 use information from risk management processes to inform the development of business policy

Manage business risks and exploit business opportunities

- 6 review the risks and opportunities which have been assessed
- 7 formulate business judgements about risks and opportunities based on the best information and experience
- 8 decide on the courses of action to be taken about risks and opportunities
- 9 specify clearly the procedures for implementing the risk management methods
- 10 implement and maintain the risk management methods and procedures and modify them to meet changed circumstances

Examine and agree improvements to design services

- 11 identify operational and contextual factors and realistic objectives for the development of new and existing products and processes
- 12 evaluate the strengths and weaknesses of existing products and processes, methods and techniques and check whether they are suitable for achieving the required products and processes
- 13 analyse available data and information and identify needs and requirements for operational change and development
- 14 identify, examine and challenge advances in products and processes which have been proposed
- 15 identify and make the best use of opportunities and facilities to test advances in products and processes
- 16 estimate what funding and resources will be needed for development and the added value which would be expected
- 17 commission suitable projects to specify and test new and improved products and processes which will achieve the identified operational needs

Direct design service business risk and opportunities

- 18 identify valid and realistic improvement measures which will maximise added value
- 19 develop, agree and implement proposals for advances in products and processes
- 20 check with clients and customers that the improvement measures have satisfied their needs
- 21 develop a culture of continuous improvement to products and processes

Knowledge and understanding

You need to know and understand:

Assess risks and opportunities

- 1 what to identify as information relating to risks and opportunities (understanding)
- 2 how and why to review information relating to risks and opportunities (analysis)
- 3 what to identify as risks and opportunities arising from the review (understanding)
- 4 what to identify as the significance of the risks and opportunities of current and future activities (understanding)
- 5 how and why to assess the significance of the risks and opportunities of current and future activities (analysis)
- 6 how and why to take responsibility for checking and confirming that risk management processes are undertaken (evaluation)
- 7 how and why to use information from risk management processes to inform the development of business policy (application)

Manage business risks and exploit business opportunities

- 8 how and why to review the risks and opportunities which have been assessed (analysis)
- 9 how and why to formulate business judgements about risks and opportunities based on the best information and experience (evaluation)
- 10 how and why to decide on the course of action to be taken about risks and opportunities (evaluation)
- 11 how and why to specify clearly the procedures for implementing the risk management methods (evaluation)
- 12 how to implement the risk management methods and procedures (application)
- 13 how to maintain the risk management methods and procedures (application)
- 14 how to modify the risk management methods and procedures (application)

Examine and agree improvements to design services

- 15 what to identify as operational and contextual factors and realistic objectives for the development of new and existing products (understanding)
- 16 how and why to evaluate the strengths and weaknesses of existing products

and processes, methods and techniques (evaluation)

17 how to check whether existing methods and techniques are suitable for achieving the required products and processes (application)

18 how and why to analyse available data and information (analysis)

19 what to identify as the needs and requirements for operational change and development (understanding)

20 what to identify as advances in products and processes (understanding)

21 how and why to examine advances in products and processes which have been proposed (analysis)

22 how and why to challenge advances in products and processes which have been proposed (analysis)

23 what to identify as opportunities and facilities to test advances in products and processes (understanding)

24 how to make the best use of opportunities and facilities to test advances in products and processes (application)

25 how to estimate what funding and resources will be needed for development and the added value which would be expected (analysis)

26 how and why to commission suitable projects to specify and test new and improved products and processes which will achieve the identified operational needs (evaluation)

27 how and why to identify valid and realistic improvement measures which will maximise added value (evaluation)

28 how and why to develop proposals for advances in products and processes (evaluation)

29 how and why to agree proposals for advances in products and processes (evaluation)

30 how to implement proposals for advances in products and processes (application)

31 how to check with clients and customers that the improvement measures have satisfied their needs (application)

32 how and why to develop a culture of continuous improvement to products and processes (evaluation)

