

Wally Olins

Viewpoints

An Interview with Wally Olins on the National Housing Federation's major project to change perceptions of the housing provided by its members.



National
Housing
Federation

housing's
better future

Full transcript of interview: Wally Olins of Saffron Consulting interviewed by James Tickell of the National Housing Federation, May 2002.

Subject: The Federation's major project to change perceptions of the housing provided by its members.

JT: Wally - thank you very much for coming in. This is a huge new project for the Federation and the first time we've done anything on this scale. Can we start please with you telling us what you hoped to have achieved by the end of the project?

WO: At the moment, social housing is regarded as a kind of stigmatised sector. What we hope to achieve (and when I say 'we' I mean 'all of us') is to create a sector which is seen to be just as interesting, just as respectable but somewhat different from the ordinary purchased housing sector. In other words, instead of having one sector to which people naturally gravitate you will have two sectors, one of which will be the home-ownership sector and the other will be this sector, which will be just as attractive in its way to certain people.

JT: There are huge differences between housing associations. There are big ones, there are small ones, they operate in very different parts of the country. Is it really possible to create one image that fits all these hugely diverse organizations?

WO: There is an enormous variety of different types of housing that you can buy. Yet the idea of purchasing a house or a flat is perfectly clear. I don't see any reason why a sector cannot be created (which is what people currently refer to as the social housing sector with some kind of stigma) which is free from that stigma but is seen to be equally big and equally diverse. I don't see there is a fundamental problem at all.

JT: Many people would say that this whole issue goes way beyond rebranding and if you look at some areas in some of our major cities, they are so deprived, they're so run down, so subject to anti-social behaviour by tenants, that rebranding seems like moving the deckchairs on the Titanic.

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WO: This really rather depends on what you call branding. The first law in any branding exercise is that the product must be as good as the best there is, and it must be a product that people want. Of course it is true that parts of this sector are very run down and are in very many ways socially undesirable or unacceptable as things stand. And of course it is the case that the totality of the sector will have to be raised so that those parts which aren't up to the levels that they ought to be are raised at the same time.

In other words, I don't think that we should pretend that this is some kind of cosmetic exercise where everything is made to look good even when parts of it are bad. Those parts which are bad have got to be raised to a level so that they are good.

JT: Many of our members already spend very large sums of money on their own branding. In fact a lot of them have just conducted rebranding and renaming exercises. They are also very competitive with each other. Do you really think that we could persuade these competitive organisations to work together for one brand?

WO: I think if they see that it is in their interests, not just to have a brand of their own which may or may not be satisfactory in the area in which they operate, but to be part of the totality of the sector which is in itself regarded as desirable, then their business positions would be much better. They will feel that what they're taking part in is a satisfactory exercise, not just for them but for the whole sector too.

JT: Do you see us asking associations to give up their brands in favour of what we come up with?

WO: I think it's very unlikely that anybody will be asked to give up anything. But what we will ask people to do is to take part in an exercise which is much bigger than they are and from which they can derive benefit.

JT: You know quite a lot about housing associations after working with us now and I think you've got a good idea of the magnitude of the task. Do you think this is one of your most difficult jobs to date?

WO: It is pretty difficult. Every job when you start walking into it looks fairly difficult. Branding a new mobile phone company which was the third entrant into the market place was also pretty difficult. I'm not suggesting that this is like that, it's not, it's different. It is difficult and it is very salutary to be reminded of the difficulties involved. But it certainly can be done and it should be done and it needs to be done in the interest of people who live in this country.



JT: It can be done? You're optimistic?

WO: I'm absolutely certain that it can be done but we cannot do it and you cannot do it alone. We collectively have to do it. If the people who run the organisations within the National Housing Federation are prepared to commit themselves to doing this then it will work because it is largely an issue to do with internal communication. It is largely an issue to do with the people inside the organisation and wanting to make it work and wanting to create a structure which will be attractive for people to work to live in.

JT: You mentioned the mobile phone company. Which of the other jobs you've worked on would be most similar to this? What would you bring to this project?

WO: I think because this is a public/private relationship you have to look probably at the public sector more to see similar analogies. The work we did for the Metropolitan Police which was related to a declining image and an organisation that felt itself to be isolated, felt itself to be stigmatised and felt itself also to be unjustly treated, particularly by the media, was not dissimilar. The problems there were not dissimilar, because there are within the police major differences which are perceived internally very powerfully, although not necessarily perceived externally very powerfully. But this job does also have very individual characteristics particularly its massive social content and the fact that a lot of the people who work in it, work in it because they have a genuine feeling that they are doing something which is good, which is decent.

