

# Understanding the builder-client relationship – Part 2: Client perspectives

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## Preface

This research was undertaken by Axon Consulting Limited in collaboration with BRANZ. This report is part 2 of a two-part research project that takes an in-depth look at both sides of the builder-client relationship in an effort to understand what is and what is not working for each party.

## Acknowledgements

We would like to thank:

- our research partners Registered Master Builders Association (RMBA), New Zealand Certified Builders (NZCB), CHASNZ, and Switched On Group – we particularly acknowledge the support of RMBA and NZCB who assisted us immensely with recruitment of their members to participate in this research
- the residential builders who took the time to complete the survey
- the residential builders and clients who volunteered to be interviewed and shared their stories with us so that we could better understand the builder-client relationship.



# Understanding the builder-client relationship – Part 2: Client perspectives

## BRANZ Study Report SR461/2

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### Reference

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### Abstract

Anecdotally, the builder-client relationship has been a source of tension and stress for builders and clients. This research set out to investigate whether there was any evidence to support these anecdotes and, if so, what impact it was having on the wellbeing of each party. This report describes the results of an online survey and interviews with clients to understand the client perspective of the relationship and its impact on client mental health. Clients reported several tension points that cause relationship strain with builders and that disagreements with builders stemmed from poorly managed client expectations. Recommendations are made that focus on improving communication and managing client expectations to avoid client conflict during the build process.

### Keywords

Residential builder, build client, communication, relationship, conflict, mental health, wellbeing.



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## Executive summary

This report is part 2 of a two-part study exploring the builder-client relationship. Anecdotal stories from builders and clients have suggested that the builder-client relationship could be one cause of significant distress for both parties during residential house builds. This study set out to investigate if there was any evidence to support these anecdotes and, if so, what impact builder-client relationship tension is having on the wellbeing of each party. This research examined both sides of the relationship, but this report describes the client's perspective. The findings relating to builders are reported in BRANZ Study Report SR461/1 (Bryson & Lockyer, 2021).

### Research questions

- Is the builder-client relationship a significant cause of stress for residential clients?
- If so, what factors are contributing to the builder-client relationship problems and how prevalent are they?

### Methods

This research used a mixed-methods approach – 112 clients responded to an online survey, and 30 took part in semi-structured telephone interviews. A combination of quantitative and qualitative data is used to measure the prevalence and describe the tension points that lead to builder-client conflict.

### Results

The results of this research fall into three key areas:

- Communication between clients and builders.
- Tension points during the build process.
- The impact of disagreements on client wellbeing.

The overarching theme throughout the findings is communication. Conflict and disagreements very often emerged when the client's expectations were not met.

#### **Communication with the builder**

- Clients require regular contact with both the site and their builder. Positive communication experiences hinged on builders setting client expectations early while being receptive to their client's desire for more information as the build progressed.
- Access to site and the information clients gather from the site was a major point of contention. Clients are pushing hard to have access to the site (supervised or unsupervised). When unsupervised visits occur, builders are unable to provide context to unsupervised clients and help them understand ongoing site processes.
- Current communication practices between builders and clients are not necessarily conducive to a more active and involved client on site.

#### **Tension points**

Several tension points were identified as potential causes of disagreements between builders and clients. Tension points lead to conflict when the client's expectations around them are not met or were mismanaged:



- 51% of our sample said they had a disagreement with their builder. Of that group, 44% said they had 1–3 disagreements with their builder over the course of the build, 26.5% had 4–6 and 20% had 10 or more.
- Clients’ experienced tensions caused by workmanship issues, variations, timeframes and contracts. However, there was no data to suggest that any specific type of tension point was perceived worse than any other.
- The cause of tension for clients was when they identified issues that were not acknowledged and actively resolved by their builder.
- Our study showed that disagreements were normally rectified by the client’s builder, but that is always contingent on the builder agreeing that the client’s identified disagreement or defect is valid.
- If a builder is not willing to acknowledge what a client has identified as a tension point or has no incentive to resolve any tension points, this becomes a major source of dissatisfaction on the part of the client.

### **The impact of disagreements on builder mental wellbeing**

- There was a wide variance amongst clients compared to builders when asked about the impact disagreements had on their mental health – 55.1% mentioned they had either a small or moderate impact to their mental health, while a further 20.4% felt that their disagreements with builders had a major impact on their mental health.
- The severity of impact on mental health depended on whether the disagreement in question had been resolved to the client’s satisfaction. Those clients who had their disagreement resolved promptly were better off compared to those who were still waiting for a resolution.

### **Recommendations**

Clients need more education around what it means to be a newbuild client. Clients in our sample are torn between being a ‘good customer’ who tries not to act pushy and being an assertive client who pushes to ensure their specifications have been fulfilled before handover. Clients need their rights and responsibilities clearly outlined before the build process begins, and this should be part of initial expectation-setting meetings between builders and clients.

This report echoes much of the recommendations of the builder perspectives report.

### **Managing the relationship with the builder**

The Building Together resource should be developed – a proposed workbook that would guide builders and clients through an early conversation about how they will work together throughout the building process. It is suggested it could provide space to record what has been agreed between the builder and client and should function as a mutually agreed code of conduct.

The development of the Building Together resource should be done in consultation with residential builders and clients. This should be done via facilitated workshops or focus groups where these research findings are presented to builders and clients to provide further input on the format, structure and content of the resource.

As a starting point, the areas covered in this resource should include:

- when and how a builder can be contacted
- the frequency and duration of site visits
- supervision during site visits





- health and safety requirements at site visits
- interactions with subcontractors or other tradespeople on site
- defect identification processes
- other tension points identified by clients in this report.

### **Supporting client mental health and wellbeing**

Existing mental health help options within and outside the industry should continue to be promoted and supported.

Residential building leadership organisations should prioritise the development of mental health and wellbeing programmes that work well in a residential building context.

### **Supporting clients at crucial decision-making points**

A separate resource should be developed that provides newbuild clients with advice on how they can better match their expectations with an appropriate builder. It should:

- include a decision tree that maps out all the decision-making points where clients interact during the build process
- walk clients through their expectations and the type of questions they may need to ask to ensure their expectations are met before beginning the formal process with a builder.

The resource should be developed in partnership between consumers and industry for best results.



# 1. Introduction

## 1.1 Purpose

During the construction of a residential building, the communication between builder and client can be a difficult process. Previous research at BRANZ has investigated client experiences of building a new home. Recent research has highlighted the difficulty that clients had when communicating with their builder, which can lead to a breakdown in communication (Lockyer & Marston, 2020). These were based on several complex factors such as a lack of information around the current progress of the build, client-identified defects not being acknowledged by their builder, negotiating access to the site and an unclear understanding of their own rights and responsibilities as a client. This report seeks to enhance previous research by examining the builder-client communication in more depth and identify the key tension points in this industry practice.

To understand the impact on build quality and wellbeing, it's important to understand how the practice of communication between builders and clients leads to poor quality and wellbeing outcomes. To the best of our knowledge, no previous research has been done to investigate the interpersonal aspects of the builder-client relationship or its impact on the wellbeing of either party. More specifically, this study aims to assess how we can improve communication channels between clients and builders. The results of this research will be used to make recommendations and inform solutions, if any are required.

At the same time, the mental health and wellbeing of construction industry workers has been in the spotlight in recent years after the publication of Bryson and Duncan's (2018) report on mental health in the construction industry. In that study, representatives from across the industry acknowledged that the mental health of the workforce was in desperate need of support. Since then, the industry has been mobilised into action with many organisations and businesses working to increase awareness around mental health and the MATES in Construction suicide prevention programme launching in 2019.

The builder perspective of the builder-client relationship was also investigated as part of this research, and findings are presented in a separate report (Bryson & Lockyer, 2021). Together, these reports look to provide a detailed explanation of the builder-client relationship from both perspectives. The goal of this research is to describe and understand both sides of the builder-client relationship. By understanding both the builder and the client's perspectives, it will enable ways for government and industry to identify ways of supporting builders and clients to work together in a way that supports mutual interest and nurtures health and wellbeing within industry to enable better building outcomes.

### Research questions:

- Is the builder-client relationship a significant cause of stress for residential clients?
- If so, what factors are contributing to the builder-client relationship problems and how prevalent are they?



## 2. Methodology

### 2.1 Scope

This study investigates the relationship between residential builders in New Zealand and their clients. A mixed methods approach was chosen because of its flexibility, alongside the need to understand both the prevalence and context of communication practice. The study used quantitative online surveys and qualitative interviews of both builders and clients to understand the prevalence and impact of builder-client disagreements on builder mental health and client satisfaction. The methods described here were undertaken for both builders and clients. This report describes the results of the client survey and interviews.

The commercial building sector was not included in this study as their clients and procurement and project management processes are different to those of the residential builder. This study focuses on the interpersonal relationship between individual builders and their clients.

### 2.2 Definitions

For the purposes of this research, we use the term 'builder' to describe the person acting on behalf of the company that constructed the home for the client. In most cases, this is the person building the house, but in some cases, it will be a project manager or sales representative. A detailed breakdown of the roles represented by the term 'builder' is provided in the results section.

The term 'client' is used to describe anyone who responded to the survey or was interviewed about having their home built for them by a residential builder.

The 'builder-client relationship' is the term used to describe the way builders and clients worked together as people. There is a distinction here between the legal or contractual relationship each party had entered into and the way they interacted with each other throughout the building process. The builder-client relationship referred to in this report means the interpersonal relationship between the individuals involved in the build.

### 2.3 Approach

This study utilised a mixed-methods approach. Online surveys were used to gather quantitative data from builders and clients about their experiences dealing with each other.

At the end of the survey, participants were invited to be interviewed about their experience, and qualitative data was collected to give the quantitative findings greater context.

#### 2.3.1 Survey

Two surveys were conducted – one for builders and one for clients. Each was designed to gather quantitative data to measure the extent of builder-client relationship tension, to identify possible causes of the conflict and to understand how this conflict impacted the mental wellbeing of each party.



In total, 216 builders and 112 clients responded to the surveys. The surveys were run in February and early March 2020. The data collection period for the survey was cut short due to the COVID-19 Alert Level 4 and 3 lockdown. The research team decided that it was inappropriate to continue with recruitment given the impact the pandemic response was having on the industry. Additionally, reactions to the lockdown may have skewed responding to the survey and impacted our results. The shortened data collection phase did impact sample size. However, enough data had been gathered to allow for meaningful analysis. Confidence in the quantitative data is further strengthened by the addition of the qualitative findings. The combination of these two data sources ensures the results of this study are reliable despite the smaller than expected sample.

The client survey somewhat mirrored the builder survey. The goal of the client survey was to measure the prevalence of builder-client relationship issues from the client's perspective.

The client survey consisted of several sections. All the questions in the client survey are presented in Appendix A.

The first section gathered demographic information and details of their house build. We asked clients about:

- their age
- their gender
- what region their new home is in
- the cost of their build
- whether their home met their budget expectations
- whether their home met their expectations.

The second section gathered data about the build process and communication with their builder. We asked clients about:

- who they dealt with during the build
- frequency and methods of communication with their builder
- satisfaction with the amount of communication with their builder
- preferred method of communication with their builder.

The third section collected data about clients' experiences during the build and their opinions about the build process. In the same way as the builder survey, a series of statements were presented to clients that they were asked to agree or disagree with using the options 'strongly disagree', 'disagree', 'neither agree nor disagree', 'agree' or 'strongly agree'. This section measured the prevalence of builder-client relationship problems for the clients during their recent house build experience. Similar to the builder survey, we tested whether some of the anecdotal stories we were aware of were real phenomena. In the early phases of this research, some builders described some client attitudes that they found challenging to deal with. We used the client survey to measure whether these attitudes or beliefs were evident or even common for clients in our sample. Statements about the negative aspects of the builder-client relationship were balanced out with statements about the satisfying aspects. Example statements from this section of the survey:

- I had a great relationship with my builder
- I lost sleep at night over issues with my builder



- Catching up with my builder to hear how the build was going was one of my favourite parts of the process
- My builder didn't seem to understand what a big deal building a house was for me
- Working with my builder was the best part of the build process
- These days it is up to the client to make sure the builder is doing their job properly

In the fourth section, clients were asked whether they had any notable disagreements with their builder during their build. Those who said they did were then asked further questions about the disagreement, including the number of disagreements they had and how much they agreed with a variety of statements measuring the impact of the disagreements. The same response options were given as those in the previous section of the survey. Example statements from this section of the survey:

- I wished I could change my builder part way through the build due to the stress of a disagreement with my builder
- We were able to resolve the disagreement with my builder successfully
- After the disagreement with my builder the rest of the build process was ruined for me

### Recruitment

Recent home build clients were recruited by email from BRANZ's database. Respondents to that survey were asked if they consented to be contacted again for future surveys. Those who indicated their consent received an email inviting them to participate in this research. Participation was incentivised by offering to put participants in a draw to win a \$300 gift card.

A link to the online survey was included in the email. Informed consent for survey participation was inferred by completion of the survey. The first page of the survey gave potential participants an overview of the study, what kinds of questions to expect and the ethical considerations around confidentiality and the voluntary nature of participation. Participants were invited to continue on to begin the survey if they were happy to do so.

### Analysis

Responses to the survey were downloaded from Qualtrics into Statistics Package for the Social Sciences (SPSS) software for analysis.

The quantitative results presented in this report are descriptive. Graphs describe the proportion of clients in the survey that responded in different ways to each question. The goal of presenting descriptive statistics is to provide a picture of how common these experiences are for clients. The qualitative data from the interviews is then presented to flesh out each finding with explanations and descriptions of the situation for clients.

## 2.3.2 Interviews

Semi-structured interviews with builders and clients were undertaken to provide qualitative data to help explain and provide context for the quantitative findings. Qualitative data is used in this study to assist in understanding why builders and clients might have certain perceptions or experiences. As this research is examining two sides of a potentially challenging relationship, qualitative data helps both sides to understand each other better.



### Interview design

The semi-structured interview schedule for clients can be found in Appendix B. Semi-structured interviews are conversational, with the interviewer often taking the interviewee's lead on the direction of the interview. For this reason, every interview is different. The interview schedule is a guide to the interviewer around which ideas should be investigated during the course of the interview. Not every question in the schedule is answered by every interviewee. However, the issues each question is addressing should be covered in most cases.

The client interview asked clients to describe what their relationship with their builder was like and how that impacted their experience of the build. Clients were asked to describe good and bad aspects of the relationship with their builder and to explain what happened when the relationship broke down. They were asked about what stage of the build they found things became challenging and whether or not they were able to resolve the issues that came up.

### Recruitment and data collection

Interviewees were recruited via the online survey. At the end of the online survey, participants were invited to leave their contact details if they would like to be interviewed. Interview participation was incentivised with \$40 gift vouchers.

Survey participants who provided their contact details were contacted by email and provided with further information about the study. If they agreed to proceed with an interview, a time was arranged for a researcher to contact them by telephone and conduct the interview.

Telephone interviews were recorded using a call-recording app. At the start of the interview, the interviewer explained what the interview was about, confidentiality, treatment of the interviewee's data and the audio recording and the voluntary nature of the interview. The interviewee was asked to give verbal consent to continue with the interview, and this was recorded as part of the interview.

Audio recordings of the interviews were transcribed by a professional transcription service and a research assistant.

### Analysis

Thematic analysis (TA) was used by the researchers for the analysis of the interview data. This is a method for systematically identifying and organising and offering insights, which allows researchers to make sense of collective experiences across a data set (Braun & Clarke, 2006).

Analysis for this study was inductive. The primary aim was to give voice and meaning to the experiences of participants. An inductive approach to data analysis is bottom up where the results are driven by the data. This means that the themes that are identified come from the data.

Themes are trends or patterns in the data. In this study, the researchers read all the interview transcripts to recognise recurring patterns in the data. Points of interest relevant to the research questions were coded, and when codes appeared repeatedly in the data, they formed themes. This process was iterative, meaning the transcripts were read multiple times and themes evolved as new patterns were noticed. The researchers met regularly throughout the analysis process to discuss and debate the themes identified until agreement was reached.



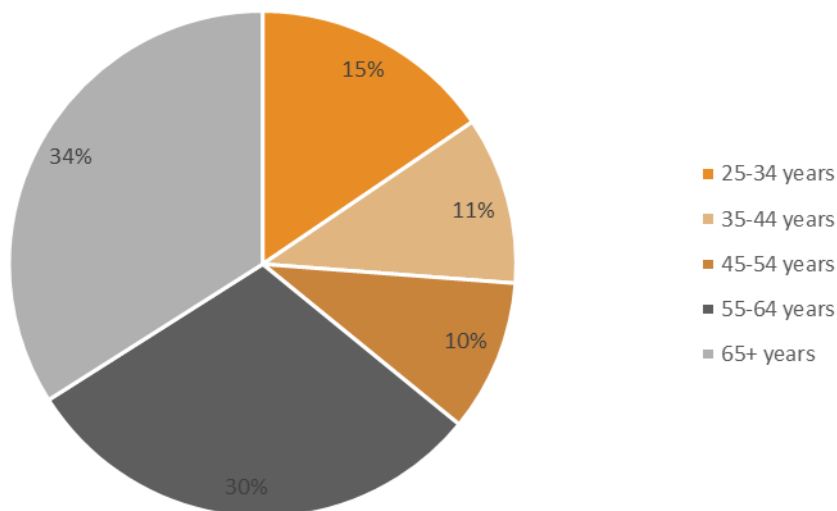
## 3. Results

Results from the survey and interviews are presented together in this section. Survey data is reported and excerpts from the interviews provided to explain each quantitative finding and give greater context based on the themes identified. Some findings from the builder perspectives report (Bryson & Lockyer, 2021) are also included for comparison.

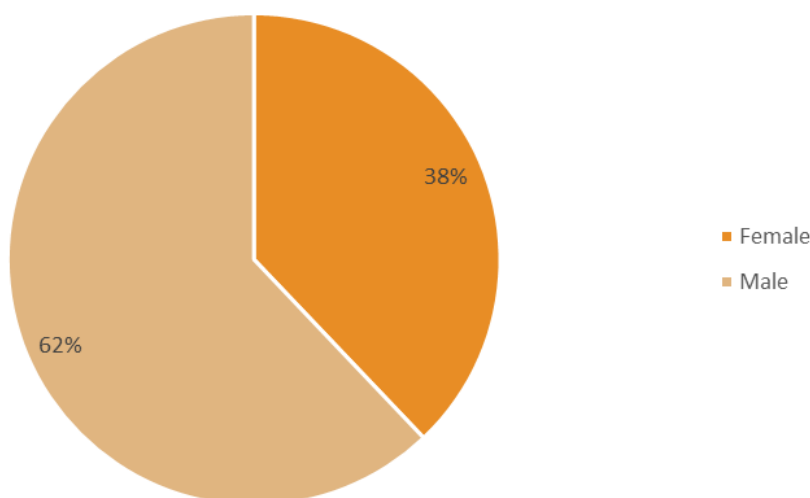
### 3.1 Demographics and build details

The survey was completed by 112 recent residential build clients, and 30 newbuild clients were interviewed. The survey asked for demographic information and details about their recent newbuild. These questions enabled us to understand who was responding to the survey and what kind of experience they had.

