



**Construction
Clients' Group**
CONSTRUCTING EXCELLENCE



The National Construction Industry Key Performance Indicators

2012 Data

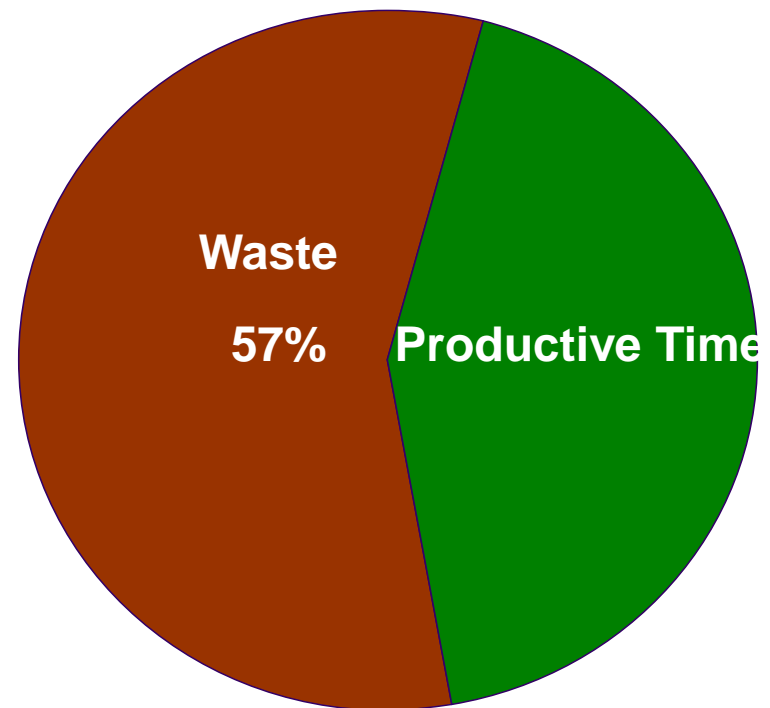
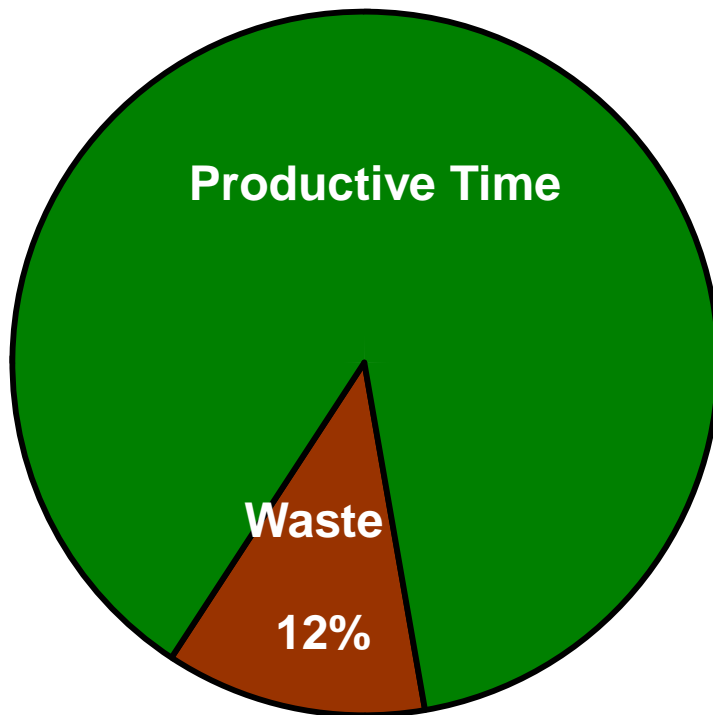
What are they?

- ▶ New Zealand Construction Industry's suite of Industry Performance Measures
- ▶ The first step in the 20/20 Journey
- ▶ But...
- ▶ Weighing the Pig doesn't.....



Why bother?...

- ▶ Sir John Egan: 30% Waste





The 7 Types of Waste (Ohno, Lean Construction)

The Waste of...

...Overproduction **building ahead of time**

...Waiting **people, information, materials**

...Unnecessary Transportation **haulage and double handling**

...Inappropriate processing **wrong methods**

...Unnecessary inventory **storage**

...Unnecessary motions **travel distances**

...Defects **rework**

plus

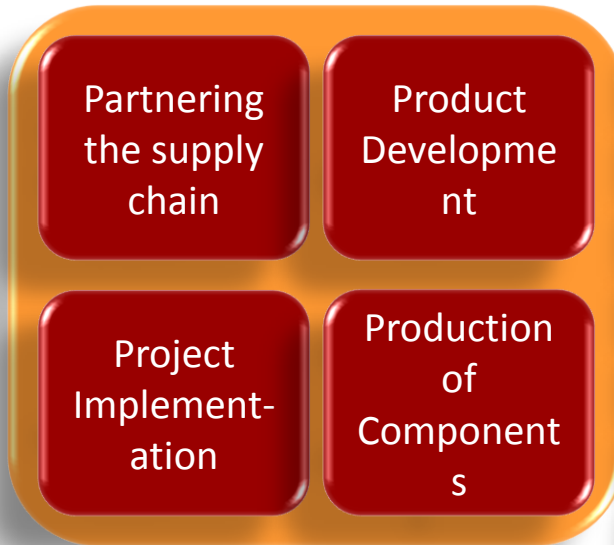
...Human potential **not developing people**

