

Country case: Positive work culture in the construction of Heathrow Airport Terminal 5 (UK)

Description

One of the core values within T5 was teamwork. This was encouraged through the passing of a rock upon a completed milestone. This ceremonial handover may seem trivial, but was done with great pride and the teamwork culture within the project meant workers did not want to let the team down by passing the rock late. Within T5, the British Airports Authority (BAA) sought to create a new culture that encouraged people to: i) seek out, capture, and exploit the best practices of others; ii) remove the barriers and inhibitors to doing things differently; iii) motivate and support good ideas; and iv) leverage the commercial incentives to perform exceptionally. The procurement methods adopted in the T5 agreement created a different climate compared to that of traditional design and build methods, as the feeling of trust and co-operation is key to success.

The T5 agreement was a cost-plus contract (the client pays the suppliers actual cost plus a fixed fee which includes overheads and profit) based upon a partnering approach. The T5 agreement was based upon behaviours and relationships, allowing “bespoke” interactions between BAA and suppliers. Literature suggests that contractors involved in megaprojects usually “play games” with more traditional contracts, such as bidding low to win the project and then working to commercially protect their company. The approach adopted within T5 discouraged these methods by adopting fair payment practices and changing the culture within the project. BAA instilled a culture with reduced emphasis on contractual principles commonly observed in construction and promoted a behavioural focus. The reduction in contract focus allowed an informal approach, in turn reducing the contractual conflict commonly reported. A goal sharing rather than individual goal culture was adopted within T5.

Source: OECD (2015), [Effective Delivery of Large Infrastructure Projects: The Case of the New International Airport of Mexico City](#), OECD Publishing, Paris.

Public Procurement
Principle: **Capacity**

Procurement Stage:
Post-award

Audience: **Procuring Entity,
Private Sector**