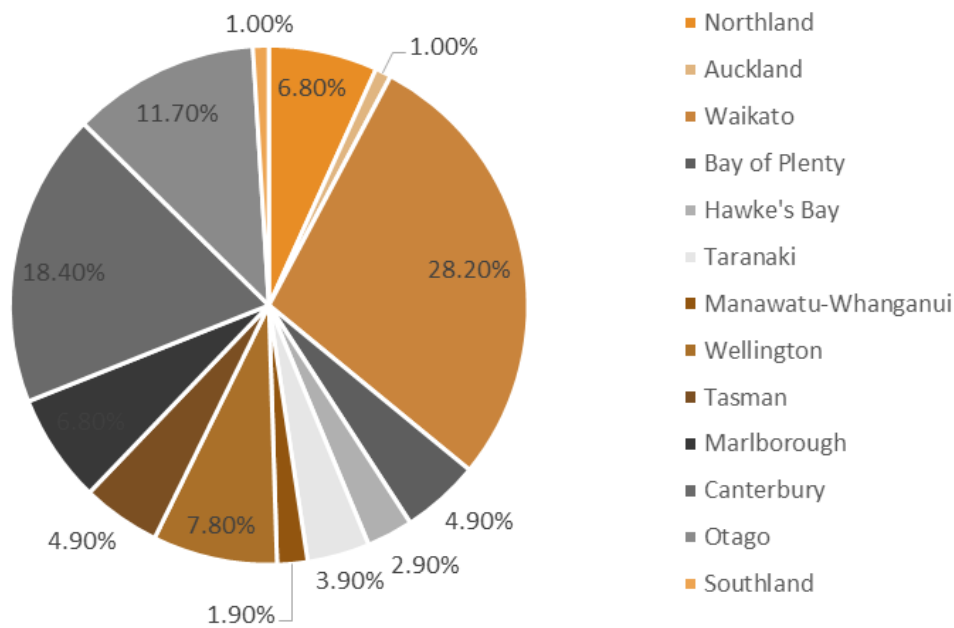
Most clients were over the age of 55 (Figure 1), with roughly 60% of them identifying as male (Figure 2). Clients from all over the country took part, with Christchurch, Otago and Waikato recording the largest number of respondents (Figure 3).



**Figure 1. Age of participants.**

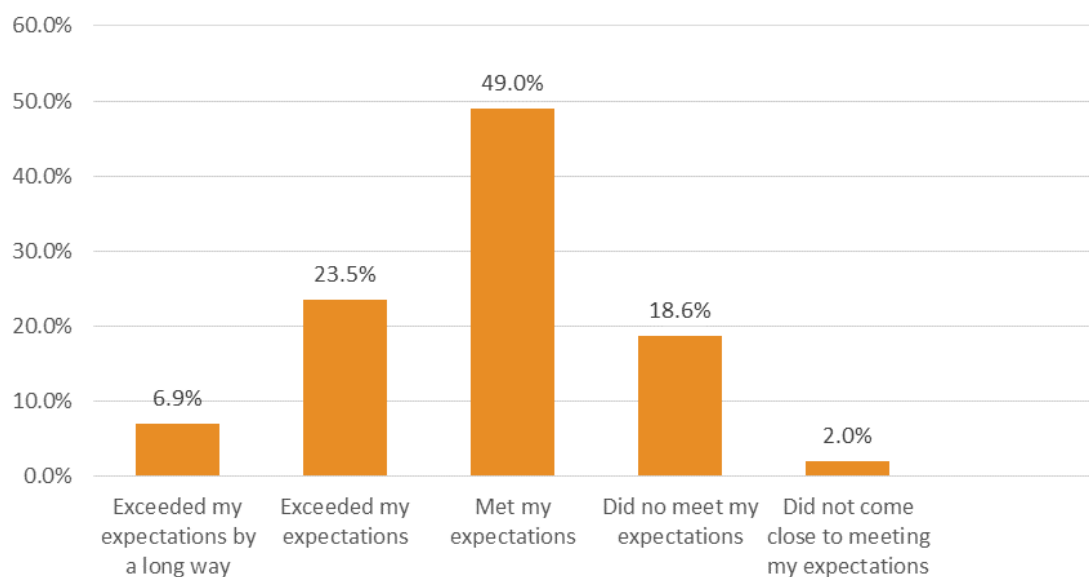


**Figure 2. Gender of participants.**



**Figure 3. Regions where participants built.**

We asked clients some questions about how their build went. Most clients (79.4%) said the final product met or exceeded their expectations (Figure 4). Only 20.6% of clients thought that their expectations of the final product were not met on handover.



**Figure 4. Expectations of the final product.**

These findings would suggest that most clients feel the finished product of their house is what they expected. These findings are also in line with the latest New House Owners' Satisfaction Survey – a yearly survey that collects data on where builders performed best and worst with residential build clients. Clients were happiest with the overall quality of their home (Lockyer & Clarke, 2020).

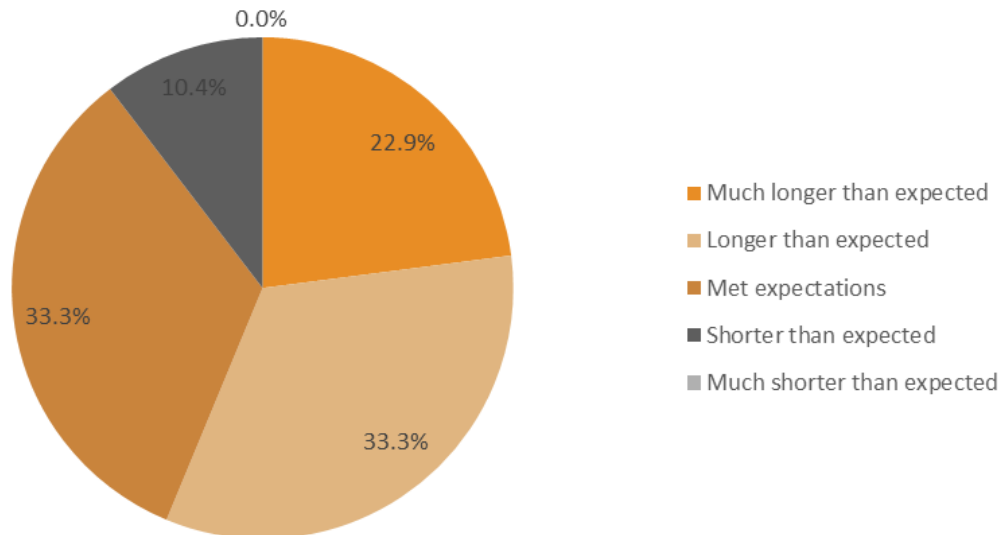
However, while the final product has been scored well in terms of expectation, we should also consider the entire build process and its relationship to client expectation.





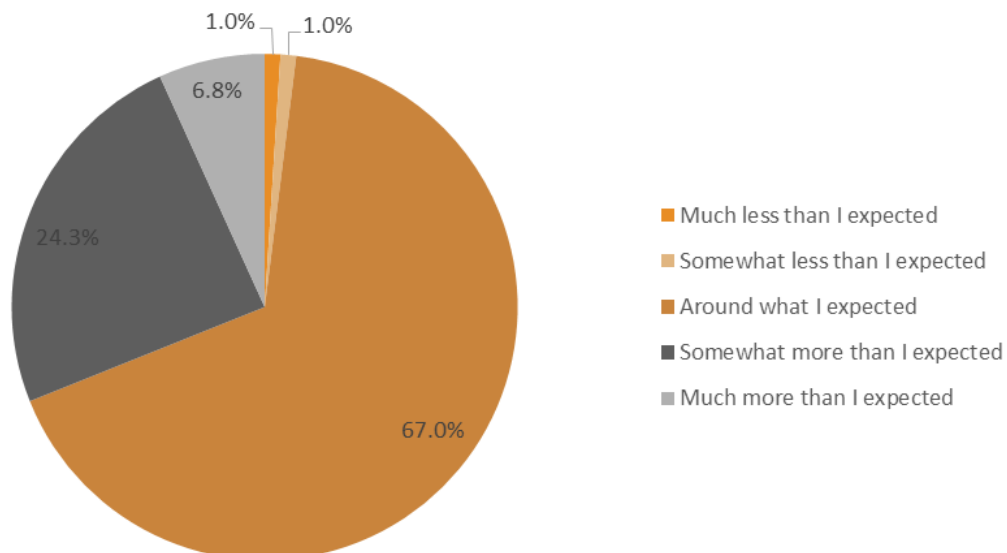
It is important to note the role of budgets, timeframes and communication on a client's perception of a job being 'properly' done. A builder may provide the perfect building that suits the client's purpose, but blowouts in price, a lack of communication during the build and/or poor service after handover may leave clients dissatisfied with the overall process (Lockyer & Marston, 2020).

Over half of clients thought that their build took much longer than expected, with only a third of clients having their expectations met and only 10% thinking their build was shorter than they expected (Figure 5).



**Figure 5. How long the home took to build.**

Many clients (67%) reported that their home cost about what they expected (Figure 6). Almost a third (31.1%) said that their house cost more than expected. Only 2% of clients thought their build was cheaper than they initially expected.



**Figure 6. Expectations of final cost.**

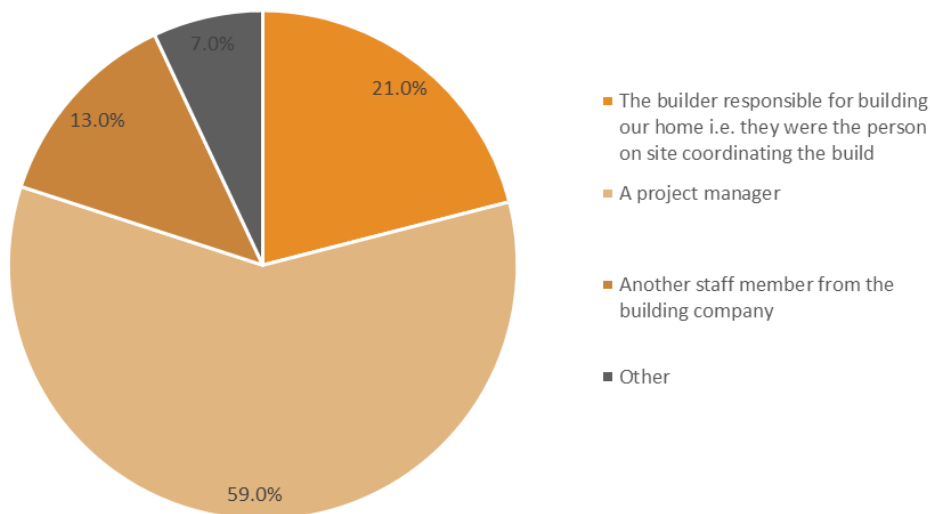
These findings show that, while a high percentage of clients felt they got the house they expected when first beginning the build process, it can come at a much greater cost and longer timeframes than initially expected.



As we will explore, the issues clients have with their build are not always oriented around the final quality of their build but on the processes builders use to get their client through to their final handover.

### 3.2 Communication with builders – when and how

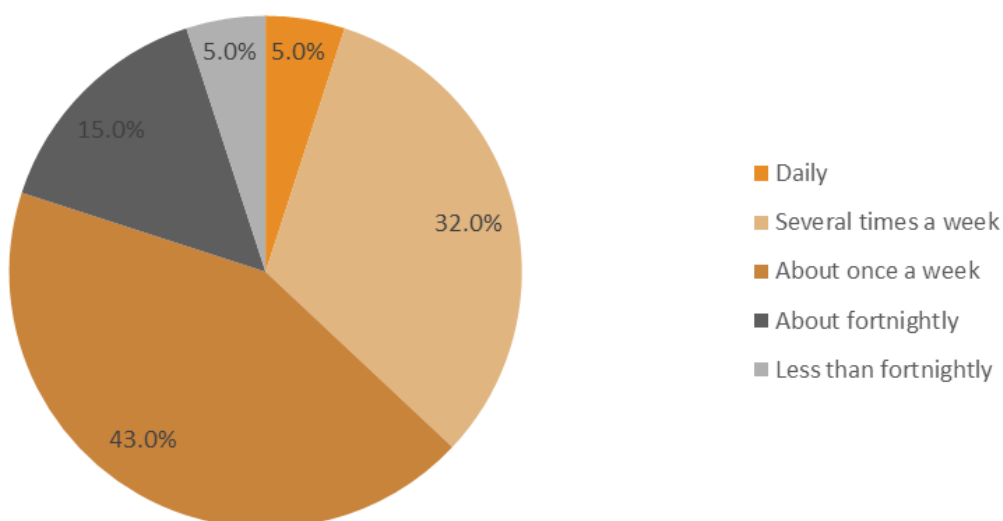
The research sought to establish, from a client's perspective, how communication occurs between builders and clients during the build process. When it came to the main point of contact for the client, 80% of clients communicated through a project manager or the builder who was responsible for the work on site (Figure 7). Clients who selected 'other' said they communicated with a combination of two or more representatives of the company that was building their home.



**Figure 7. Primary liaison person during build.**

#### Frequency of communication

We also asked clients how often they communicated with their builder – 43% said they spoke to their builder about once a week, 32% said several times a week and 5% said they spoke to their builder every day during the build (Figure 8).

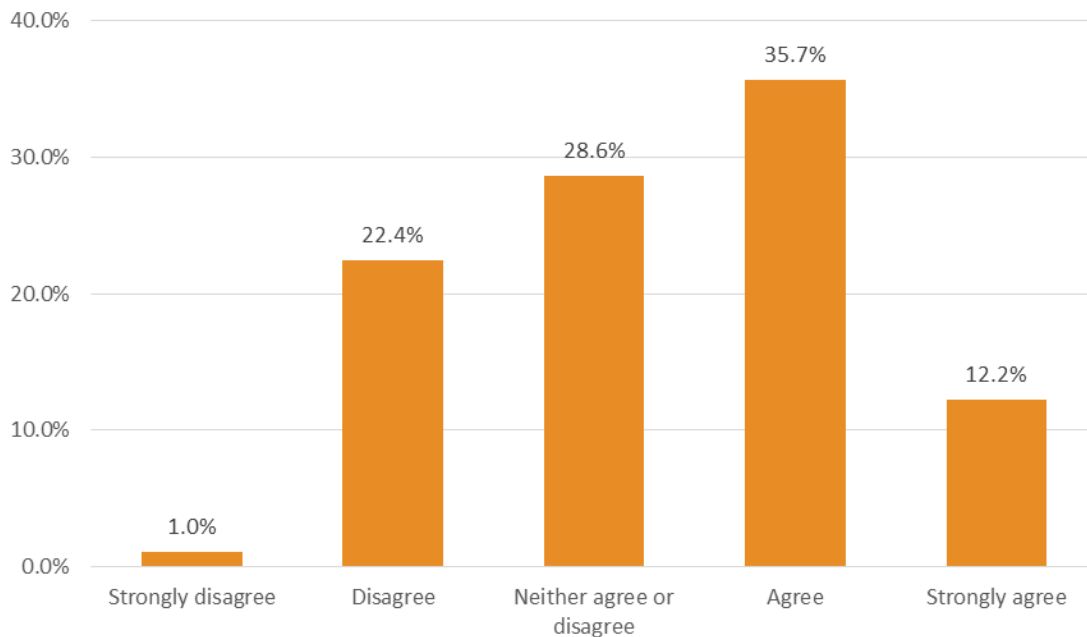


**Figure 8. Frequency of communication with builder.**



We can see here that over 70% of clients had at least weekly contact with their builder if not more. When we spoke to builders, almost half were speaking to clients multiple times a day. While most clients require regular contact during the build process, the disparity in communication between builders and clients could be due to the number of different clients that builders must communicate with on a day-to-day basis.

Alongside the frequency of communication with their builder, we also asked clients if they thought they should be able to get hold of their builder at any time. Almost half (47.9%) thought that they should, with only 22.4% of clients disagreeing with this statement (Figure 9).



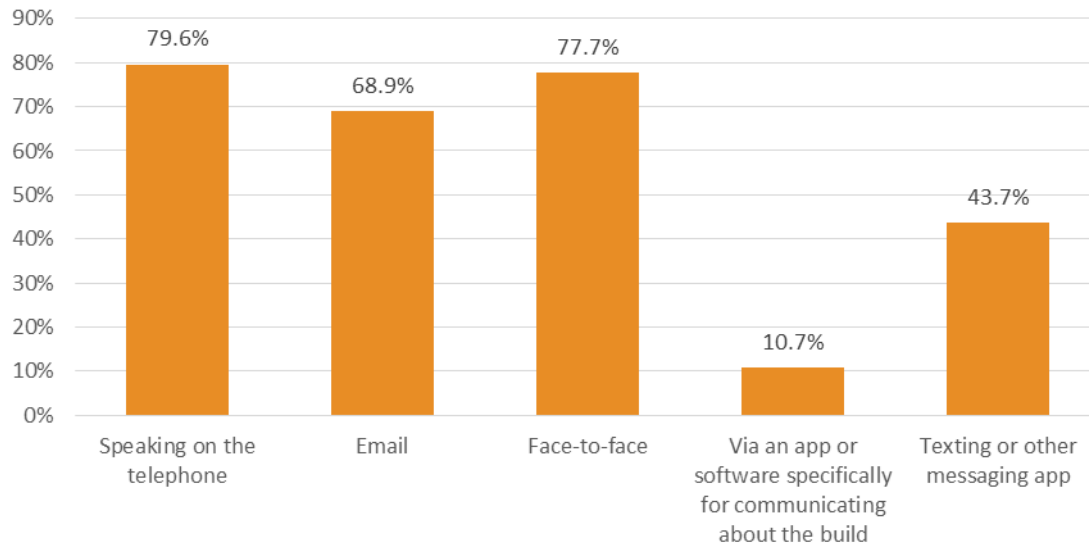
**Figure 9. I should be able to get hold of my builder any time.**

Clients appear to expect their builder to be contactable at any time. It is difficult to say if this also includes contact outside of agreed upon hours. It may be that different types of communication are more acceptable to clients when contacting their builder outside of normal working hours. However, there is an expectation on the client's side that they require frequent contact during their build.

If we compare these findings with the builder perspectives, 83% of builders saw themselves dealing with clients outside of their normally scheduled business hours. For builders, being available to clients is considered essential in building a trusting relationship with their client. The above findings indicate that clients have an expectation that builders should always be contactable in some way, while builders see this service as part of securing future business and ensuring a quality relationship with their client.

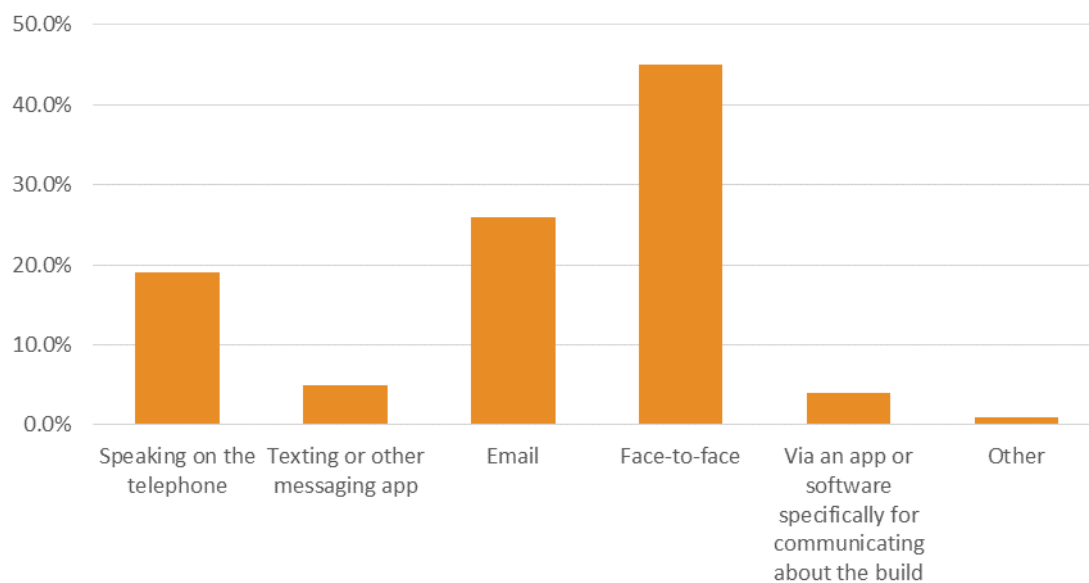
### Modes of communication

When it came to the types of communication clients used with their builder, clients used a variety of different methods. Around 70% each used telephone, email or face-to-face methods of communication (Figure 10). Texting was used by clients to a lesser degree. A small number of clients (10.7%) used an app to communicate with their builder.



**Figure 10. Types of communication used during the build.**

While clients used a variety of different methods at similar frequencies, there was a clear preference for one form of communication. Face-to-face communication was by far the most preferred method of communication for clients (45%) (Figure 11). Builders also expressed a preference for face-to-face communication.



**Figure 11. Clients' preferred method of communication.**

While it appears that both clients and builders had a clear preference for face-to-face communication, it was often the combination of face-to-face communication and regular emailing that achieved the best results. Clients told us that a combination of different communication methods was important to give clients peace of mind about the progress of their build.