Scope/range

Assess risks and opportunities

1 Information:

- 1.1 environmental
- 1.2 statutory and legal requirements
- 1.3 client, user and community requirements
- 1.4 construction and technical factors
- 1.5 site constraints
- 1.6 finance, procurement and contract
- 1.7 quality
- 1.8 cost
- 1.9 timescale
- 1.10 political and ethical

2 Risks and opportunities:

- 2.1 health, safety and welfare
- 2.2 management and workforce experience
- 2.3 information management and project stage decision making
- 2.4 complexity and scope
- 2.5 consents
- 2.6 team composition
- 2.7 project costs
- 2.8 impact on business
- 2.9 technical considerations
- 2.10 timescale
- 2.11 contract form
- 2.12 availability of resources
- 2.13 maintenance and communication of information
- 2.14 innovation
- 2.15 impact on costs
- 2.16 quality
- 2.17 impact on natural and built environment
- 2.18 impact on communities
- 2.19 impact on users
- 2.20 public and third parties
- 2.21 procurement
- 2.22 timescale reduction
- 2.23 profitability
- 2.24 energy
- 2.25 sustainability

2.26 resource scarcity

3 Risk management:

3.1 eliminate/minimise risks

3.2 control risks at source

3.3 cumulative protection

3.4 mitigate

3.5 allocation of responsibility

3.6 maximise opportunities

3.7 contingency planning

3.8 risk register

Manage business risks and exploit business opportunities

4 Risks and opportunities:

4.1 health, safety and welfare

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4.22 timescale reduction

4.23 profitability

4.24 energy

4.25 sustainability

4.26 resource scarcity

5 Business judgements:

- 5.1 obtaining work
- 5.2 evaluating and finalising tenders
- 5.3 proceeding with commissions
- 5.4 procurement/partnering
- 5.5 finalising designs

6 Risk management methods:

- 6.1 eliminate/minimise risks
- 6.2 control risks at source
- 6.3 cumulative protection
- 6.4 mitigate
- 6.5 allocation of responsibility
- 6.6 maximise opportunities
- 6.7 contingency planning
- 6.8 risk register

Examine and agree improvements to design services

7 Operational factors:

- 7.1 market conditions
- 7.2 business objectives
- 7.3 work environment
- 7.4 availability of people and resources
- 7.5 competence of people
- 7.6 quality management
- 7.7 existing design services
- 7.8 existing process, methods and techniques

8 Contextual factors:

- 8.1 social
- 8.2 political
- 8.3 cultural
- 8.4 financial
- 8.5 economic
- 8.6 environmental
- 8.7 regulatory
- 8.8 client/customer expectations

Direct design service business risk and opportunities

8.9 project requirements

8.10 market conditions

8.11 design as part of the business

8.12 advances in occupational practice

9 Products:

9.1 raw material

9.2 materials and components

9.3 systems

10 Strengths and weaknesses:

10.1 market share

10.2 scope of products and services

10.3 availability of resources

10.4 working practices

10.5 productivity

10.6 profitability and cost factors

10.7 corporate values

10.8 climate change, energy demand and carbon neutrality

10.9 environmental impact

10.10 socio-economic factors

10.11 ability to innovate

10.12 efficiency of systems (including information technology)

10.13 product life-cycle

10.14 understanding of clients' needs

10.15 standardisation

10.16 feedback and evaluation

10.17 waste reduction

10.18 availability of competent staff

10.19 standardisation

11 Processes, method and techniques:

11.1 design expertise and systems

11.2 advisory services

11.3 management services

11.4 production systems

11.5 control systems

11.6 information management systems (e.g. Building Information Modelling, Customer Relationship Management (CRM), & Enterprise Resource Planning (ERP))

12 Analyse:

12.1 feasibility studies

12.2 Strengths, Weaknesses, Opportunities and Threats analyses

12.3 against industry performance benchmarks

13 Data and information - sources:

13.1 professional journals and publications

13.2 data from within the built environment sector

13.3 information from other industries

13.4 project feedback

14 Measures:

14.1 adopting current best practice e.g. ISO 9001, EFQM

14.2 new processes, methods and techniques training

Direct design service business risk and opportunities

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Suite Built Environment Design and Consultancy Practice

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