

Changing the focus in the pursuit of quality

This year our research programme *Eliminating quality issues* took a new approach and dug deeper into the root causes of poor quality in new builds. We responded to industry calls for better tools to equip clients with more knowledge so they could demand quality. We learned the problem was not the lack of reliable information but the lack of tools and guidance that help consumers navigate through a flood of information.

Rework to fix mistakes is time consuming and bad for business. Understanding the causes of build quality issues and identifying how to address them is not new for BRANZ. Our work is driven by the desire to make sure the built environment is the best it can be. Exploring ways to help builders get it right first time has long been one of our research focus areas. This year, we widened its lens to include clients.

We knew through previous research that clients have significant influence on the construction process. In this year's study *Knowing enough to ask*, we asked newbuild clients how they equipped themselves with information before building a house. Most started out with only a basic understanding of the building process. The sources they used were primarily promotional material, advice from others and the internet. The majority did not know how their build was likely to progress and what their rights and responsibilities were.

Clients who had access to impartial expertise such as from Eco Design Advisors, a free service supported by some councils, felt more comfortable in their negotiations with their builder. The study found a need for more accessible and relatable guidance to help bolster clients' confidence to ask questions of their builder and the build process.

Another closely related project we undertook this year investigated how impartial and evidence-based consumer education could look and what role BRANZ could play. The study *Mapping the consumer landscape* asked if better-informed clients could drive a lift in the quality and performance of New Zealand's homes.

We found that, while hundreds of resources providing information about many different topics relevant to building a house were freely available, they were not easily accessible

or understood by clients. We concluded that BRANZ as a trusted, evidence-based research organisation has a role to play in improving the flow of communication. Building information that is already available – from sources including Consumer New Zealand, government departments, industry agencies and BRANZ - could be brought together into a convenient and reliable one-stop shop.

Potential to increase industry output

For the first time we estimated the economic impact of quality defects. The study *The economic cost of quality defects* modelled that a construction industry free from having to deal with quality issues could boost its output by 1.1% or \$112 million annually, which means that an additional 345 dwellings could be built. According to the research, the economy-wide effect of an increase in productivity would see New Zealand's GDP rise by \$2.5 billion and would free up \$1.9 million of additional income for New Zealand households.

Read more:

- ▶ **Research report:** [The economic cost of quality defects](#)
- ▶ **Research report:** [Mapping the consumer landscape](#)
- ▶ **Research report:** [Knowing enough to ask](#)
- ▶ **BUILD article:** [Housing quality defects cost](#)
- ▶ **BUILD article:** [Consumer knowledge about building](#)