It was emails. Sometimes it might have been a phone call, or if they were on site, the builder or the project manager would just ... catch up with them. I built on site on my parents' property. We saw the build happen so, yeah, we would talk to them as well while they were on site.

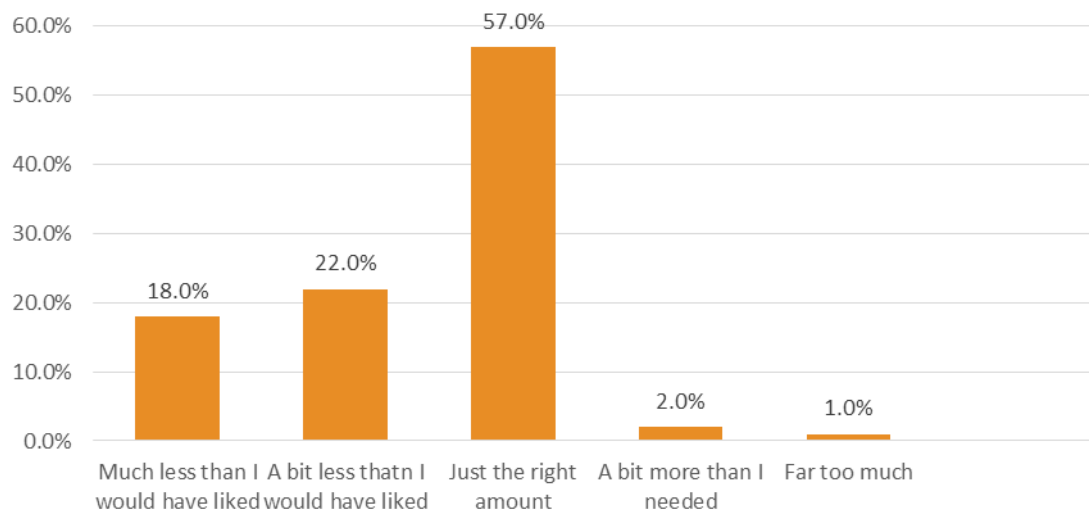


They used to tell us in advance this is going to be the whole plan, and before they were going to do anything, they would just let us know a week back. They would send us an email, like this is what is going to be done on this day. If there was some issue or something, I usually come onto site and I could meet the supervisor. That's how things got sorted out.

Successful communication practice must be comprehensive in its approach. Emailing on an agreed schedule, calls or face-to-face contact to handle any potential issues and flexibility for on-site visits throughout the process were all important to clients and were usually an indication of good client communication practice and a happy client at the end of the build process. The builders we spoke with also described successful communication practice and elaborated on the importance of each method. Emailing provided clear documentation to both parties and was crucial to every conversation, while face-to-face discussions were an opportunity to iron out any uncertainty.

#### Client satisfaction with communication practice

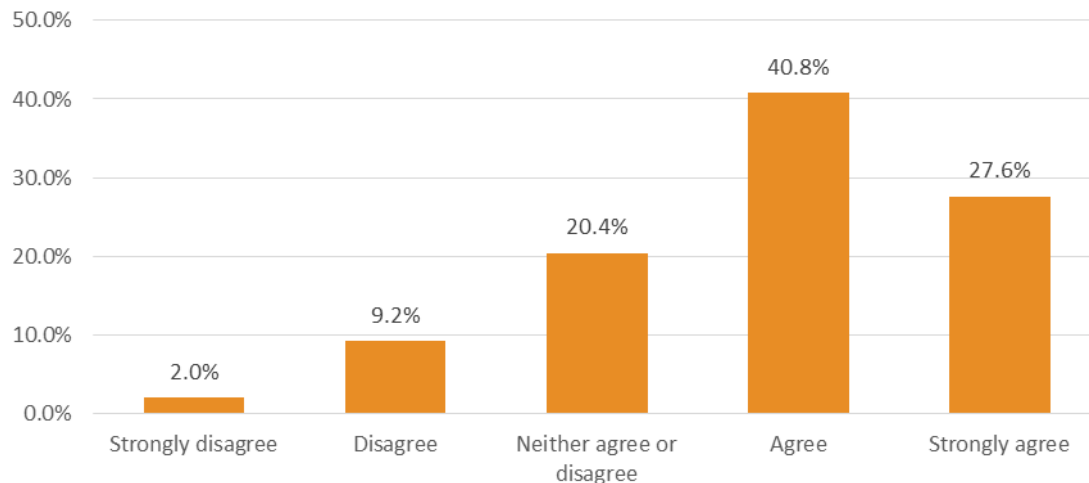
Receiving timely updates was key to satisfying client's information requirements. When asked about the amount of communication they received from their builder, 55% saw the amount of communication as the right amount, while 40% would have liked to hear from their builder more often during the process (Figure 12). Notably, only 3% of clients thought their builder had overcommunicated during the process.



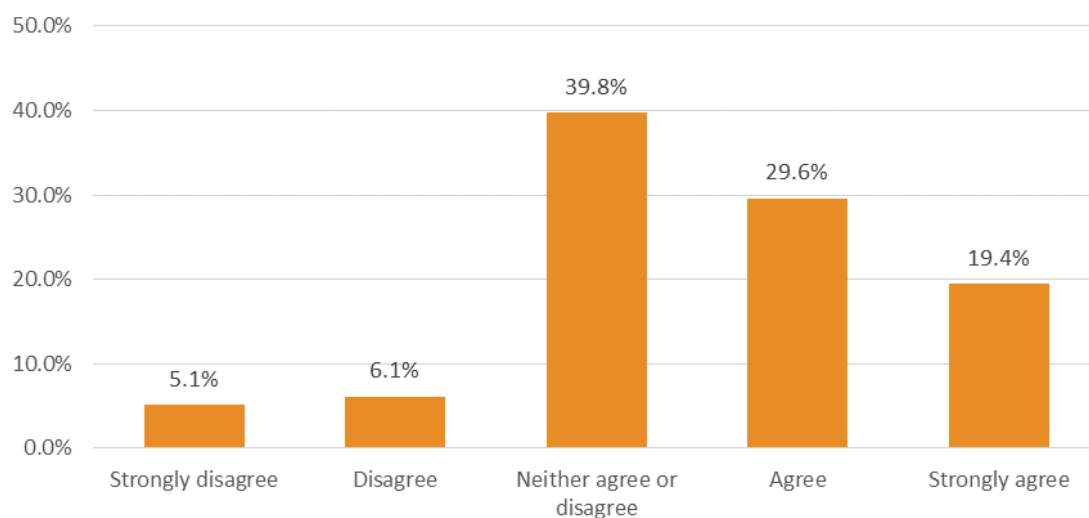
**Figure 12. Clients' satisfaction with communication received from their builder.**

Clients very rarely thought their builder had overcommunicated during the build process. In fact, 70% of clients would prefer that their builder would communicate more, even if it meant extending the overall build process (Figure 13).

Clients were largely positive when it came to catching up with their builders about the progress of their build, with only 10% disagreeing that this was not an enjoyable part of the process (Figure 14). Our earlier findings suggest that clients prefer their builders to overcommunicate and to let them know what is happening. 'Catching up with my builder' is likely the preferred channel for how clients receive this information, and clients, in general, seem to enjoy these interactions. Builders, by default, are clients' main point of contact during the build process and the source of much of the information they will receive about their build.



**Figure 13. I would rather my builder took the time to communicate with me if it means the build process takes longer.**



**Figure 14. Catching up with my builder to hear how the build was going was one of my favourite parts of the project.**

#### Negative communication practice

Builders being the main point of contact was also why some clients had a more negative experience with their build. We will discuss more negative communication practice later in the report, as it was often connected to a specific issue or defect. The general issue clients had with builders' communication practice was when clients felt they had to 'chase up' their builder to find out what was going on during the build.

Some weeks, we got pictures and things like that. Other weeks, we'd get nothing. We'd have to request things and say what's happened here?

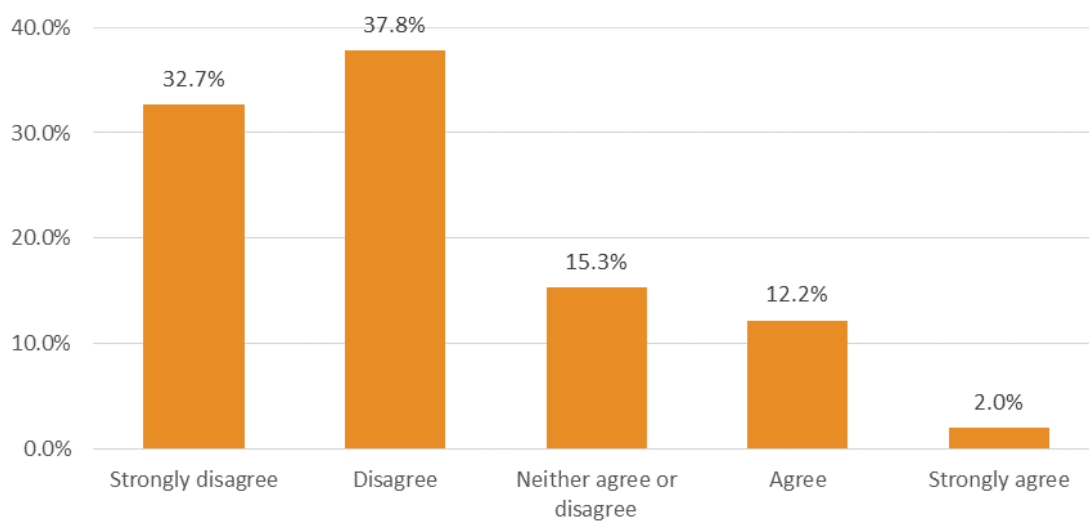
Then we got into a period of about 2 or 3 months where there was progress being made but it was slow, and we had to hunt around to get clarity on things. Now we know that, by the end of the build, [the building company] essentially got rid of the builder and they took it on themselves and did all of the finishing work. We know there were problems, but they were never upfront with us, and then the project manager disappeared, and again that was kind of glossed over.



No, they just kept fobbing us off. I was answering queries when I was away with work. I was answering things straight away, and it was taking them weeks to come back to me. I'm thinking this is crazy. I'm the one that's not even in the country. I think they really didn't – I won't say they didn't care, but I don't think we were the highest priority.

For clients, the act of chasing up a builder is usually because an expectation around the level of communication has not been met. Any perceived lack of communication would act as a red flag for clients and signal a need for them to become more involved with the build.

Lack of communication was a key concern for clients in general. When we asked clients if they did not need to know what was happening on site if things were going as expected, 70% of clients disagreed with this statement altogether (Figure 15).



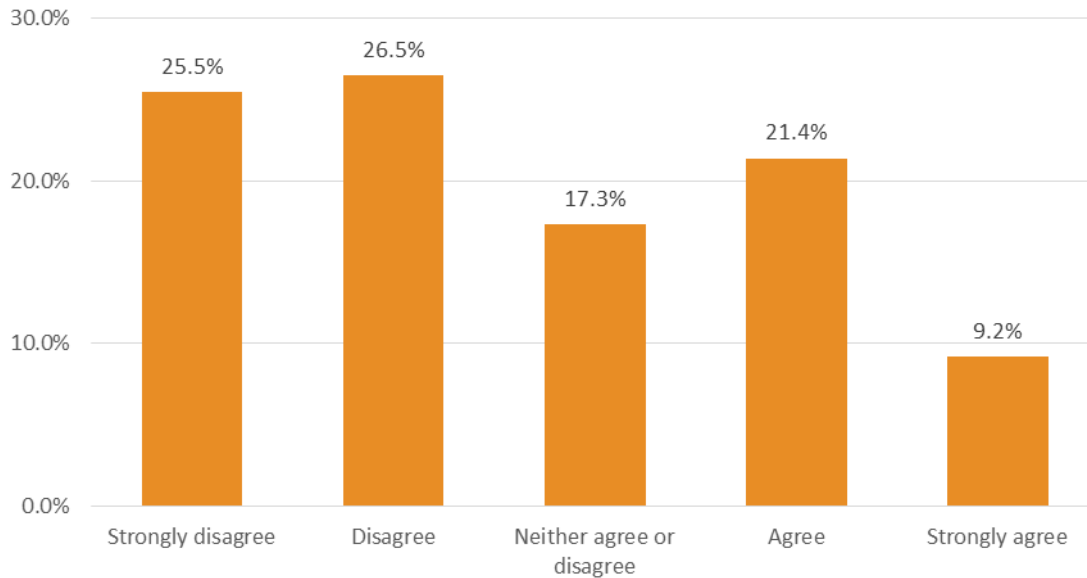
**Figure 15. I did not need to know what was going on on site, as long as the builder was getting the job done**

Clients were not interested in a hands-off approach to information on the build process. Hearing about what was happening on site was a key source of information for clients. Considering the importance of regular communication identified in the previous section, these findings show that clients need regular up-to-date coverage, even when things are progressing as expected.

### Communication on site

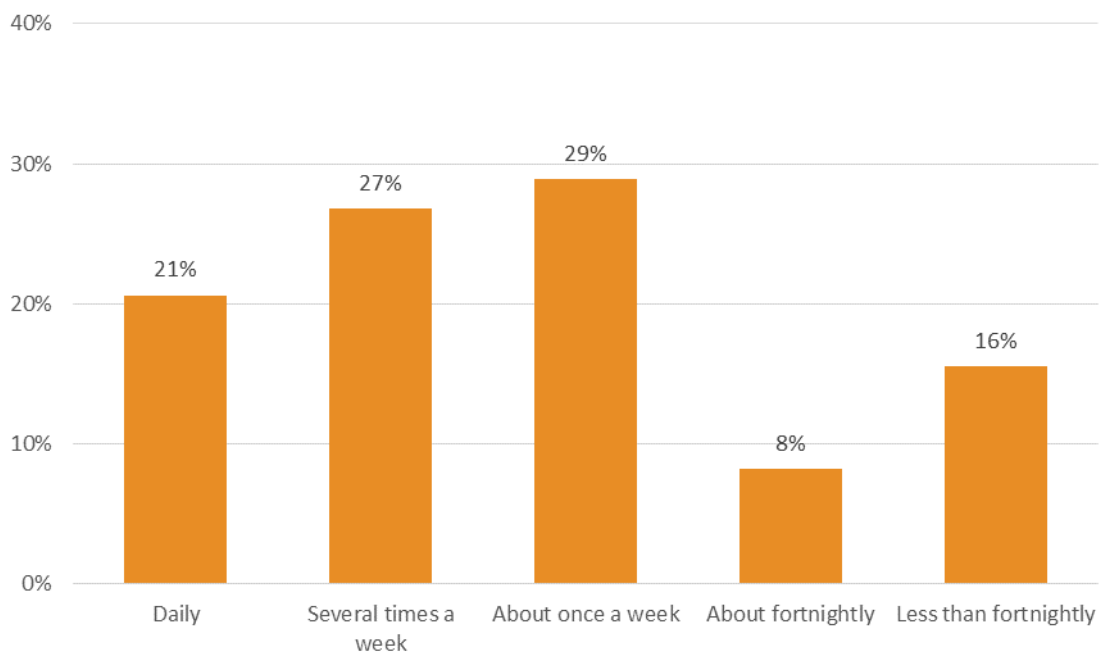
In the above section we discussed the method and frequency of communication between builders and clients. Now, we shift our focus to one of the key tension areas for builders and clients – communication and access to the site of the building as it is being built.

When we asked clients if they would sometimes get frustrated at the amount of information they were receiving on site, half (52%) did not report frustration at the amount of information provided by their builder (Figure 16). However, 30.6% agreed that they were sometimes frustrated by a perceived lack of information about what was going on on site.



**Figure 16. I would sometimes get frustrated at how little information the builder gave me about what was happening on site.**

We also asked clients how often they were on site. Most (76.3%) were on site at least once a week, with 21% of our sample being on site nearly every day (Figure 17).



**Figure 17. Frequency of clients being on site.**

These findings suggest that accessing the site for some clients is their most-used avenue for information on the progress of the build. It can also occur more frequently than their communication with their builders. Clients explained their motivations for wanting to be on site regularly including a need to check on progress and proactively get involved if they felt things were not progressing as they should.

They probably loosened the rules a little bit for us, allowing us to come onto the property pretty much whenever we wanted, which probably wasn't very good on their end, but I don't think they were going to stop us because we





lived up the road. So we were constantly there checking things, which definitely helped. Because if it was a big day and we knew something was happening at the property, we could come and check it out and go, look, they got heaps done today or we could see if the plumber hadn't turned up and we'd follow it up ourselves. Yeah, so that was definitely good.

There was no problem. I was here every day, and I had quite good relationships with the builder and the sparky and the plumber. The sparky boy got a bit nervous. I think he got a bit sh\*tty with me because they just don't like people watching them. But I just come out here every day, and I'd be out here at half past 3, wander around and talk to them, and just about every time there'd be a question for me. So I'd answer all the questions and stuff.

In cases like the ones described above, it was a mostly positive experience. The client got to see build progress more often and was able to answer queries immediately when necessary. Access to the site allowed clients to visualise and confirm progress that matched their expectations. It also allowed clients to take a more active role in the process and become a troubleshooter for the workers on site, communicating their desires to subcontractors as they went about their tasks for the day.

An undercurrent in both the above interview excerpts is a perceived tension and possible disadvantage experienced by these clients because of their increased involvement with the build process. Clients were aware that their presence was a stretch to the pre-established rules of the worksite and that it was not necessarily to the advantage of their builder. Builders also saw some clients as relatively uneducated.

Clients' presence on site, without supervision, could sometimes lead the builder and client to conflict when the client observed something they did not expect. These two excerpts below illustrate the concerns of both builders and clients when it comes to access on site:

We'd spend the weekend cleaning up after the builders, cleaning up general rubbish and debris that they'd left about and checking things. That's how we found things like, when they installed the floors, they hadn't put nails down. We'd be hoovering up the dust and debris, and we'd be hitting nail heads standing up, so we knocked those ones down. That prompted us to go and have a look at the framework. That is when we realised a lot of the nail-gun things hadn't actually gone in ... The builder probably won't even recall that if you ask him ... we mentioned it at the time ... we just sorted it out ourselves.

I was just conscious, I guess, that I didn't want to upset the builders by being around all the time because ... I've heard of other things like the owners not being allowed in to see the site or to see the house or to walk around until it's ready to hand over. I've heard of that happening and probably because when they go around and see things partly done, you sort of think, oh, if you don't know what you're looking at, you don't know what you're looking at, do you?

These excerpts help explain why site visits are important to clients. In the first excerpt, the client took a more active role, identifying defects and coordinating the remediation when applicable. In the second excerpt, the client was aware that site visits are managed by their builder and that the builder has the power to stop the client from coming onto site and was conscious of not overstepping the mark. They recognised they were not in the best position to perceive ongoing progress on a build site and something that might appear partly done to their eyes, could be right on schedule for the builder. Clients' access to site can be a double-edged sword. Their increased



involvement might identify building practice that does not meet their expectations but relative lack of knowledge may make them perceive a minor problem as a major one.