JT: So far as I know, the Metropolitan Police don't have a new image. Can you tell us what happened?

WO: In the end what happened was that the traditions of the sector were so strong that any recommendations that we made, however modest they may have seemed to us, were regarded by many of the people with whom we dealt as massive changes, and there were always reasons why they couldn't be instituted. I do fear that if we are making major recommendations here, recommendations which at least are different from anything that's been done, we will meet in very many areas of the sector the same kind of resistance because people will feel that these changes are so new and so dramatic and so vast that they really can't cope with them. Whereas in reality they are likely to be quite modest as seen from the outside.

JT: I think the other problem is that rebranding has got a bit of a bad name at the moment. We've all heard about Consignia and their retreat. The British Airways tail fins are another example. Rebranding is often seen as just a modern fad. Surely what people do matters more than headed note paper?



WO: I think the word 'branding' has got very unfortunate connotations of Coca-Cola, Mars Bars and McDonalds. We use the word 'branding' because it's a kind of semantic shorthand. We are not actually talking about branding in that sense at all. What we're talking about is the reinvention of or the transformation of the sector so that it operates in a world and in a way which is absolutely regarded as just as reputable as any other sector and just as significant as any other sector. We choose to use the shorthand word 'rebranding' but that does not mean some kind of cosmetic exercise. It is not BA tail fins and it is not renaming, although renaming may be involved.

JT: You know quite a lot about the Federation members now and you told us that you're optimistic about the success of this exercise. What is it that you like about what you've seen of our members? What have they got going for them?

WO: I think there is a level of commitment here and a level of understanding of what it is they are trying to do which is very heartening and actually quite unusual. There is some cynicism and there is some scepticism. There is everywhere. But the levels of people that I've met at any rate are remarkable, I think, both for commitment and intelligence.

JT: And do you think that the brand if you like of social housing, whatever we call it, can that compete on equal terms with the brand of home ownership?

WO: It will compete on equal terms with the brand of home ownership for those people for whom it is an attractive proposition. There will be very many people who will never be interested in this because there is no need for them to be interested in it. It is a sector which will attract certain people at certain stages of their career, for example, young people who are just married may not choose to put enormous sums of money down relative to their annual income on buying a property which they know they are going to move from in a few years time. So they will choose to go in for this type of housing for a period of their lives.

At the end of people's lives it may well be that they will want to sell their homes, perhaps to give money to their children, or they may need some kind of care or some kind of special attention, and it will suit them at that stage to move into this kind of accommodation. I think it would be absurd to suggest that there will be one group of people who will always be in one type of accommodation, and one who will be in another.

What we're talking about are different sectors of different people, different demographic groups at different times of their lives. What I think we have to try and achieve here is the feeling that there is nothing wrong, there is nothing that makes you feel that you have lost your respectability by moving from one sector into another sector, and moving back from that sector into the first sector you were in. We just want them to be competitively equal for certain types of people at certain stages of their lives, and that it seems to me is a very proper ambition.



JT: Say this project happens and say it is a success many people think it will benefit the large organisations much more than the small or specialist ones. Do you think that's fair?

WO: I don't think that's true at all. I think, if anything, funnily enough people derive benefit from a sort of coat-tail factor. If this exercise is successful, as I hope and believe it will be, everyone will benefit, and the smaller members will benefit a great deal because they simply at the moment don't have the clout to spend the kind of money and create the kind of atmosphere around themselves that will help them if they are going to develop in the longer term.

JT: The other big difference is in terms of the north and the south. The areas of high demand and low demand. I know in areas of low demand, where people are actually competing for tenants, I think everybody will see the point of this kind of exercise. But in the south, in London, every home that becomes vacant can be let 20 times over - surely they don't need it as much?

WO: They need it in a different way. If people cannot afford to move into what you might describe as conventional accommodation and feel they have to move into what is described as social housing currently then they will feel it is an invidious distinction. You can say at one level they don't need it because they can get rid of their accommodation very, very fast 20 times over, that may well be true but the attitudes of the people moving in are very different and they are not necessarily constructive, they are not necessarily helpful. It will enable the whole sector whether you're in areas of low demand or failing demand in the north, or very high demand in the south to project themselves in a way which is absolutely equal, and that is the key issue here.

JT: You mentioned Coca Cola and the dangers of branding. Thinking about tenants living on the breadline in deprived communities, this talk about rebranding may seem very alien to them and not really suitable for housing. What do you think tenants will make of this?

