



association of
consulting and
engineering

ace association of consulting and engineering
Level 11, 79 Boulcott, PO Box 10247, Wellington 6011
(04) 472 1202 | service@acenz.org.nz | acenz.org.nz

23 September 2021

Johan Rivas
Senior Quality Assurance Advisor
Transport Services – Programme and Standards
Waka Kotahi New Zealand Transport Agency

By email only: Johan.Rivas@nzta.govt.nz

Kia ora Johan,

PACE review feedback

Thank you for the opportunity to submit feedback on the review of the quality related PACE performance criteria. Our consultants highly value the collaborative relationship with Waka Kotahi and the invitation to provide feedback on this review.

Our feedback focuses not so much on the details of the proposed changes but rather on the overall approach, which we think could be improved to be less rigid and formulaic, more permissive of innovation, and more focussed on outcomes.

Feedback on PACE

Our members report having PACE and the ability to engage with a project manager on a regular basis is positive, as is the ability to step through projects over a long period of time.

However, there is a risk in any evaluation system that valuation measures become divorced from real world outcomes and become the priority at the expense of those outcomes - that people 'work to the test' and ticking the boxes becomes the goal. We're concerned that this risk is not sufficiently mitigated by the proposed changes. Feedback from our members has been that the PACE system, while good in intent risks becoming a check box exercise with tests not well-aligned with outcomes we should be seeking. The processes risk encouraging a transactional approach, whereas our consultants value a collaborative relationship with Waka Kotahi.

In particular, they note the processes:

- lack flexibility and tailoring for different kinds of projects, including strategic planning, business case and advisory. Attempts to put very different projects, of greatly varying type, scale, and complexity into a standard box doesn't allow for nuances in projects that standardised questions can't capture and risks treating projects as products

- satisfy construction contractor requirements over other kinds of projects
- prioritise constructability, which becomes simplicity, and doesn't necessarily result in the best design or solutions. Responses to RFIs are not necessarily an indicator of constructability or of good design consultant performance
- needlessly replicate internal quality assurance processes
- create a barrier to operating as a team, creating an evaluator/evaluatee relationship, encouraging a transactional model rather than ongoing cooperation
- are prescriptive nature which means scores don't necessarily reflect discussions
- allow for different interpretations of scoring regionally and by individuals, which can unfairly hurt contractors/consultants

All of this mean there is a risk that a consultant/contractor can score high by working to the test, and yet not provide a good service.

Our members also noted that defect management is designed for products, not services, and the non-conformance zero score is too strong and doesn't allow for mitigating circumstances.

What does good look like?

The feedback we received from our members is that the system could be titled more towards prioritising choosing the right supplier for the work in the first place and leveraging the supplier's own quality assurance processes, rather than just reviewing the boxes they have to tick.

They suggest there could be a system of tiering, to recognise that some projects are more complex than others and to match suppliers accordingly. The goal should be to get the right people for the job from the outset to set them up for success and reduce the amount of performance assessment that needs to be carried out during the project.

We think a higher-level review would be useful to affirm:

- the overall goals of PACE in light of the broader outcomes we are seeking
- the criteria that best ensure the right consultants/contractors are selected for the work at the outset
- how monitoring can ensure work is going as planned without passing the evaluation becoming a goal unto itself

From this, we suggest that a better system would:

- carry out a pass/fail on basic steps of quality assurance, before contracting work, and operate on a more relational basis thereafter
- more accurately reflect goals, encourage innovation, plan for succession
- identify the factors that lead to good/bad results and evaluate those
- recognise we can't solve all problems with process
- foster a team approach, rather than contractual approach

ACE New Zealand would be keen to hold a meeting/workshop with you to share the view of PACE from a consultant's perspective and help work towards what a better system would look like.

Nga mihi,

A handwritten signature in black ink, appearing to read 'H Davidson', with a stylized flourish at the end.

Helen Davidson
Chief Executive