### Conclusion

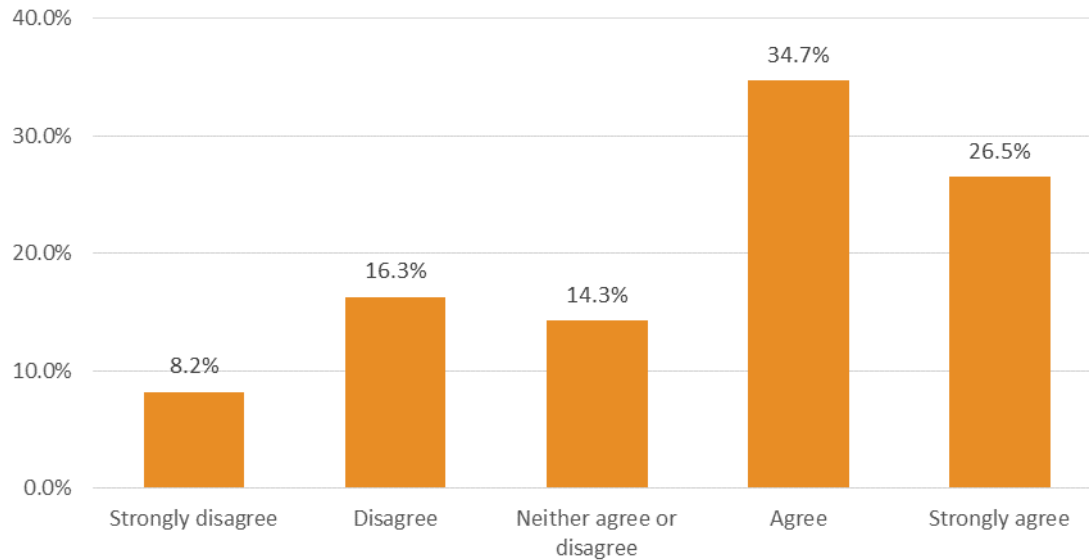
The findings of this section suggest that the informational needs of clients are increasing. Clients need regular contact with both the site and their builder. Positive communication experiences for clients hinged on their builder setting expectations early while being flexible and receptive to their client's informational requirements. Negative communication practice was often the result of a client feeling that they had been put in a position where they had to chase up their builder. Access to site and the information clients gathered from the site was one of the major points of contention for both builders and clients. Builders were unable to provide context to unsupervised clients and help them understand ongoing site processes, while clients were pushing hard to have access to site. In the absence of legitimate access, clients were still finding ways to access the site. Current communication practice between builders and clients was not necessarily conducive to a more active and involved client on site. Clients were also aware that their increased involvement on site could create tension with their builder. Managing this aspect of communication is crucial to sustain a positive relationship between both builders and clients.

### 3.3 Working with builders – managing expectations, trust and power

Clients were asked a variety of questions about what it was like to work with builders. They were presented with statements about working with builders and were asked to indicate how much they agreed or disagreed with each one. The statements described issues that might be impacting the builder-client relationship. Some statements reflect the anecdotal stories the research team heard from builders and clients as this study was being designed, and others tap into issues that are commonly accepted as tension points in the residential building process (such as consenting).

#### Initial client expectations

The research team wanted to understand what it was like for a client working with their builder. When clients were asked about how well their builder set expectations during the build process, 66.3% believed their builder communicated with them enough so they knew what was going to happen during the build process (Figure 18).



**Figure 18. I knew what to expect from my builder during the build process because they explained everything from the start.**

For some clients who felt that the process had not been explained well enough to them, it was because they experienced something during the build process that had not been clearly signposted before the contract had been signed.

I felt they are the company that should be telling you a lot more of the information ... putting you at ease because that's their job, that's their livelihood, you know, being more upfront, transparent as such. But yeah, they hadn't done their groundwork with the consent stuff and the septic systems and stuff that I needed for here and a bit of council work, stuff that I thought they generally did do. I was the one sometimes in the end having to ring the consents to [council] to find out from the inspectors as to what was allowed and what wasn't allowed.

This client found themselves having to liaise with council as part of their build process. If information was missing or client involvement or processes were not adequately communicated to clients before the contract was signed, the client's relationship with the builder became strained. Clients found themselves having to become more involved during the build process than they had expected when signing their contract.

Another theme that emerged from the interviews when it came to initial expectations not being met was the difference in the initial service that set up expectations for the client and the subsequent service after the contract had been signed.

Initially, when we first approached them and went to the show homes and met them, they were really great. They were awesome. Came around and had a look at what we had here and went through different details. I found that, once we'd signed up, things changed. They certainly weren't as pleasant. They mucked around – well, we should have been building earlier. We had plans .. when we went to them, and they just seemed to muck around with a lot of stuff. Then they gave us quotes for things like the exterior work and things, and they were quite high, and just by the time they put their 10% on top of it all or whatever their surcharge is, it made it quite unreasonable.

This client described their initial positivity about the build process because of how well the builder provided upfront sales service. However, the expectations for the level of



service being set during the sale/contract phase were not maintained by the building company once they had secured the job and had the contract signed. These findings are consistent with those in the latest New House Owners' Satisfaction Survey, which identifies service after contract as one of the areas needing improvement by builders (Lockyer & Clarke, 2020). Clients in this position are immediately on the back foot, and when a client experiences a disjunction between expectation and reality, this leads to tensions between them and their builder.

### Experienced client expectations

More experienced clients, usually those who had built in the past, had a very different set of expectations going into the build process. These more-experienced clients spoke about how they had set their own expectations before entering with the build process.

I think it's all about expectations and I think because ... I've had some experience, I kind of knew what to expect so that definitely helped. Otherwise, to be honest, if I didn't have all that ... it probably would have been horrible.

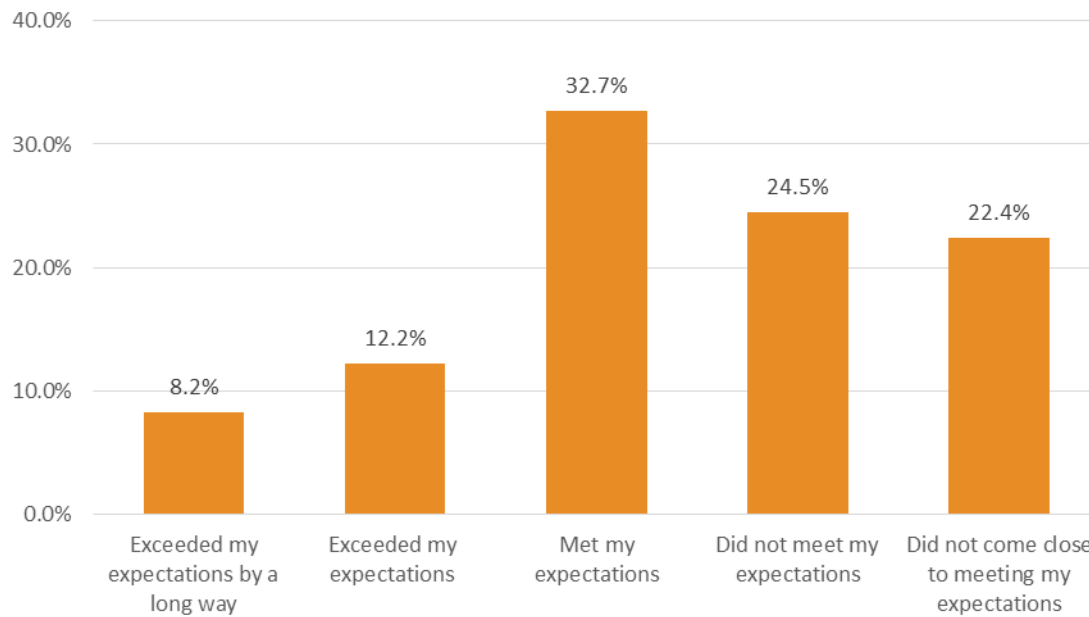
They're trying to sell you a multi-hundred, six-figure sale, and the last thing you want to do while you're signing the dotted line is to hear, well that's your starting price, not your finishing price, so they never put that out there. So then people just get so demoralised because there's always additional costs that you're not going to expect so as soon as you want to tweak or change something, yeah. But that expectation I already had in my mind, yeah.

These clients had an already tempered expectation of the build process, which led them to acknowledge the difficult challenge in store for them and their builder. In the excerpts above, it is the client who is setting their own expectations by preparing for the hidden costs attached to building instead of the builder taking the time to outline the very real challenges of residential construction with their client and the potential cost increases that can occur along the way.

Many of these expectations are centred around price and quality. Experienced clients are aware that the initial upfront cost is not necessarily indicative of the final cost of the build. There is an awareness on the client's part that builder communication practice in their experience cannot be totally honest about the true cost of building.

### Client expectations on site

We asked clients for their perceptions of their builder's organisational ability on site. Clients were mixed on this topic – 57% said their expectations were met while the remaining 43% did not think their builder met their expectations (Figure 19).



**Figure 19. How would you rate your builder in organising subtrades and keeping to the agreed-upon scheduling updates about the build?**

Some clients perceived builders' lack of professionalism in their conduct and behaviour on site that caused issues for clients.

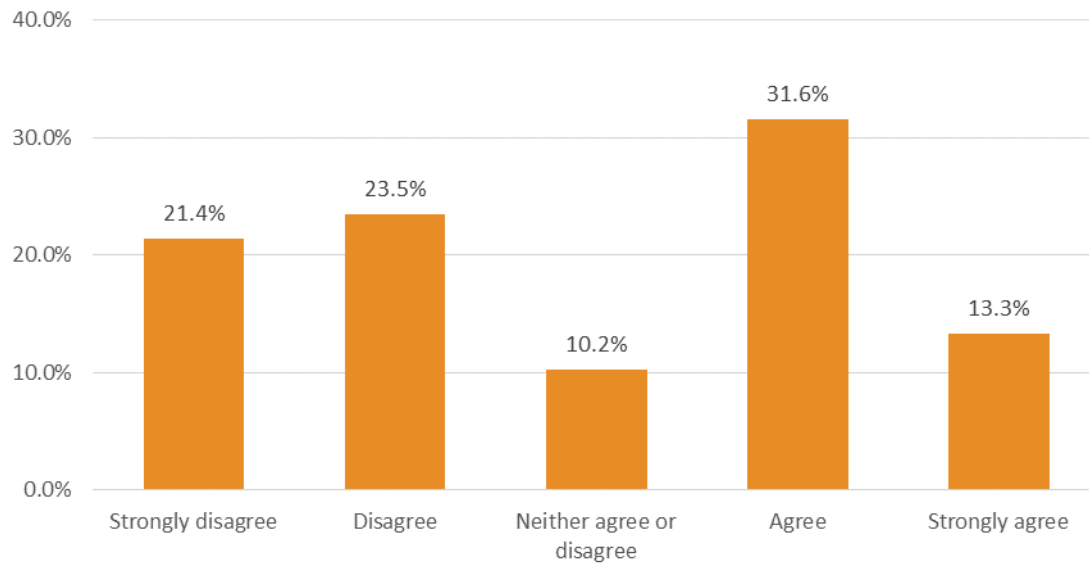
And to be told by the project manager, oh don't worry about that, you don't get things done properly anyway these days – you know there's no tradespeople – this is what I was told.

Absolutely not, no, because these guys, they never even completed the health and safety sign on the things, they just nailed it up there. They never had a gate on the section, they had an orange plastic roll-out fence on [waratahs], and they never, ever closed it off at night-time. They never identified any site risks on that sign.

In each of these excerpts, the builder did not present the professional competency that clients were expecting at the outset of the build. Clients did not feel confident that they could trust them to do a good job of the build. The way a site is being run is likely to influence the client's perceptions of their builder's competence and, in turn, impact the level of involvement clients have during the build process.

### Client involvement

We wanted to understand how clients managed their involvement in the build process. We asked clients about the amount of research they did before the build and how they ensured their builder was meeting their expectations. When we asked clients if they had to be assertive with their builder to get their point across, they were closely split, with 45% agreeing and disagreeing with this statement (Figure 20).



**Figure 20. There were times I had to be very assertive with my builder to get my point across.**

When interviewing clients about communicating with their builder, the discussion usually turned to the confusion clients experienced in not knowing how assertive they could be when they wanted something from their builder.

Yeah, a couple of times, we definitely had a few sleepless nights, making some big decisions, and just, when [it's actually done], do we complain about this problem, is it a big enough problem to complain about, are we over-reacting? So we had lots of those discussions late at night, trying to figure out what the right move for us was. I was always the one going be nice to them, be nice to them, if we're nice to them, they'll like us and they'll do good things for us and they'll be nice back. My partner was always the one going, no, we're the customer, we're paying a sh\*tload of money, we don't have to be nice to them.

It's not our fault at all. It's not our problem. Because initially in the first phase, we were really understanding – yeah, fair enough, you need more time, that's OK. I suspect what happened is, because we didn't jump up and down and make a big song and dance about delays at the beginning, probably that's the reason why our house took so long whereas other people I know whose houses they were building got done quicker. You shouldn't have to put up with that either.

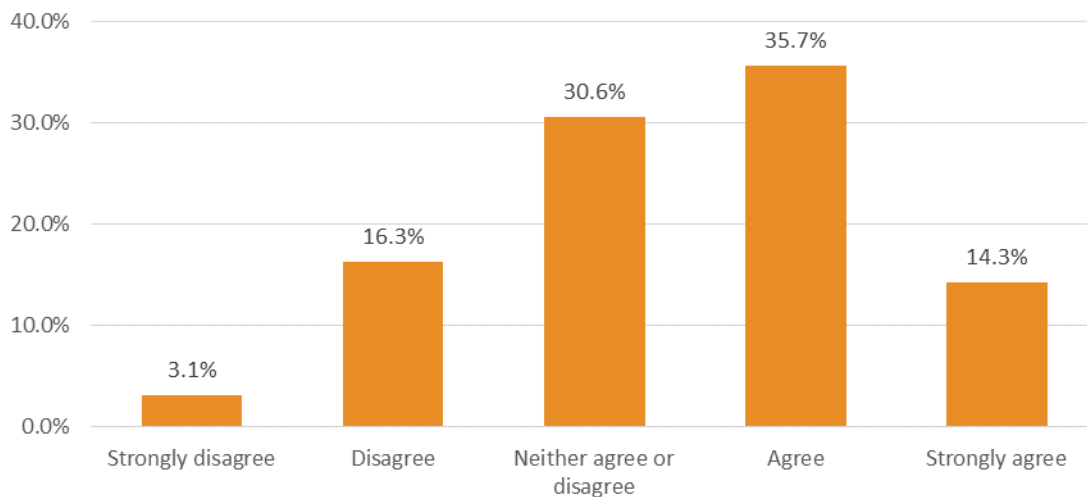
In both excerpts above, clients questioned how they should approach being more assertive in their communication with their builder. Clients in this situation were unsure whether their concerns were valid. However, they were also aware that they had made a significant investment and that they had a right to be involved and heard. Clients in this position struggled to find the line between allowing their builder to get on with the job at hand while being assertive enough to bring up what they saw as a legitimate concern during the build. Clients did not want to be perceived as petty or deliberately combative, but when an issue during the build occurred, clients needed guidance on how to approach their builder. These findings show that there are difficulties for clients in knowing their role in the build process, especially when they want to communicate with their builder and exert some influence on the build process.

#### Client roles



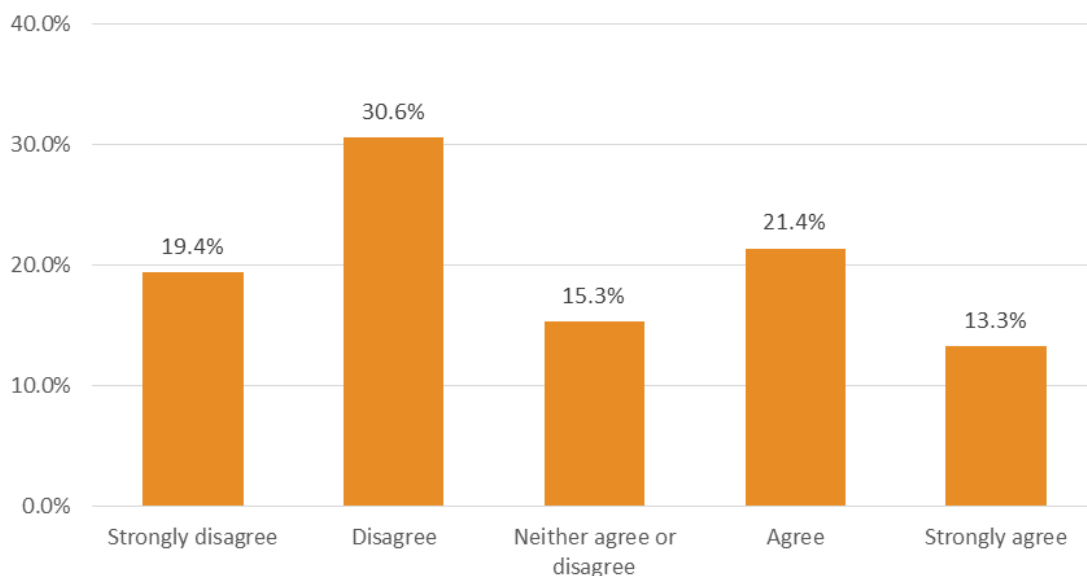
The above section highlights the concern some clients have around their role with the build process. We wanted to know how a client's role worked in relation to their builder, so we asked them about their motivations for research on the building process. How much of a client's role is it to keep an eye on their builder, and how much research were they doing to prepare for that role?

Clients were active when it came to their research on the build process, with nearly 50% of our sample agreeing, compared to 19.4% who disagreed, although, a large portion of the sample (30.6%) was undecided (Figure 21). These findings would suggest that clients see themselves as partly responsible for the build and that all knowledge they can access to understand the build can help them in that role.



**Figure 21. I researched the building process to make sure my builder was doing their job properly.**

We also asked clients whether they thought it was up to them to make sure that their builder was doing their job correctly and noticed a difference in the reported numbers compared to the above. A third of clients (34.7%) agreed it was up to clients to ensure the builder is doing their job properly (Figure 22) compared to the 46% who researched the build process to make sure that their builder was doing a correct job.



**Figure 22. These days it is up to the client to make sure that the builder is doing their job properly.**





Half of the clients felt they had to do research to ensure their builder was doing the correct job, and while only a third felt they had to ensure their builder was doing their job properly, that is still a significant portion of the sample. The difference between these two findings could be attributed to the difference between researching how the builder does the job versus ensuring that the builder does his job. In researching, clients are giving themselves the tools to ensure their builder is doing the job correctly but recognise this should not be the task of a client during the build process.

When interviewing clients, we found some had to ensure their builder was doing their job because they had identified a systemic breakdown in the builder's systems that forced a more rigorous approach by the client during the build process.

Oh, it was just one shocking thing after another. There appeared to be no communication between subcontractors, any variations you might [have], things that you chose to start with, upgrading [specs] and things like that ... You'd come and check, and they've put the wrong ones in, so they have to take them all out. So the whole thing along the way was just a nightmare of trying to constantly keep on top of things that were not done as you had asked or any variations you'd put through.

We'd had a real bone of contention with the project manager because we'd had all the windows and doors delivered on site. They sat on site for 2 weeks, and when we went and looked at the first one that had been installed, the instant we saw it installed, we said these are the wrong windows. Nobody had checked that they had got the right windows, which I would have thought project managers should do. That set us back about a month.

For the first client, the breakdowns in communication were almost constant. It was not just the builder forgetting to communicate with the client during the build, it was a lack of communication among everyone involved in the build process. The client recognised this, and suddenly the pressure was on them to point out these problems and ensure they were on top of everything to ensure they got the build they expected when they signed their contract. In the second excerpt, we can see the client's frustration when different products were installed without their knowledge or input, especially when it was so obvious to the client that the builder had installed the wrong product. When a client identifies that something occurs on site that is contrary to their specifications, it acts as a catalyst for client involvement. It signals to the client that their involvement is necessary to ensure that the specifications they agreed on and signed the contract for are seen through until the completion of the build.

What these findings demonstrate is that a significant portion of clients are seeking out more information than has been seen in the past. Clients feel that they have to insert themselves more in the flow of the building process when things appear to be going wrong for them. When comparing these findings with builder perceptions, builders felt that they were challenged more often by clients in the past and that a more-involved client can cause headaches. Builders want their clients to trust in their professionalism and expertise and see a well-informed client as one who has done their due diligence. However, in the face of what a client perceives as a systemic collapse in the builder's process, the client feels compelled to insert themselves in the build and act at that quality check, even if they have concerns about their involvement during the build process.