WO: I entirely agree that to bandy about phrases like 'rebranding' to people living in difficult circumstances is not just silly it's also offensive, and it's also open to misinterpretation. We're using this phrase because it is a shorthand that is convenient for us to use when we actually mean re-invention and re-creation and re-projection. What we want tenants to feel about living where they do is that there is no stigma attached to it and it is a perfectly proper and reasonable place to live in, that is what we want to create and that is what we should tell them. But we also have to behave in such a way that they feel that are not just deriving benefit for free or for very little money, they are deriving benefit from it because it is an institution that's a great place to be in.



JT: Nothing is for free, and as you know we're calling this project 'Housing's Better Future' and we're asking Federation members to pay an additional 15 per cent on their affiliation fees to cover the cost. Some people think that's a huge amount of money. How do you think we can justify that to members?

WO: Well in terms of the actual amount of money involved in relation to the kinds of money that very large organisations within the National Housing Federation spend on refurbishing, purchasing, buying all kinds of materials for the houses and flats that they are living in, the amount of money involved is tiny. In actual fact it is not a large sum of money, it is a small sum of money. The second issue which I think is perhaps more important is that currently every member of the Federation spends a lot of money on promotion of one kind or another. That money is spent by each organisation completely separate from every other organisation. If this was properly co-ordinated and made into a coherent force it would be infinitely more effective. A large part of the work that we're doing does not involve extra money, what it involves is making what happens now work much better. Of course you need some extra money in order to pay for the effort that's involved in creating this structure so that everybody can work more effectively together, but I don't anticipate that in the longer term there will be huge additional sums of money required, there's probably plenty enough money being spent already, much of which has been wasted.

JT: It's been wasted?

WO: Much of it will be wasted because it is replicated, because it's duplicated, because some of it is directed not in a very clear way at different groups of people who may or may not want it, and it's also come from a sector which is not necessarily regarded in as desirable a light as it should be.

JT: Can you tell us what you think the business case is for supporting this project?

WO: Nobody likes to work with, belong to or be associated with an organisation that does not have a good reputation. Therefore, if the totality of the activity that we're engaged in has a good reputation it will be easier to recruit good staff, it will be easier to deal with tenants, it will be easier to raise money, it will be easier to expand in a more effective fashion and because there will be a development of a virtuous circle the whole sector will expand much more rapidly than they ever would, and you will then get a much more effective totality of business. The business case is very clear. If you have a lousy image you're not going to get very far, if you have a good image with a good product you'll go a lot further.



JT: As you know, we're a federated organisation with 1400 members. We're going to find it very hard to convince all of them that they should support this, and the worry is that if they don't all support it the project may fail. Do you think it matters if not everybody supports it?

WO: Well, my experience in these matters has been that if it starts and is supported by a significant number of leaders within the sector and if the media comment becomes favourable, all of which I think you can reasonably anticipate, then you will find that others will want to join in very, very quickly indeed, and you will find that their objections have disappeared and they may even claim that they were supporters in the early days after all. That is an experience which I've had frequently.

JT: Now you've told us you think it can be done. Can you tell us now how we should do it in practice? What might happen next?

WO: The key issue is the relationship that each of the organisations has internally with its own people. We will be going through a series of stages. The first stage is a stage where we carry out research, where we meet people, where we talk to people and we try and inform people about what's going on. It is vital the people with whom we talk, talk to their own people so the information about this project filters down. At a certain stage when we've done the analysis and we're clear about a series of hypothetical directions, we will put these to a small group of people from the Federation. We will discuss these jointly.

We will agree on one direction, and that direction will be presented in September to the Annual Conference. That's the way its going to work and that's the way we intend it to work. The timescale is very tight and I'm not suggesting it's easy, I think it's going to be quite hard, but I'm quite clear that it can be done. The key issue for me is whether the will exists inside the different organisations comprising the Federation actually to do it. That is what we collectively have to achieve. We can help you to make it happen but we can't make it happen, you have to make it happen.

JT: And finally then, what happens if we don't do it?

WO: Well nothing happens in the sense that there will be no major explosion or implosion. It will just be a situation in which the present situation will simply continue, where the sector as a whole is struggling to deal with enormous growth and the poor reputation and the stigma that is associated with council housing; and the drift over from council housing to social housing and the whole area in which you will operate which will continue to exist will be one where the difficulties will remain considerable, where morale will be low and the problems that currently exist will continue and will probably be exacerbated.

JT: That's a good place to end. Thank you very much.