Clients need more education around what it means to be a newbuild client. The clients in this sample are torn between being a 'good customer' who tries not to act pushy

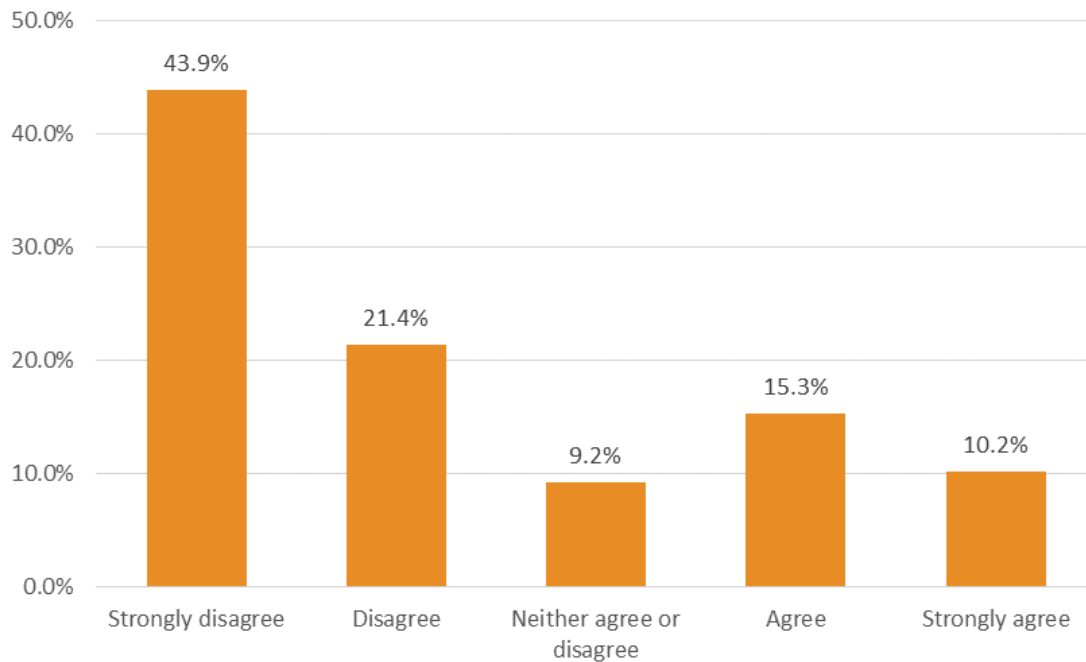




and being an assertive client who pushes to ensure their specifications have been fulfilled before handover. Clients need their rights and responsibilities clearly outlined before the build process begins, and this should be part of those initial expectation-setting meetings between builders and clients.

### Trust

Trust was a prominent theme throughout our research. When we asked clients if it was difficult to trust their builders, most (65.3%) disagreed, and only 25.5% thought it was difficult to trust their builder (Figure 23).



**Figure 23. I found it difficult to trust my builder.**

Clients explained that the key to a trustworthy relationship with their builder was constant communication.

It was just around trust. Throughout, the messages that we were getting were that they were on our side ... that engenders trust. We trusted them, and when problems come along, like an extra hole in the ground, then you trust them. They keep you informed, so it was communication, and that developed trust.

If clients felt their builder was on their side, they were able to trust them when unexpected problems came along. For most clients, trust was developed through regular and constant communication that front-footed any complications that occurred during the build process. Many builders told us the key to maintaining a healthy relationship with a client was to take an empathetic approach across the build process to build trust with clients. Not all clients could specify how they found a trustworthy builder. Some clients expressed an element of luck when it came to finding a builder:

I'm not too sure, I just think that's kind of who we are. We hadn't built before, it was an industry that we have always heard, oh, it's really stressful, nothing goes to plan. We live in an area with a lot of growth, so a lot of people we know have built before and we've never heard anyone go, oh, you have to build with these guys, they were amazing. So we were lucky because we didn't choose [building company], in a sense, I feel like we were lucky.



First-time clients who lack connections with the industry may have no expectations or experiences to help inform their choices of the builder. Their choice of a builder may also be grounded in a negative perception of the industry – that building is stressful, it never goes as expected and building companies are much the same.

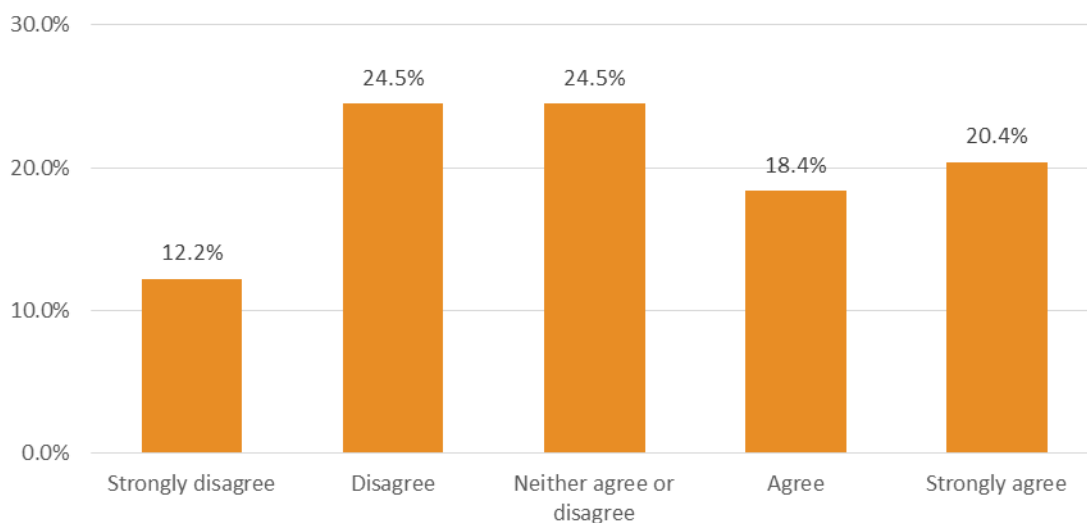
Some clients felt they had to take a leap of faith, as they lacked the knowledge about building to be able to make an informed choice about their builder.

I mean, the document you sign, it was something like 32 pages, with all the illustrations of everything and the trussing and the drainage. I'd sort of looked at it, and the stuff that made sense to me I looked at very closely. Some of the others, I must admit, I actually said to the guy, I said, I can't really comment on what you've got about the materials and the strengthening and the ceiling trusses for the raked ceiling and all the rest of it, you know, I'm relying on your knowledge and professionalism. He said, well, yes, of course.

Most clients are aware of their lack of knowledge and must trust in their builder's professionalism to fulfil their expectations throughout the build process. These findings are similar to recent BRANZ research that found the majority of clients were aware of their lack of knowledge so defaulted to checking the reputation of their builder and the quality of the show home (Lockyer & Marston, 2020). While the majority of clients in our sample did not find it difficult to trust their builder, some clients who did have a trusting relationship with their builder did not have tools to be able to assess their builder's competencies and processes before signing the contract. It was largely luck that they found a builder that protected their best interests as a client.

### Power

Some clients felt they were taking some parts of their relationship with their builder on faith. When we asked clients if builders held all the power in the relationship, they were evenly split across the possible response categories – 36% disagreed that builders hold all the power, while 38% of clients agreed that builders do have all the power during the build process (Figure 24). The remaining percentage (24.5%) neither agreed nor disagreed.



**Figure 24. Builders hold all the power in the builder-client relationship.**



Some clients had experienced a perceived power imbalance between themselves and builders and would often refer to the contract as the main mechanism that rendered them powerless during the build process.

There were lots of clauses around if we didn't pay by a due date, this would happen and we'd suffer a penalty. There were a lot of things that were referred to us not meeting our requirement, but when I asked what were the provisions for penalty payments for not meeting the completion date, I got a really funny response. It was like, oh, we've never been asked that before. Of course, the completion date got pushed out as we kind of knew it would.

The contract is not worth the paper it's written on. It's purely a contract written by [building franchise] for [building franchise]. They tried to say it's just a standard industry one, but it's not. I mean it wasn't the same as the one I built with at [other building company] for instance. It's literally something that they've, obviously, as a large company done, written in their favour. In the end, if they break it, who cares? Like really, are you going to sue them, are you going to take them – where can you take them? They've got a lot more money than you do and, basically, that's the approach they take.

Clients in this position saw the contract as being unfairly slanted against them and that they had lost much of their ability to contest their builder's position. As the first client described, there were provision for penalties for a client not meeting their requirements, which, in their mind, held the client to account more than it did the builder. The second client had the same concern but emphasised the power imbalance between them and the builder. Even if this client wanted to challenge their builder, it felt like wasted effort.

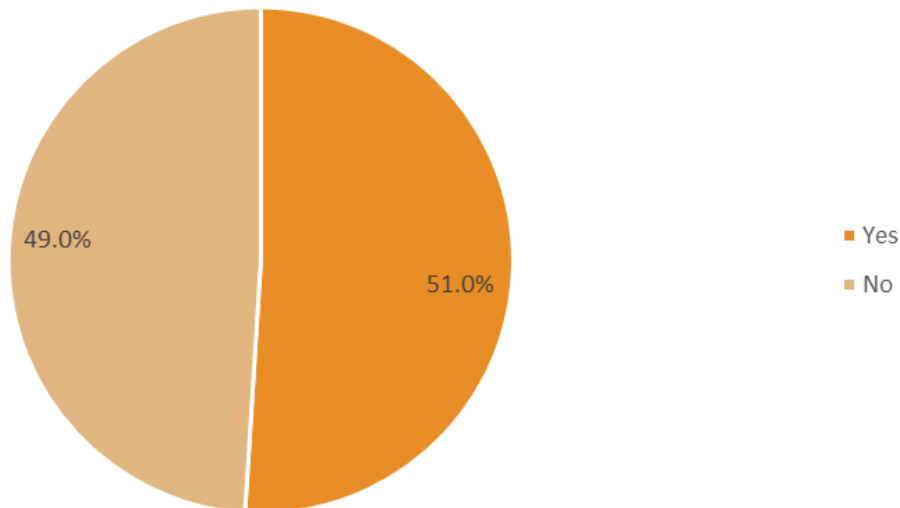
Builders were evenly split regarding whether clients held the balance of power in the builder-client relationship. When the conversations turned to the idea of power and control over the build process during their interviews, builders often shared stories about unhappy clients withholding payments and the need to go back to the contract or seek legal advice to resolve any issues. When clients were unhappy with their builder, they had to go outside of the conditions of the contract for their dissatisfaction to be heard. Builders were the opposite in that they used the contract to resolve issues or seek legal help when a client was non-compliant.

Overall, clients felt that standard building contracts unfairly allocate risk to the client where they do not have the understanding or ability to evaluate and/or mitigate these risks. Despite this, clients mostly trusted their builder during the build process. Clients saw a trustworthy builder as someone who communicated constantly and kept them informed about any potential issues and helped put the client at ease throughout the process. Clients were evenly split on whether they saw builders having all the power in the builder-client relationship. Clients who had challenges with their builder would often point to the contract and how unfairly weighted it was in favour of the builder. In general, clients had very few mechanisms they could use to challenge their builder.

### 3.4 Disagreements with builders and their impact

#### Types, frequencies and resolution of disagreements

Disagreements and defects were a common occurrence during the build process. Our sample was roughly evenly split – 51% of clients had a disagreement with their builder and 49% had no disagreements (Figure 25).

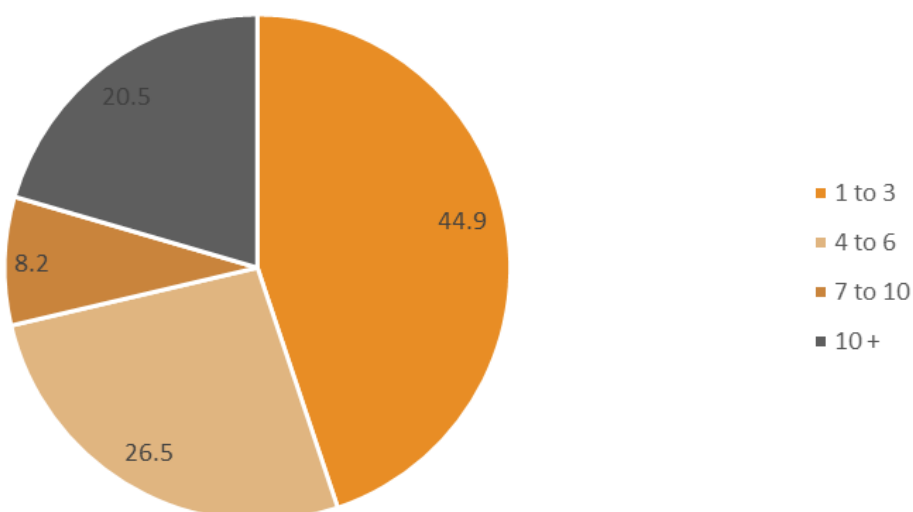


**Figure 25. Proportion of clients experiencing issues or disagreements with builders.**

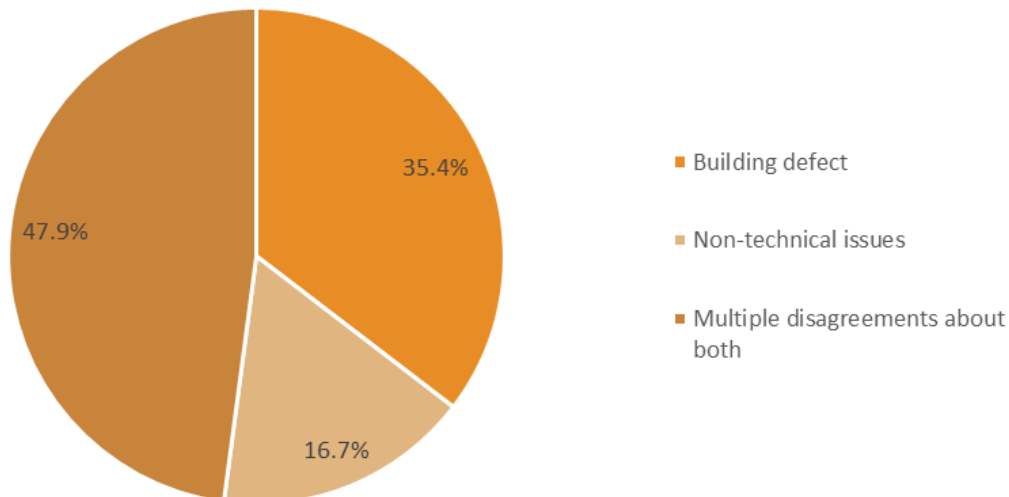
Of those clients who had disagreements during their build, 44% said they had 1–3 over the course of the build, 26.5% had 4–6 and 20% had 10 or more (Figure 26).

When it came to what triggered the disagreement, the researchers provided clients with two different classifications to help us understand the type of disagreement they had with their builder. Clients could choose a building defect (a problem regarding the way something was built or installed or the materials used during the build), a non-technical issue (for example, a disagreement over the cost, duration or management of the build process) or a third option if they had disagreements of both types.

Around 47% of clients reported that they had disagreements related to both building defects and non-technical issues (Figure 27), 35.4% had their disagreement because of a building defect and only 16.7% saw their disagreement as a non-technical issue. The high percentage of disagreements being defect related is a concern, but it is in line with the data from the latest New House Owners' Satisfaction Survey. Call-back rates for trades are extremely high, and the fixing of defects was one of the measures builders performed worst when it came to service with their clients (Lockyer & Clarke, 2020).



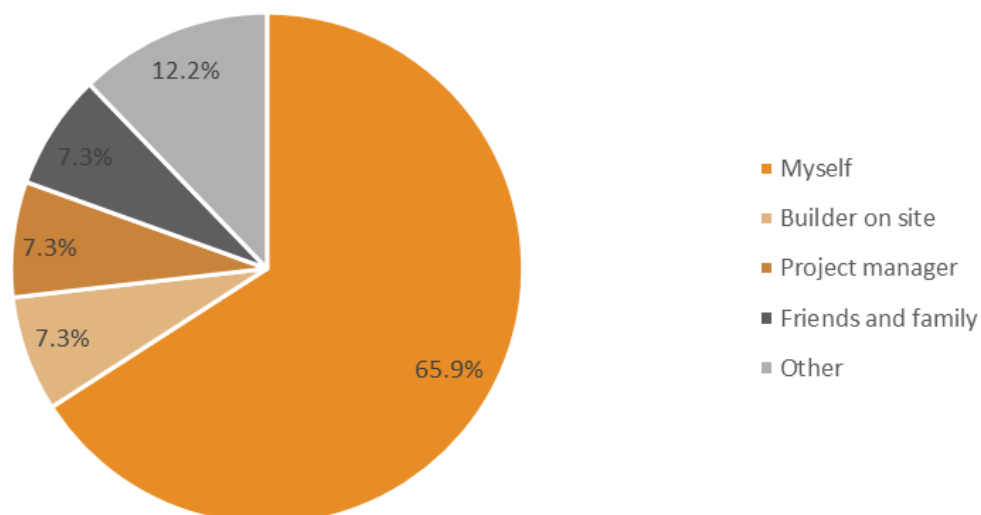
**Figure 26. Number of issues or disagreements experienced by clients.**



**Figure 27. What triggered the disagreement?**

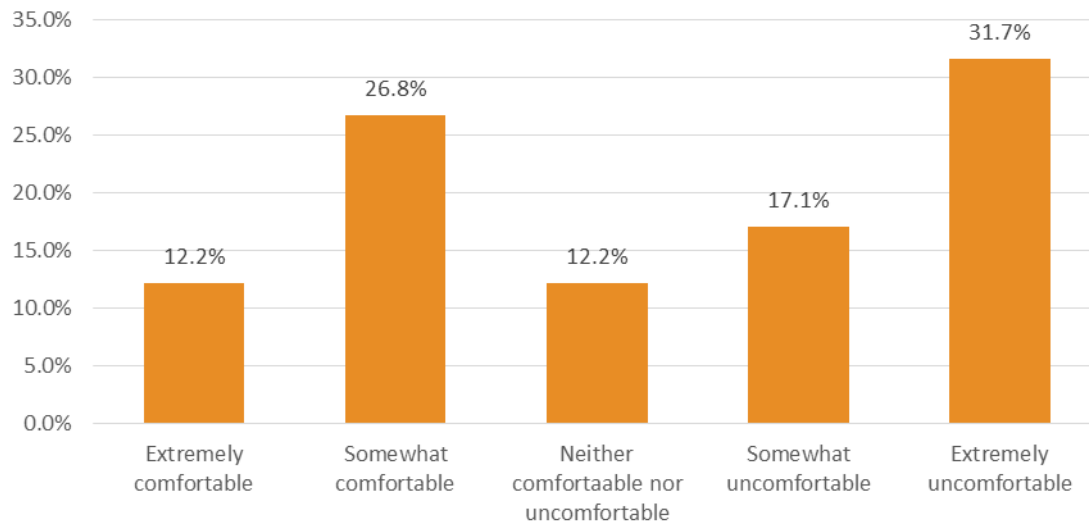
### Defects

When it came to who identified defects on site, 66% of clients said they identified building defects on site (Figure 28).



**Figure 28. Person who normally identified building defects.**

These findings are largely consistent with other studies in this area (Lockyer & Marston 2020) that identified an onus on clients to identify quality defects both during the build and at handover. When it came to how comfortable clients were that all defects had been picked up upon handover, 48.8% of clients felt uncomfortable or extremely uncomfortable (Figure 29). Only 12.2% of our sample were extremely comfortable with all defects being picked up during the build process.



**Figure 29. Client comfort with detection of defects during the build.**

High levels of client concern over the detection of defects could be explained a couple ways. Clients may not have sufficient understanding of the build process to undertake on-site quality assurance to ensure a quality build but often found themselves responsible for ensuring that client specifications were being met.

Clients were also dependent on their builder validating a client-identified defect, which in the case of this client, did not happen even after identifying what they thought was a clear defect.

The scaffold was still up, and I got up and had a look. The iron on the roof, the ridge capping had been cut, really badly cut, and they'd just left the cut piece up there. It had a massive, big cut in the middle of the ridge capping on the metal. It was awful. Then they started taking the scaffold down, and I said to them, did you fix the roof? And they go, no, nothing wrong with it. I said, yes there was, and I'd taken photos. Honestly, they stood here in my shell of a house abusing me, telling me that I knew nothing about building, how many years had I been a roofer? It wasn't until I produced the photos that they actually backed off ... I said to them about the purlins. I'd been told what to look out for and had a friend that advised me. They questioned his knowledge of building ... I said, it doesn't make any difference how many years he's been a builder, the evidence is there. So they had to get the scaffold back in which of course didn't go down very well.

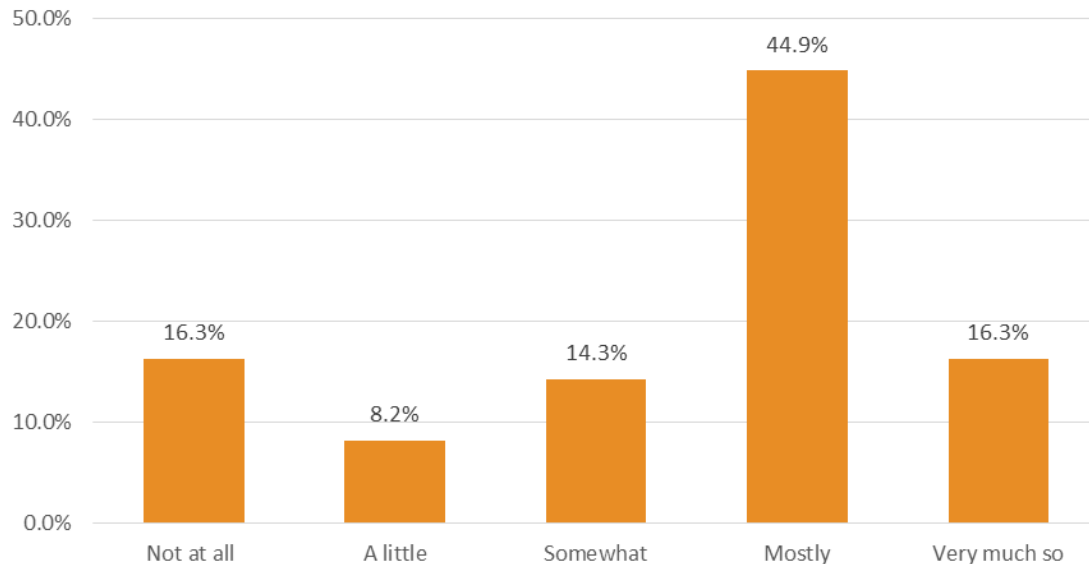
The proper documentation of this defect was crucial, as it stopped the builder's immediate tactic of leveraging their extensive building expertise to dismiss their client's concerns. After the builder had 'abused' the client and the client had presented their evidence, the builder had to back off and concede there was a defect that needed to be fixed.

This client experience is a microcosm of all the existing tensions within the builder-client relationship. Clients with more expertise or access to what they perceive is expert impartial knowledge gives clients the confidence to challenge their builder. However, the power imbalance in the current contract structure means that clients are dependent on their builder to acknowledge that a defect has occurred. Clients have few regulatory tools to remedy what they perceive as a defect.



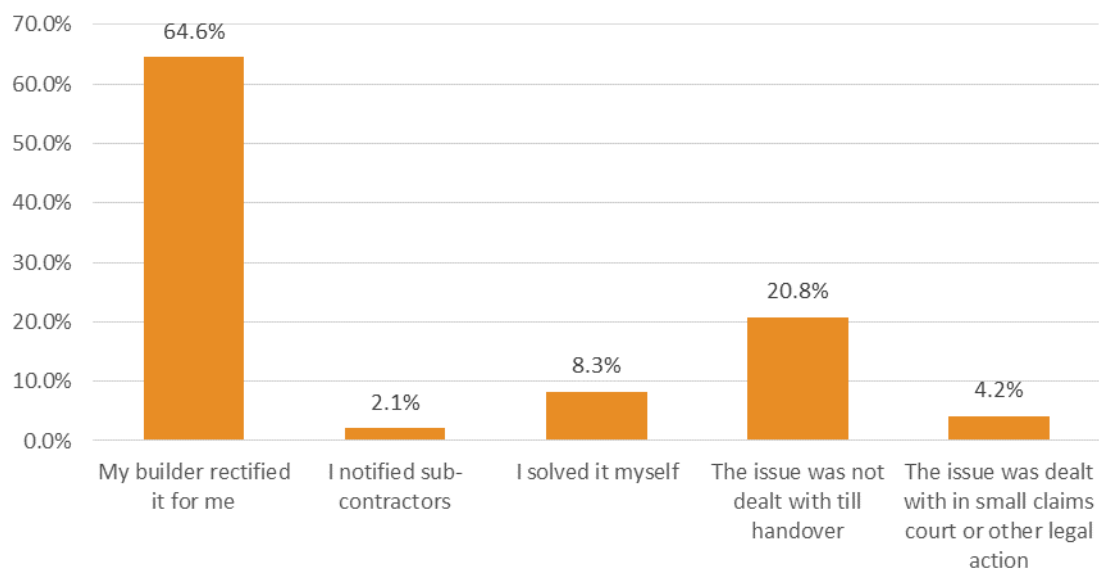
### Resolving disagreements and issues

Most clients (61.2%) felt they had mostly or completely resolved a disagreement with their builder (Figure 30). However, 16.3% said that they had not come close to resolving their disagreement with their builder.



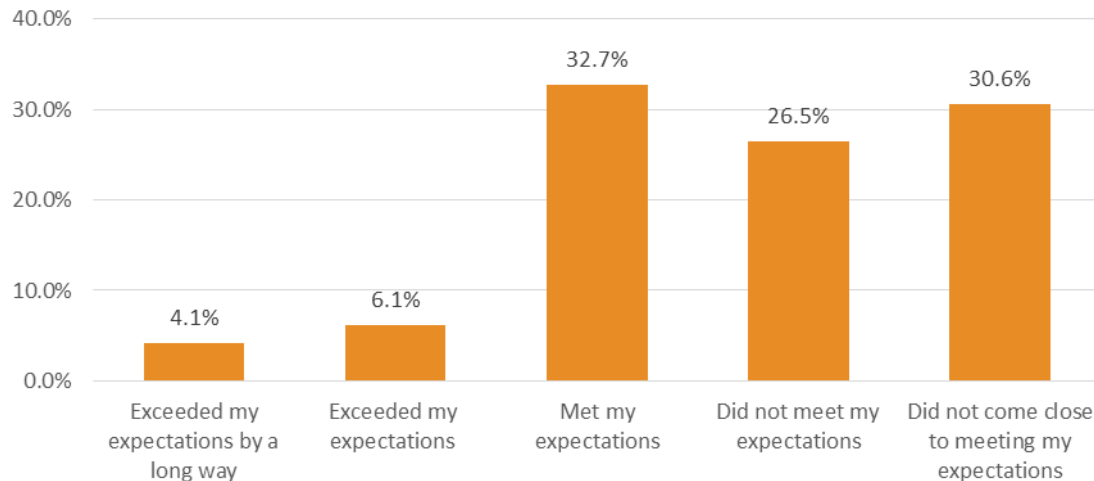
**Figure 30. We were able to resolve the disagreement with my builder successfully.**

When it came to resolving disagreements, 65% were rectified by the builder (Figure 31). However, 20% of clients said that a disagreement was not dealt with until handover.



**Figure 31. How disagreements were resolved.**

When it came to client satisfaction related to the resolution of disagreements, only 42% of clients said that their builder had met or exceeded their expectations (Figure 32).



**Figure 32. Client satisfaction with builder response to fixing issues during the build.**

In contrast, 30.6% of clients saw that their builder did not come close to meeting their expectations on fixing defects. Clients in this position discussed their relative lack of power in forcing a resolution to a disagreement or having to find an alternative pathway to resolve a defect at the heart of a disagreement.

Stuff like that really annoyed me, because they just look for any old out, and of course they got away with it. They haven't fixed it. It does look a mess, but I really don't know if it's worth going back to the builder now and saying, this still isn't right or going back to [building company] and saying, you guys haven't done it properly. What comeback have we got? In the current situation, probably nothing.

There were a few things. One was the garage door automatic motor basically kept – I'm not really sure what you'd call it but it would stop working correctly and then the garage [door] would go off the rails and things like that. It happened three or four times, and then the builder wasn't that interested in replacing it. They went around had a look once and said there was nothing wrong with it but there clearly was because it kept happening. Then I got it fixed through the garage door company, just didn't go through the builder, that's how it got fixed.

These clients felt a powerlessness when it came to defects they had identified. The first client talked about the lack of any comeback and was resigned to their defect never being fixed because they had no means to force their builder back on site to fix the issue. The second client had a similar situation where their builder decided the client-identified defect was not an issue, so the client had to go to the garage company themselves to have the defect rectified. For clients, there is a clear tension around what constitutes a defect. For clients who feel they have clearly identified a defect, it is often a struggle to get that defect acknowledged by their builder.

### Resolution timing

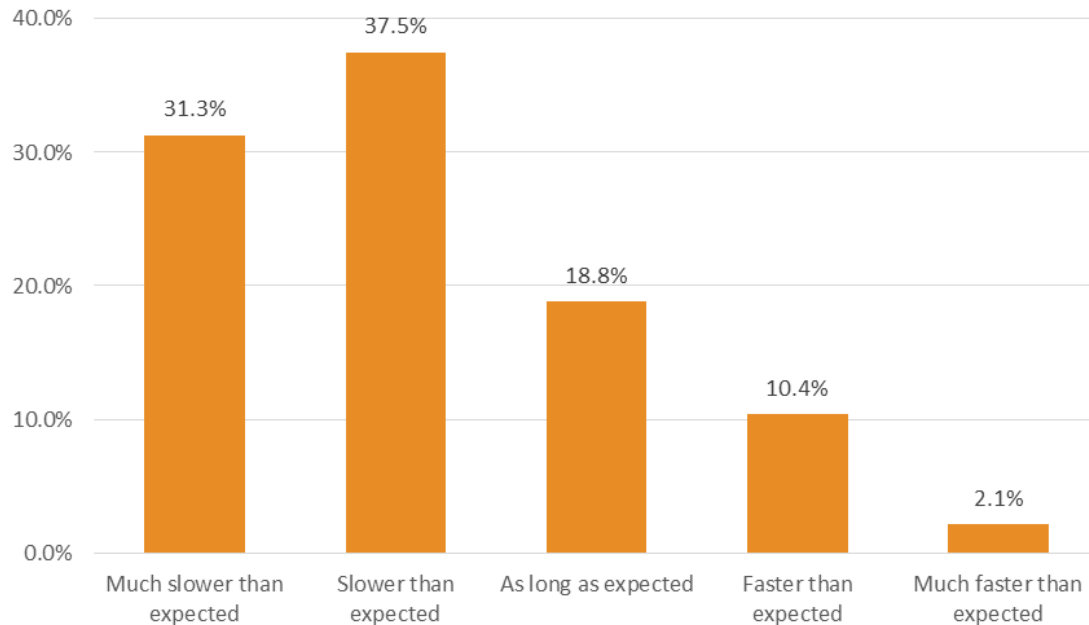
Over half of clients were unsatisfied with the resolution of disagreements during their build. Part of that dissatisfaction can be attributed to the time it takes for a builder to resolve that disagreement.

We asked clients about the time it took for their disagreements to be resolved – 18.8% thought that the resolution took what they expected and only 12.5% saw their





resolution as faster than expected (Figure 33). By contrast, 68% of clients felt rectifying the issue was much slower than expected.



**Figure 33. Client satisfaction with timing of resolution.**

Earlier in this report, we mentioned the challenge for some clients in trying to get their issues acknowledged by their builder. Some clients were still waiting for defects to be fixed.

He said oh, don't worry, the plasterer will then sort all those big holes out, and I'm like, ah, and my son was just standing there and he said, all the screws, that they'd screwed it into the ceiling, he said you have to recess those ... The workmanship was shoddy, let's just put it that way ... The whole process was very disappointing, and even sitting here now there's things that I'm so disappointed about that will never ever get fixed or sorted. The time has gone past now, and they just don't want to know once they've got your money. At the end of the exercise you just – they move onto the next one really.

We're still talking to them, I think 15 months later, 16 months later, with these holes beside the garage doors where the wind whistles through. So our front door for instance is bowed and the bottom doesn't close and the top does. We've never built a house before, we've only ever lived in ancient old villas and we expected a new house with metal joinery and all that kind of stuff, everything shuts and closes and work properly.

Even after a client had convinced their builder that there was a defect, the constant delays on getting that defect fixed and the possibility that it would not be fixed at all were a significant cause of distress for the client involved. The first client was so resigned to not having their house fixed and perceived their builder as only being interested in their money and, once they had it, were quick to move onto the next house. Neither client had any comeback and had to accept a house that would not function as they had originally hoped.

#### Timeframe tensions



The handling of defects was not the only tension point for clients. As well as the speed with which a disagreement was settled, the overall time it took for a build was another tension point for clients. Elongated timeframes with little to no warning to the client were often a cause of tension in a client's relationship with their builder.

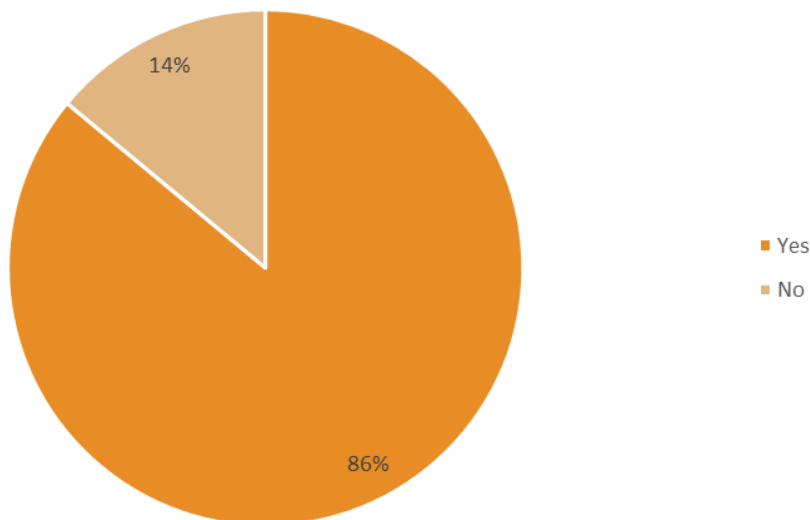
We said, look, we've got a child on the way. We certainly don't have a lot of time to commit to it. We're aware that it can be a slow process, so if we can get a rough idea on how long it would take. He added it up on his fingers and said, look, we're looking probably 8 months to 10 months. I can't remember exact figures. So, OK, it's a long time, but we can do that ... So we went ahead from there and built with them. Of course, they didn't keep to timeframes. At the 12-month mark, they hadn't even started the house.

I think just because it was taking so long, and I wasn't in a great situation for where I was living. I just could see that they should have been for days and days, and they weren't. That was what was a bit of a killer at times, seeing that ... a week would go by and nothing was happening here, and I was in a bit of a bad situation. So that was a bit stressful.

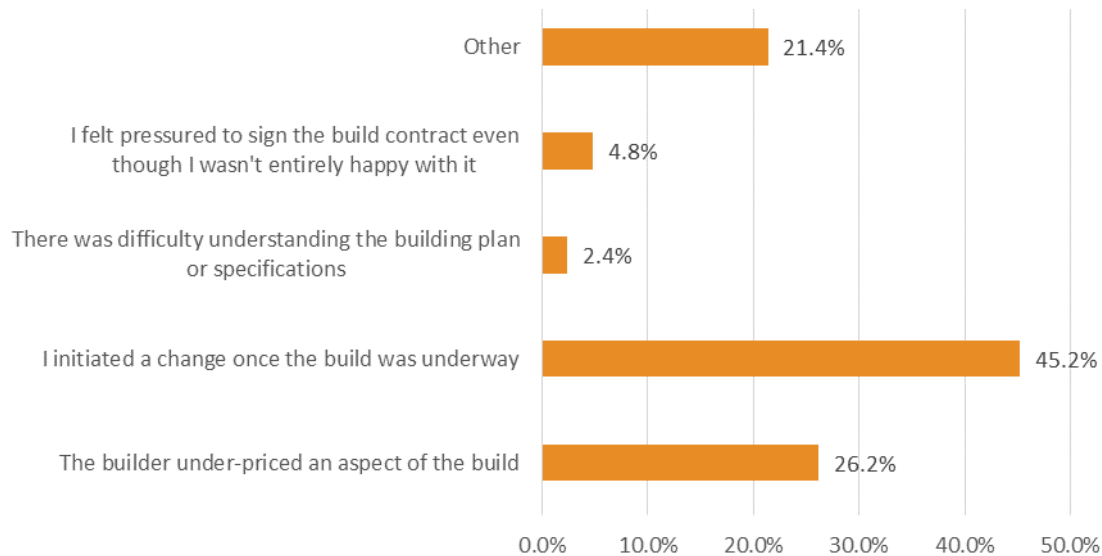
In the first excerpt, poor communication from the builder, failure to manage the client's expectations and overselling the builder's current capacity to get the job done were the key reasons for the client's disappointment. The second excerpt describes a client who had regular access to their site and for periods of time saw no one on site working on their house. Timeframes become a tension point for clients like this due to a lack of communication between builder and client. Their builder did a poor job of setting their client's expectations early and did not communicate clearly how and why delays occurred during the build process.

### Budget and variations

Price and variation tensions were another common tension clients felt during the build process. Of clients who had disagreements, 86% had PC sums or variations during their build (Figure 34). Variations are a common occurrence during the build process, so it is difficult to say whether the need for variations were an indication of a poor relationship with a builder. Many (45.2%) were initiated by clients (Figure 35).



**Figure 34. Did you have any PC sums and/or variations?**



**Figure 35. Why was the variation to the original plan or budget needed?**

For clients who had disagreements about variations, these usually centred around the supposed arbitrariness of the variation process and the lack of direction or proper documentation of those variations.

I wish the building company, when they told me about the variations, they didn't – I'm not very good at reading and particularly the stress I was under I didn't read any small print whatsoever. I just knew exactly where I wanted to be, I wanted to be here, and I liked the house so I'm signing it and I've got a price. I didn't go much beyond the small print, so I was a bit annoyed that obviously there had been so many variations because I'd taken on someone else's design. And it took me a few variations to realise that they was [putting] 15% on every variation. So that was something I felt a little bit bitter about because I think they should have communicated that at the beginning.

The variations that never had a price, and then there were also some others, he'd just go, oh no, we had to do that, so we'll just add it on. He had no running record of variations that he presented me with each payment. I had to actually create a variation record sheet – I'm a project manager myself – and gave that to them. I found it very, very hard to monitor the budget on the build.

In the first excerpt, the client talked about not going "beyond the small print" and, because of that, was not able to understand or interpret the contract.

In the second excerpt, the client had to make up for their builder's poor documentation practices and create their own spreadsheet to track each variation and make sure their budget did not get out of control.

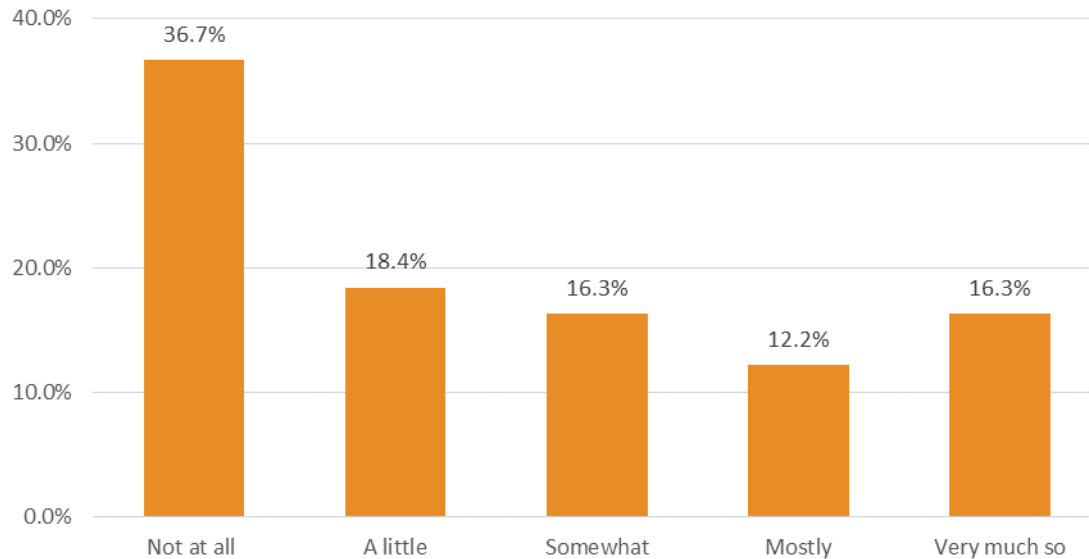
For both clients, it was a failure in communication rather than an issue with the variations themselves. For clients who had issues with variations, it was because the process of variations was not clearly outlined.

These findings echo the two key tensions – a failure of good communication practice and the lack of controls clients have because of how contracts are currently structured between builders and clients.



### Impact of disagreement on client satisfaction

Finally, we wanted to know whether these disagreements left clients wanting a new builder. We found that clients mostly enjoyed their build, even after a disagreement with their builder, 36.7% of clients felt no impact at all while 16.3% felt that the process had been completely ruined for them (Figure 36).



**Figure 36. After the disagreement with my builder, the rest of the build process was ruined for me.**

For most clients, it was difficult to dampen the excitement of moving into a new home.

Certainly, I mean, the handover was lovely, the whole team came up, the office girls who at that stage I'd only communicated with by phone and email, plus my contact, plus the sort of head of the local company who I hadn't met before. But they were all there with the handing over of the keys, and I guess all builders give their clients a little gift when they hand the house over, they gave me a nice little two-person picnic set.

This client spoke to more than just the process, talking about handover and how their builder's mutual excitement enhanced the experience of moving in to their new home. The builder was investing in their client's journey and their happiness and turned the handover process into a celebration of the journey they had shared with the client. These findings mirror those in earlier reports where, while clients are frustrated and stressed through the build process, it is mitigated by what the client perceives as a good-quality building (Lockyer & Marston, 2020).

### Conclusion

Disagreements with builders were a common occurrence for clients. Workmanship issues, variations, timeframes add defects were all common tension points during the build. However, no tension point was perceived as any worse than the other. The main issue for clients was when any of these tension points were not acknowledged and actively resolved by their builder. Disagreements are normally rectified by the builder, but that is contingent on the builder agreeing that the client's identified disagreement or defect is valid. If a builder is not willing to acknowledge what a client has identified as a defect or has no incentive to fix any defect, the client often must live with that defect not being resolved by their builder.

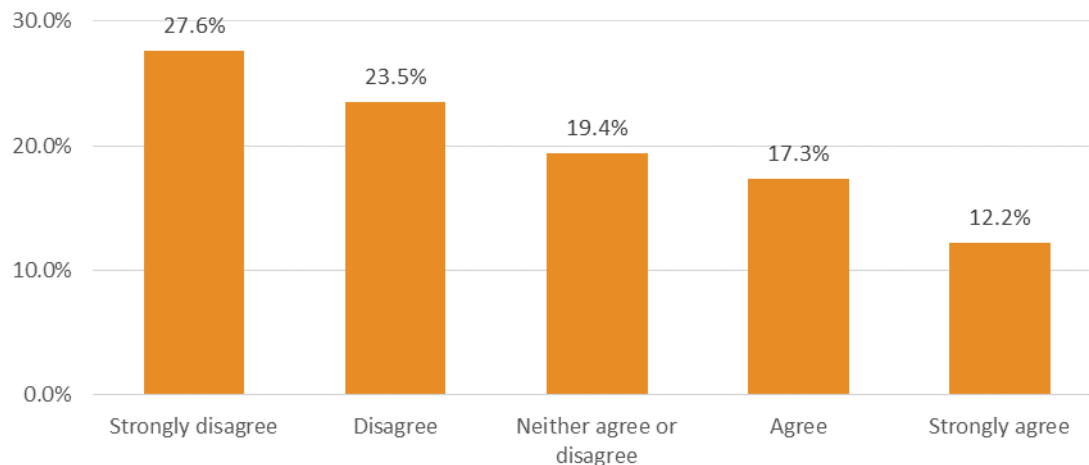


### 3.5 Mental health impacts of the builder-client relationship

Conflict in any context can be unpleasant, so it is important to understand how clients cope with it during the build process. Only clients who reported experiencing a serious builder disagreement were asked about their mental health.

#### Stress of building

When we asked clients if building a house was one of the most stressful things they had done, 29.5% of clients agreed with this statement, while the majority (51.1%) disagreed (Figure 37).



**Figure 37. Building a home was one of the most stressful things I've ever done.**

In interviews, clients described a range in levels of stress experienced.

There were some delays but ... right up front, once they turned this on, we had a programme from that point to handing the key over to us. But that was updated. I mean, we had a particularly wet winter and we'd had some problems with delivery. But thereafter, I think we were two changes as a result of that in terms of timing for things that were sort of beyond the builder's control. But we were basically stress-free. In fact, I would just say it was an enjoyable process.

They already had a guarantee, and they had the deposits and everything. Just their whole attitude changed, yeah. So mental health, yeah, by the end of it and even up until a few months ago, it just was the constant battling with them since we've been in here just to get them to come back and fix things. It just wears you down, it does. Mentally you're exhausted. You just want it to go away.

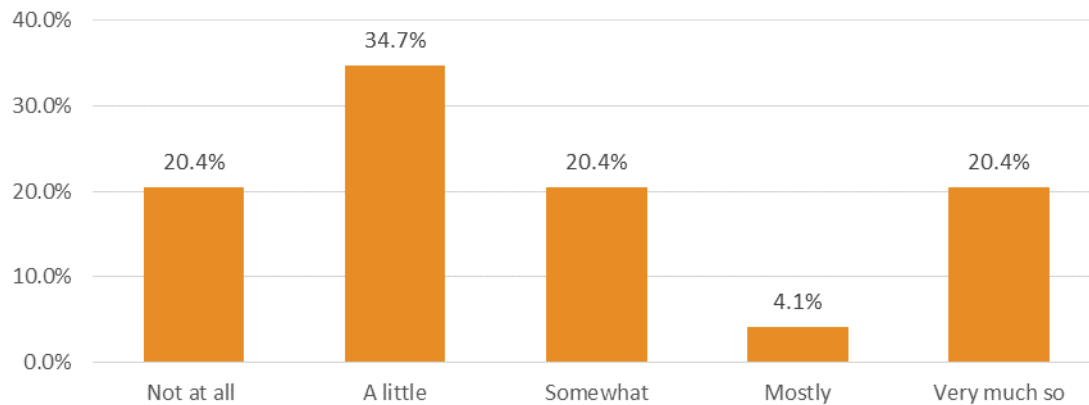
In the first excerpt, the client had a relatively stress-free journey. The client had every delay carefully signposted by their builder. Clients in this position knew exactly why a delay happened and were able to enjoy the build process without worry.

The client in the second excerpt echoed much of the identified communication issues identified in this report – a noticeable drop-off in service after handover, constant chasing up to get progress reports during the build and the drawn-out process of getting defects fixed. The difference between the two outcomes emphasises the importance of client communication on positively maintaining client wellbeing.



### Impact on client mental health during the build

When we asked clients about disagreements and their impacts on mental health, 20.4% said they had no mental health impacts because of their build, while the largest proportion of clients (55.1%) mentioned they had a small to moderate impact to their mental health (Figure 38). A further 20.4% felt that their disagreements with builders had a major impact on their mental health.



**Figure 38. During the build process, I had at least one disagreement with my builder that negatively impacted my mental health.**

The impact of mental health was diverse for clients.

My mental health is actually very good. I don't let things bother me that much. I just get a little bit angry and a little bit frustrated I think with the lack of care taken by the companies, because if they tell you straight up this is what the issue is and this is what we're doing about it and we're sorry it's happened but we've got no control about the weather or whatever, then I'm fine with that. I don't stress about things. I just get annoyed about them because they're not telling me what I need to know ... I think if we hadn't chosen a builder with a reasonably good reputation, we'd still be finding problems. I mean they do rely on their reputation. There are things I wish they had done better for sure, but ... all in all, most of it was OK so I think the stress was manageable.

We were losing sleep, I was angry, it was taking up time out of my working day. Yeah, that was extremely stressful. It wasn't the fault of the building company and that was solely directed at the flooring company ... They were as unhappy as we were about it, and they gave us the assurance at the end of the build that they would never refer a client to that flooring company again. We stay in touch with [building company], and I'm confident that they stood by their word there, they were so disgusted as were we.

In the first excerpt, the client experienced a lack of regular communication with their builder, which led to feelings of frustration and anger for the client. However, a lack of communication, while frustrating, still did not detract from the quality of their home. They were confident in their choice of builder because they picked them based on their good reputation. Even if things were rocky, the clients believed that, if they had gone with another builder, they would have had a lot more problems.

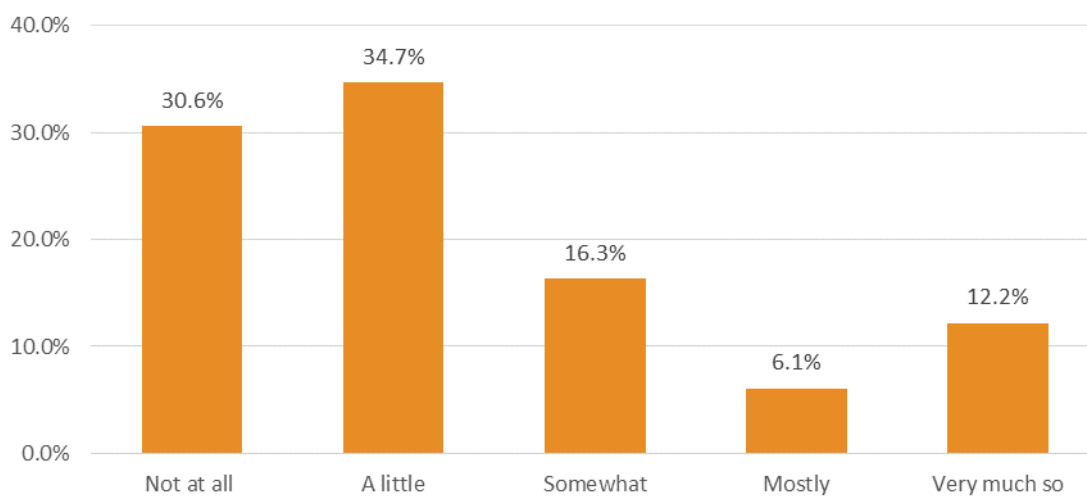
In the second excerpt, the client experienced a major impact on their mental health. Their build impacted their sleep, made them angry and took up time away from work. However, they acknowledged that it was not their building company specifically that



was the issue. The client did not hold the main contractor to account (which they could be entitled too) because their builder made it very clear that they were on their client's side. Earlier sections of this report have discussed the importance of making a client feel like the builder is on 'their side', and this is a key example of that. While it is still stressful for the client, the relationship is workable because of how the builder has responded in this case.

### Impact on clients' everyday lives

We also asked clients how much of an impact these disagreements had on their everyday lives and again had a variance in their response. Most clients found their disagreements to be at least a little (34.7%) distracting to their everyday lives, 30.6% of clients said disagreements had no impact at all, while 12.2% felt that their disagreement was a major distraction (Figure 39).



**Figure 39. The disagreement with my builder was so distracting it affected my ability to concentrate on other aspects of my life.**

Clients would often refer to their own character or resiliency when discussing how distracting they found disagreements with their builder when asked about this topic in the interviews.

Oh look, I'm a pretty resilient person but it did – yeah, obviously at times – sometimes I may be sort of thinking about this and that. So it was an issue I had, yeah, that obviously hadn't had before.

This client saw themselves as resilient but had moments where they were distracted by the disagreements with the build process. Their personal framing as being a 'resilient person' highlights the distracting nature of disagreements during the build process in that they were affected despite being self-described as resilient. Even if the impact is relatively minor as reported by most, clients still feel the impact of disagreements with their builder.

For those clients who were more moderately impacted, it was because they had no resolution in sight.

Look, you can probably imagine, I'm a very determined character, I'm a very honest man too, like people tell me that I'm honest to a fault. I kind of know what they mean by that. But yeah, I've had sleepless nights, I've been at work and had to go home, I've had days off work fighting this. My boss has said to



me, mate, you've got to give this up, he says, you know, it's affecting you. So, it's been absolutely massively stressful. I've put hundreds of hundreds of hours into fighting them and writing reports, so we've got to keep going because there's a lot here. There's more to come.

This client had a much more difficult time to the point where his sleepless nights and days off work had caused a conversation with his boss about giving up on having his disagreements resolved. For those clients who have an uncooperative builder who does not recognise their complaints as valid, it is very difficult to have their disagreements resolved. This can have a significant impact on clients when an amicable resolution is not reached between builders and clients.

### 3.6 Conclusion

The survey results and the stories shared by clients in the interviews demonstrate the impact that tension in the builder-client relationship is having on client mental wellbeing. There is a wide variance among clients in terms of the impact that disagreements had on their mental health. However, many clients in our sample did experience a small to moderate impact to their mental health due to this relationship. Client stress was generated by poor communication practice, as outlined throughout this report. However, client stress, while notable in some cases, was much more moderate compared to our builder sample. The severity of this impact largely depended on whether the disagreement in question had been resolved to the client's satisfaction. Those clients who were most adversely affected were still fighting for a resolution when interviewed.





## 4. Discussion and recommendations

The overarching theme identified in this research is communication. The success of the working relationship between builder and client hangs on the frequency and quality of builder communication. The primary goal of frequent and clear communication should be to build trust and manage client expectations around potential tension points such as budgets, access to site and delivery timeframes. These tension points are like those identified in the builder perspectives report. The main difference identified in this report is around the client's position during the build process. Clients are not in a position of influence for much of the build. Their position is at its strongest before signing a contract with their builder. Clients have few ways to affect the build once the contract is signed. The proposed Building Together resource should include resources that can help clients with choosing their builder. Specific interventions for clients should be focused during the design stage, before a contract is signed, because clients do not have the same tools at their disposal to influence communication and build practice as do builders.

The goal of this research was to describe the client's perspective on the builder-client relationship, not to attribute blame to either party. This report should be read alongside the builder perspectives report (Bryson & Lockyer, 2021) to understand both sides of the relationship. Together, these two reports will enable us to identify ways of supporting builders and clients to work together in a healthy way that supports their wellbeing and better building outcomes.

This section summarises the major themes reported in the results and describes how the findings inform the recommendations that are made. We deliberately focus on the themes where improvements and solutions are most accessible and avoid dwelling on the shortcomings of either side of the builder-client relationship. Recommendations are made based on the data about potential solutions and next steps to address the issues identified by this research.

### 4.1 Communication demands

Clients need regular contact with both the site and their builder. Positive communication experiences for clients hinged on their builder setting expectations early, while being flexible and receptive to their client's informational requirements. Negative communication practice was often the result of a client feeling that they had been put in a position where they had to chase up their builder. Managing this aspect of communication is crucial to sustain a positive relationship between builder and client and one of the keys to maintaining manageable expectations.

Most clients thought builders should always be contactable and that they would prefer their builder communicated with them more, even if it elongated the build process. Clients reported that they use multiple communication channels to deal with builders. Dealing with builders outside normal business hours was the expectation of many clients. Clients reported that they preferred face-to-face communication above all other forms of communication.

Overall, clients' informational requirements are extremely high, and good communication practice is prized by most clients. Good client communication practice is built on constant communication, which can put a strain on builders. A recommendation to emerge from the builder perspectives report was that builders need to establish manageable boundaries around their communication with clients. The



client findings from this report further emphasise the importance of setting these boundaries. Resources that provide advice for builders around managing communication demands could be helpful alongside an understanding within these resources that emphasise the importance of good communication practice for clients.

## 4.2 Tension points

Several tension points were identified in this research. A tension point is a situation or event that happens from time to time during a build that has the potential to cause conflict in the builder-client relationship. Tension points almost always occurred when client expectations did not match what they perceived was being delivered. When builders described not being able to meet client expectations, the difference between it becoming a conflict or not was often how well the builder communicated with the client.

Site visits were described as something that caused strain on the relationship, and they were the issue that elicited some of the most extreme stories of poor conduct by builders. Site visits are also where a variety of other potential tension points can emerge – defects, build progress, variations and budget blow-outs. For this reason, site visits are a key component of managing the builder-client relationship. The Building Together resource should contain a section that enables builders and clients to negotiate how site visits will work.

When a client identifies that something occurs on site that is contrary to their specifications, it acts as a catalyst for client involvement. It signals to the client that their involvement is necessary to ensure that the specifications they agreed on and signed the contract for are seen through until the completion of the build. Access to site and the information clients gather from the site was one of the major points of contention for both builders and clients. Builders feel they are unable to provide context to unsupervised clients and help them understand ongoing site processes. For those clients who do not have legitimate access, they will still access the site despite their builder as this is one of the few ways they feel like they can gather up-to-date information about their build.

Builders often perceived site visits as an opportunity for things in the client relationship to go wrong. They told us about the measures they took to manage the risks of clients noticing mistakes or consuming too much of the builder's time while on site. Builders were aware that site visits needed to be well managed and that they must be cognisant of the fact that clients were not building experts. Tension would emerge when clients brought their own limited knowledge to site and misunderstandings ensued. Taking the time to supervise site visits and explain what the clients were seeing helped to mitigate tension.

Clients are also aware that their increased involvement on site can create tension with their builder. Managing this aspect of communication is crucial to sustain a positive relationship between both builders and client. Builders said that site visits sometimes provided an opportunity for clients to question their work based on knowledge they might have gained from the internet. Builders also spoke about clients who questioned their methods based on the advice of family or friends. Builders want their clients to trust in their professionalism and expertise and see a well-informed client as one who has done their due diligence, has a clear understanding of the house they want to build and has chosen a builder who best suits that vision. However, in the face of what the client perceives as a systemic collapse in the builder's process, the client feels compelled to insert themselves in the build and act at that quality check, even if they



have concerns about their involvement during the build process.

Clients also need more education around what it means to be a newbuild client. The clients in our sample were torn between being a 'good customer' who does not act pushy and gives the builder space to do their job and being an assertive client who pushes to ensure their specifications have been fulfilled before handover. More clarity is necessary on what expectation setting means for builders and clients. Clients need to be provided with more clarity on what expectation means for both parties.

### 4.3 Defects

Defects were a significant trigger for builder-client tension from the client's perspective. Even minor defects presented a risk to the builder-client relationship if the builder failed to understand their impact on the client's level of trust. While a builder might see a minor defect as inconsequential and not in need of urgent attention, the ongoing presence of the defect signals to the client that they have not been heard. It might also send the message that they need to remain vigilant as the builder is not committed to identifying or fixing mistakes. Communication is again the key to managing tension over defects. Tensions around defects also highlight the power imbalance between builders and clients, as clients are dependent on their builder validating their concerns. When a builder ignored what a client thought was a clear disagreement, it destabilised the relationship between builder and client.

While the building contract offers a written record of the legal obligations around delivery, it does not cover many of the tension points revealed in this research. Further, the contract is a legal agreement tabled by one party in the builder-client relationship. The Building Together resource should provide guidance to both builders and clients on how to handle defects and allow both parties to agree on a process for fixing defects as they arise.

Variations and unexpected costs were another tension point. The clients in our sample were generally very understanding when it came to variations and timeframe issues, but only when these had been clearly signposted by their builder. This highlights a need for builders to explain variations and exclusions clearly at the contracting stage to set client expectations around cost at a realistic level. The Building Together resource would be a mutually agreed document that could be used to guide the conversation between builders and clients at the very beginning of the building process. It would ensure things such as variations and exclusions are explained and discussed before they come up during the build, avoiding potential opportunities for conflict.

### 4.4 The impact of disagreements

Disagreements with builders were a common occurrence for clients. Workmanship issues, variations, timeframes and defects were all common tension points discussed by clients during the build. However, no tension point was perceived as any worse than the other. The main issue for clients was when any of these tension points were not acknowledged and actively resolved by their builder. Defects and disagreements are normally rectified by the client's builder, but that is contingent on the builder agreeing that the client's identified disagreement or defect is valid. If a builder is not willing to acknowledge what a client has identified as a defect or has no incentive to fix any defect, the client often must live with that defect not being resolved by their builder.

When the interviews turned to the idea of power and control over the build process, builders often shared stories about unhappy clients withholding payments and the



need to go back to the contract or seek legal advice to resolve any issues. When clients are unhappy with their builder, they must go outside of the conditions of the contract for their dissatisfaction to be heard. Leaving poor reviews or refusing to pay variations were some of the only avenues they thought they could explore. Builders are the opposite in that they use the contract to resolve issues or seek legal help when a client is non-compliant.

The impact on client wellbeing is not as widespread as the impact on wellbeing identified with builders. Clients still identified mild to moderate impacts to their mental health due to the build process, but it was not as severe as our builder sample. The main reason for this impact on wellbeing was due to client expectations not being met during the build process. There were also cases where stressful extenuating circumstances were exacerbated by the stress of the build process, but nearly all wellbeing impacts identified were due to expectations not being met in some way. The more severe cases of client wellbeing impacts were usually because a disagreement with their builder had never been resolved and they were left with a house that they felt had a clear defect that had not been fixed. Considering the impact this relationship has on clients and for the builders who must manage this relationship, there should be incentive to improve the way builders and clients are working together.

#### 4.5 Recommendations

There are two overarching recommendations from this research. The first focuses on helping builders to successfully manage the relationship with their clients. It centres around the idea that early and clear communication with clients appears to protect the relationship from the inevitable tension points that emerge during the build process. It is suggested that a resource be developed in partnership with builders and clients. It could be a document that provides a template and guidelines for the conversation with the client at the very beginning of the build process – ideally at the same time the build contract is signed. It could be in the form of a short workbook where builders and clients agree too and specify in writing the ways in which they will deal with the issues described in this research. For example, builders could stipulate the days and times that they are available to respond to client queries, and clients can specify how often they would like to visit the site. The workbook would provide space for builders and clients to document what they agree to. It would function as a kind of mutually agreed code of conduct for the builder-client relationship. A working title for the resource is Building Together until an appropriate name can be decided in collaboration with builders and clients if and when the resource is developed.

The second recommendation, which is specific to clients, is the development of a separate resource that provides newbuild clients with advice on how they can best identify their own expectations for a build and then choose a builder accordingly. This resource would target new build clients who have yet to sign their building contract and are in the process of designing and researching before their build. The objective of this resource is to give clients as much information as possible at the time when clients are in the most control of the process. It should clarify the build process and help walk clients through their expectations and the type of questions they may need to ask to ensure their expectations are met before beginning the formal process with a builder. The resource, while designed with clients in mind, should be done in partnership between consumers and industry for best results.



## 4.6 Building Together resource

The Building Together resource would be one tool that could facilitate this kind of communication and expectation setting. It is further recommended that this idea be taken back to industry to get their feedback on whether a resource of this nature is something builders would be interested in using and what should be included in it. Facilitated workshops or focus groups with residential builders and build clients should be undertaken to collaboratively design the Building Together resource based on the evidence presented in this report. The resource could then be distributed through industry membership organisations such as the Registered Master Builders Association and New Zealand Certified Builders Association. Building franchises could also distribute the resource amongst their franchisees.

The efficacy of the Building Together resource should be tracked once in use to ensure it is helping to reduce builder-client conflict. This could be done by conducting a series of case studies. A variety of builds could be followed with data gathered on the use of the resource, builder-client communication, incidence of tension points and how they were managed and builder and client experiences using the resource. Development, distribution and evaluation of the Building Together resource should be collaborative and involve builders and clients.

One further recommendation is the inclusion of relationship management and communication skills training for apprentice builders. Some builders acknowledged that they were great at building houses but felt less confident at dealing with people. Embedding communication skills into apprentice training would ensure builders entered the industry with a basic understanding of how to communicate to manage client expectations. Encouraging apprentices to think about how they would explain aspects of the build process to a client as they learn them themselves will help new builders to appreciate the client perspective.

The Building Together resource recommended because of this research could assist in the reduction of builder-client conflict and flow on to improved builder and client wellbeing. When paired with the other recommendations around educating builders on work-life balance and educating clients before the contract is signed, there is much room for optimism. The goal of this research is to motivate industry to make that shift happen.

## 4.7 Limitations of the research

There are some limitations to this research. The first is its timing. The quantitative data was collected in the lead-up to lockdown as New Zealanders confronted the reality of the COVID-19 pandemic. The qualitative data was collected during the COVID-19 lockdown. It is impossible to know whether this social context has impacted our findings in any way. However, we know that it has impacted our sample sizes. The research team made the decision to stop recruiting participants to the online surveys as soon as the lockdown was announced. We did not feel that it was ethical to continue with data collection when the industry and New Zealanders in general were coming to grips with the implications of COVID-19 and the lockdown. As a result, our sample sizes are significantly smaller than intended, and our quantitative analysis is descriptive only.

The second limitation is the self-selected nature of the sample. It is possible that this research attracted participants who have had particularly negative experiences. Builders or clients with negative experiences may have been attracted to this study as



it presented an opportunity to air their grievances. We cannot say with certainty that the participants of this study are a fair representation of all residential builders or their clients.

Despite these potential limitations, the research team believes the findings to be robust and reliable. The data collected represented a wide variety of experiences across the spectrum from positive to negative. The smaller sample size for the quantitative portion of the research is made up for by the rich and detailed qualitative data from a large number of interviews.

## 4.8 Summary of recommendations

- The Building Together resource should be developed – a proposed workbook that would guide builders and clients through an early conversation about how they will work together throughout the building process. It is suggested it could provide space to record what has been agreed between the builder and client and should function as a mutually agreed code of conduct.
- As a starting point, the areas covered in this resource should include:
  - when and how a builder can be contacted
  - the frequency and duration of site visits
  - supervision during site visits
  - health and safety requirements at site visits
  - interactions with subcontractors or other tradespeople on site
  - defect identification processes
  - other tension points identified by clients in this report.
- The development of the Building Together resource should be done in consultation with residential builders and clients. This should be done via facilitated workshops or focus groups where these research findings are presented to builders and clients to provide further input on the format, structure, and content of the resource.
- A separate resource or an extension of the Building Together resource should be developed that will help inform clients on how to find and choose a quality builder.
- Existing mental health help options within and outside the industry should continue to be promoted and supported.
- Residential building leadership organisations should prioritise the development of mental health and wellbeing programmes that work well in a residential building context.





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## Appendix A: Client survey

The Builder-Client Relationship: A survey about the good, the bad, and the ugly

Thank you for taking part in this research. Before you start the survey, we would like to tell you a bit about it.

We are interested in what it is like for residential building clients to work with a builder on a house build. Some clients report that building a house is a stressful experience, while others enjoy the process. We would like to know what your relationship with your builder was like, and how it impacted your experience of building your home.

For the purposes of this research, the term “builder” will mean whoever you dealt with when discussing your home build. It could be the builder themselves, a project manager, or another staff member at the building company you were using.

The survey will ask you questions about: · how stressful or enjoyable you found the building process · what your relationship with the builder was like · how you communicated with your builder · what your expectations of your builder were before the build began, and whether these expectations were met

At the end of the survey, we will ask you if you’d be interested in doing a telephone interview with one of our research team to tell us more about your experience of building your home. If you do an interview you will receive a \$40 gift card to thank you for sharing your thoughts with us.

This survey is **CONFIDENTIAL**. That means none of your answers will be shared with anyone outside the research team. Your survey responses form part of a large data set, and only trends and statistics across the whole study will be reported.

This survey is **VOLUNTARY**. You are under no obligation to do this survey and you can stop doing it at any time.

The results of this study will be written up into a report. It will inform industry about how builders and clients are working together, and the impact disagreements are having on mental health. If areas of improvement are identified, initiatives to improve these will be developed in partnership with industry.

If you are happy to proceed with the survey, press the start button to begin.

First, we would like to know a bit about you and your home build. Remember, this is all confidential.

Which age group are you in?

- 16 - 24 years (1)
- 25 - 34 years (2)
- 35 - 44 years (3)
- 45 - 54 years (4)
- 55 - 64 years (5)
- 65+ year (6)

What is your gender?

What region is your new home in?

- ▼ Northland (1) ... Southland (16)





In what year was your home completed?

What did your build cost (excluding the cost of the land)?

Under \$250,000 (1)

\$250,001-\$400,000 (2)

\$400,001-\$600,000 (3)

\$600,001+ (4)

On completion, did your home cost you:

Much less than I expected (1)

Somewhat less than I expected (2)

Around what I expected (3)

Somewhat more than I expected (4)

Much more than I expected (5)

How long did your build take in **months**? For this question we want to know about the time it took to construct the home - from breaking ground through to being given the keys.

On completion, the final product:

Exceeded my expectations by a long way (1)

Exceeded my expectations (2)

Met my expectations (3)

Did not meet my expectations (4)

Did not come close to meeting my expectations (5)

During the process I primarily dealt with:

The builder responsible for building our home i.e. they were the person on site coordinating the build (1)

A project manager (2)

Another staff member from the building company (please specify) (3)

Other (please specify) (4)

During the build process, how often did you communicate with your builder?

(Remember, when we say "builder" we mean whoever it was that you dealt with while your home was being constructed).

Daily (1)

Several times a week (2)

About once a week (3)

About fortnightly (4)

Less than fortnightly (5)

During the build, the amount of communication with your builder was:

Much less than I would have liked (1)

A bit less than I would have liked (2)

Just the right amount (3)

A bit more than I needed (4)

Far too much (5)

How did you communicate with your builder? (Select all that apply)

Speaking on the telephone (1)

Texting or other messaging app (2)

Email (3)

Face-to-face (4)



Via an app or software specifically for communicating about the build (5)

Via social media (6)

Other (please specify) (7)

[Response options: Likert scale, 1 – 5, Strongly disagree to Strongly agree]

I had a great relationship with my builder (1)

I knew what to expect from my builder during the build process because they explained everything from the start (2)

I would sometimes get frustrated at how little information the builder gave me about what was going on on-site (3)

I found it difficult to trust my builder (4)

Working with my builder was the best part of the build process (5)

I lost sleep at night over issues with my builder (6)

I would rather my builder took the time to communicate with me, even if it means the build process takes longer (7)

I didn't need to know what was going on onsite, as long as the builder was getting the job done (8)

My builder didn't seem to understand what a big deal building a house was for me (9)

Catching up with my builder to hear how the build was going was one of my favourite parts of the process (10)

Building a home was one of the most stressful things I've ever done (11)

During the build process I would find myself complaining about my builder to my friends or family members (12)

Builders hold all the power in the builder-client relationship (13)

A client will only be dissatisfied if the builder isn't doing their job properly (14)

My builder communicated with me so that I knew what was going on with the build (15)

I researched the building process to make sure my builder was doing their job properly (16)

These days it is up to the client to make sure the builder is doing their job properly (17)

The leaky building crisis made me more anxious about building my home (18)

I should be able to get hold of my builder any time (19)

There were times I had to be very assertive with my builder to get my point across (20)

House plan and build process were explained to me in such a way that my expectations were met upon completion of the build (21)

What was your preferred method of communication with your builder?

Speaking on the telephone (1)

Texting or other messaging app (2)

Email (3)

Face-to-face (4)

Via an app or software specifically for communicating about the build (5)

Via social media (6)

Other (please specify) (7)

The next set of questions are about your experiences of working with your builder during the construction of your home. Please indicate how much you agree or disagree with each statement. There are no right or wrong answers, please just answer as honestly as you can.



How regularly were you on site during the build?

- Daily (1)
- Several times a week (2)
- About once a week (3)
- About fortnightly (4)
- Less than fortnightly (5)

During your build, did you have any issues or disagreements with your builder?

Yes (1)

No (2)

Skip To: End of Block If During your build, did you have any issues or disagreements with your builder? = No

Approximately how many notable disagreements or issues did you have with your builder over the course of your build?

▼ 1-3 (1) ... 10+ (4)

Was this disagreement triggered by a building defect or something else?

Building defect - a problem regarding the way something was built or installed, or the materials used during the build. (1)

Non-technical issue - for example, a disagreement over the cost, duration, or management of the build process. (2)

I had several disagreements about both building defects and non-technical issues (3)

Skip To: Q41 If Was this disagreement triggered by a building defect or something else? = Non-technical issue - for example a disagreement over the cost, duration, or management of the build process.

How comfortable are you that all building defects were picked up during construction/at handover?

- Extremely comfortable (1)
- Somewhat comfortable (2)
- Neither comfortable nor uncomfortable (3)
- Somewhat uncomfortable (4)
- Extremely uncomfortable (5)

Who normally identified these building defects on site?

- Myself (1)
- Builder on site (2)
- Project manager (3)
- Sub-contractor (4)
- Friends and Family (5)
- Other (please specify) (6)

How did you communicate about building defects with your builder?

- Speaking on the phone (1)
- Texting or other messaging app (2)
- Email (3)
- Face-to-face (4)
- Via an app or software specifically for communicating about the build (5)
- Via social media (6)



Other (please specify) (7)

Thinking specifically about the biggest issue faced during the build, after communicating with your builder about that issue, the way they responded to fixing that issue:

Exceeded my expectations by a long way (1)

Exceeded my expectations (2)

Met my expectations (3)

Did not meet my expectations (4)

Did not come close to meeting my expectations (5)

The time your builder took to rectify this issue was:

Much slower than expected (1)

Slower than expected (2)

As long as expected (3)

Faster than expected (4)

Much faster than expected (5)

How was this issue resolved during the build process?

My builder rectified it for me (1)

I notified sub-contractors (2)

I solved it myself (3)

The issue was not dealt with till handover (4)

The issue was dealt with in small claims court or other legal action (5)

Did you agree with your builder on an end date at any time during the construction process?

Yes (1)

No (2)

The build took:

Much longer than expected (1)

Longer than expected (2)

Met expectations (3)

Shorter than expected (4)

Much shorter than expected (5)

How would you rate your builder in organising sub-trades and keeping to agreed upon scheduling updates about the build?

Exceeded my expectations by a long way (1)

Exceeded my expectations (2)

Met my expectations (3)

Did not meet my expectations (4)

Did not come close to meeting my expectations (5)

Did you have any PC sums and/or variations? (A PC sum is when some of the costs of your build had to be estimated because the exact price was unknown at the beginning of the build process.)

Yes (1)

No (2)

Why was the variation to the original plan or budget needed?

The builder under-priced an aspect of the build (1)



I initiated a change once the build was underway (2)  
There was difficulty understanding the building plan or specifications (3)  
I felt pressured to sign the build contract even though I wasn't entirely happy with it (4)  
Other (please specify) (5)

The following statements describe some reactions to disagreements with builders.  
Please indicate how much each statement applies to your experience with your builder.  
[Not at all (1), A little (2), Somewhat (3), Mostly (4), Very much so (5)]

During the build process I had at least one disagreement with my builder that negatively impacted my mental health. For example, I felt anxious or depressed about what was happening (1)

I wished I could change my builder part way through the build due to the stress of a disagreement with my builder (2)

We were able to resolve the disagreement with my builder successfully (3)

The disagreement with my builder was so distracting it affected my ability to concentrate on other aspects of my life (4)

After the disagreement with my builder the rest of the build process was ruined for me (5)

There are no right or wrong answers, please just answer as honestly as you can.  
We would like to know how disagreements with your builder impacted your mental health. To answer this question, **think about the time during your build that you were dealing with disagreements you had with your builder.** While you were dealing with those disagreements, did you experience any of the following? [Never (1), Rarely (2), Sometimes (3), Often (4), Always (5)]

I had trouble falling or staying asleep, or sleeping too much (1)

I lost my appetite, or I ate more than usual (2)

I found it hard to concentrate on things (3)

I felt down, depressed, or hopeless (4)

I felt tired or had little energy (5)

I felt nervous, anxious or on edge (6)

I couldn't stop or control my worrying (7)

I was easily annoyed or irritable (8) I had trouble relaxing (9)

I got so restless it was hard to sit still (10)

In general, would you say your mental health is:

Excellent (1)

Very good (2)

Good (3)

Fair (4)

Poor (5)

In general, would you say your physical health is:

Excellent (1)

Very good (2)

Good (3)

Fair (4)

Poor (5)

If you would like to enter the prize draw to have a chance to win one of five \$100 Prezzy Cards, please fill in your details below. Please note that your contact details will



not be connected to your responses to the survey, and are only to be used to put you in the draw.

First Name:

Email address:

Thank you for taking part in this study. Without people like you sharing your experiences with us, this research would not be possible. Your survey responses will help us to better understand what it's like to build your home in New Zealand in 2020, and to help the industry to make changes to make the process more enjoyable. Please scroll to the bottom of the page and click the arrow button to submit your survey responses.

If answering the survey questions has raised any issues for you about your mental health, you can reach out to any of the following options for help and advice:

- Visit your GP
- Mental health helpline – Free call or text 1737 any time for support from a trained counsellor
- Lifeline – 0800 543 354 (0800 LIFELINE) or free text 4357 (HELP)
- Suicide Crisis Helpline – 0508 828 865 (0508 TAUTOKO)
- Healthline – 0800 611 116
- Samaritans – 0800 726 666



## Appendix B: Client interview schedule

### Introduction and consent statement

"Good morning/afternoon. Thank you for volunteering to be interviewed. My name is XXXX and I'm a researcher for Axon Consulting. As you know, we are conducting a study that's investigating the builder-client relationship and its possible impact on builder and client mental health. Are you happy to go ahead with the interview now?

[VERBAL AGREEMENT REQUIRED HERE]

Before we get started I need to read you a short consent statement to make sure you understand what the interview involves. At the end I'll ask you if you've understood this and if you agree to be interviewed. Please feel free to ask any questions if anything is unclear.

1. This interview is being recorded. We are using an app that records the telephone call so we can transcribe our conversation and analyse what we talk about during the interview. Once the interview has been transcribed and the study is complete, the recording will be deleted.

Do you understand that the interview is being recorded? [VERBAL AGREEMENT REQUIRED]

2. Our conversation today is confidential. This means that we will not attribute any of your comments to you, or identify you in any of our reports. When we transcribe the interview we will delete any identifying information. This could be mention of names, businesses, or places. Once transcribed we will analyse the content of the interviews for themes and our reports will not discuss individual, companies, or any other specific details that might be identifiable. We may use quotes from the interview, but we will never say who said them.

Do you understand that what you say in the interview is confidential [VERBAL AGREEMENT REQUIRED]

3. Your participation in this interview is voluntary. This means that you are under no obligation to go through with this interview, and you may stop at any time if you change your mind. You may also ask for your interview to be removed from the study up until the end of your interview.

Do you understand that this interview is voluntary and you can stop the interview at any time? [VERBAL AGREEMENT REQUIRED]

4. Finally, are you happy to proceed with the interview? [VERBAL AGREEMENT REQUIRED]

### Interview questions

Okay, we are ready to get started.



1. First of all, can you tell me when you built your home?  
And who did you mostly deal with during your build?  
How long did your build take?  
Were you happy with the finished product?
2. Tell me about the relationship you had with your builder?

Was there a point during the build that your relationship with your builder wasn't so good?

[QUESTIONS IN RED ONLY TO BE ASKED IF INTERVIEWEE ANSWERS YES TO HAVING HAD A POOR RELATIONSHIP EXPERIENCE]

Additional lines of questioning:

When the relationship was good, what was *your builder* doing that made you happy with them?

When the relationship was good, what were *you* doing to make working with your builder easy?

When the relationship was bad, what was *your builder* doing that caused things to deteriorate?

When the relationship was bad, what were *you* doing that contributed to the relationship deteriorating?

What could your builder have done to prevent the relationship from going sour?

What could you have done to prevent the relationship from going sour?

Prompts:

Tell me more about that...

That's interesting, can you explain in more detail...

3. When your relationship with your builder was good, how did you feel about the build?
4. When your relationship with your builder was poor, how did you feel about the build?

What impact did the relationship break down with your builder have on your mental health?

Prompts:

Tell me more about that...

That's interesting, can you explain in more detail...

5. I'd like to know more detail about what happened when your relationship with your builder broke down.  
Which stage of the build were you at when things got tricky with your builder?  
What happened right before things got bad?





How did you know the relationship had deteriorated? What happened that told you that you and your builder were no longer on good terms?  
What happened after the relationship became poor?

6. Were you and your builder able to repair the relationship?  
Who worked to sort it out?  
What did your builder do that made it possible to repair the relationship?  
What did you do that made it possible to repair the relationship?
7. Tell me about your most rewarding experience of working with your builder.