The Constructing Excellence Model '5-4-7'

Behaviours

- Committed Leadership
- Focus on the Customer
- Product Team Integration
- Quality driven agenda
- Commitment to people

Processes



Results

- Capital Cost -10%
- Construction Time -10%
- Predictability +20%
- Defects -20%
- Accidents -20%
- Productivity +10%
- Turnover & Profits +10%

A bit of History...

▶ 1998 UK KPIs

▶ 2004 NZ adopts and adapts



Where are we now?

- ▶ Second suite since 2006
- ▶ New Vertical Vs Horizontal Suite
- ▶ 120 Projects - 30 clients data

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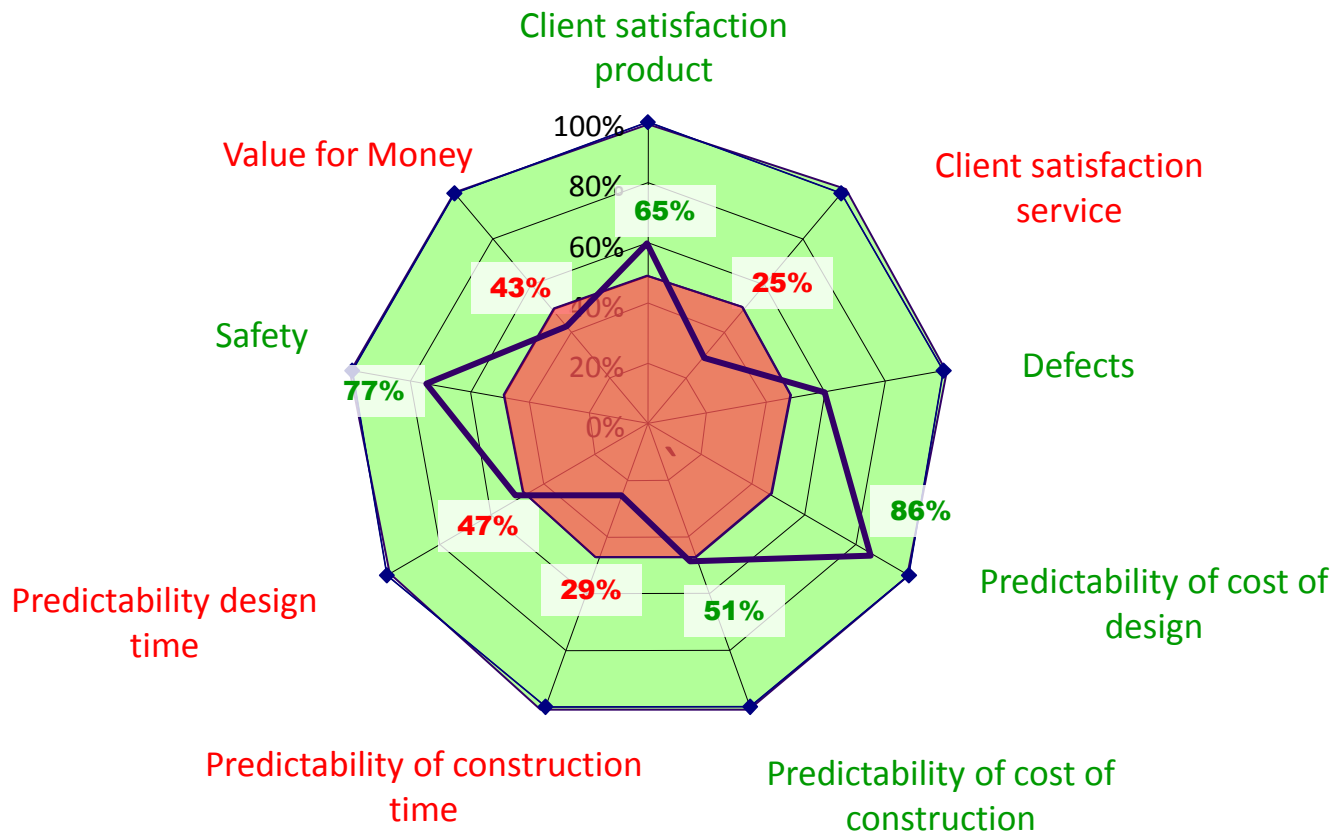


The Results – The Wallcharts...



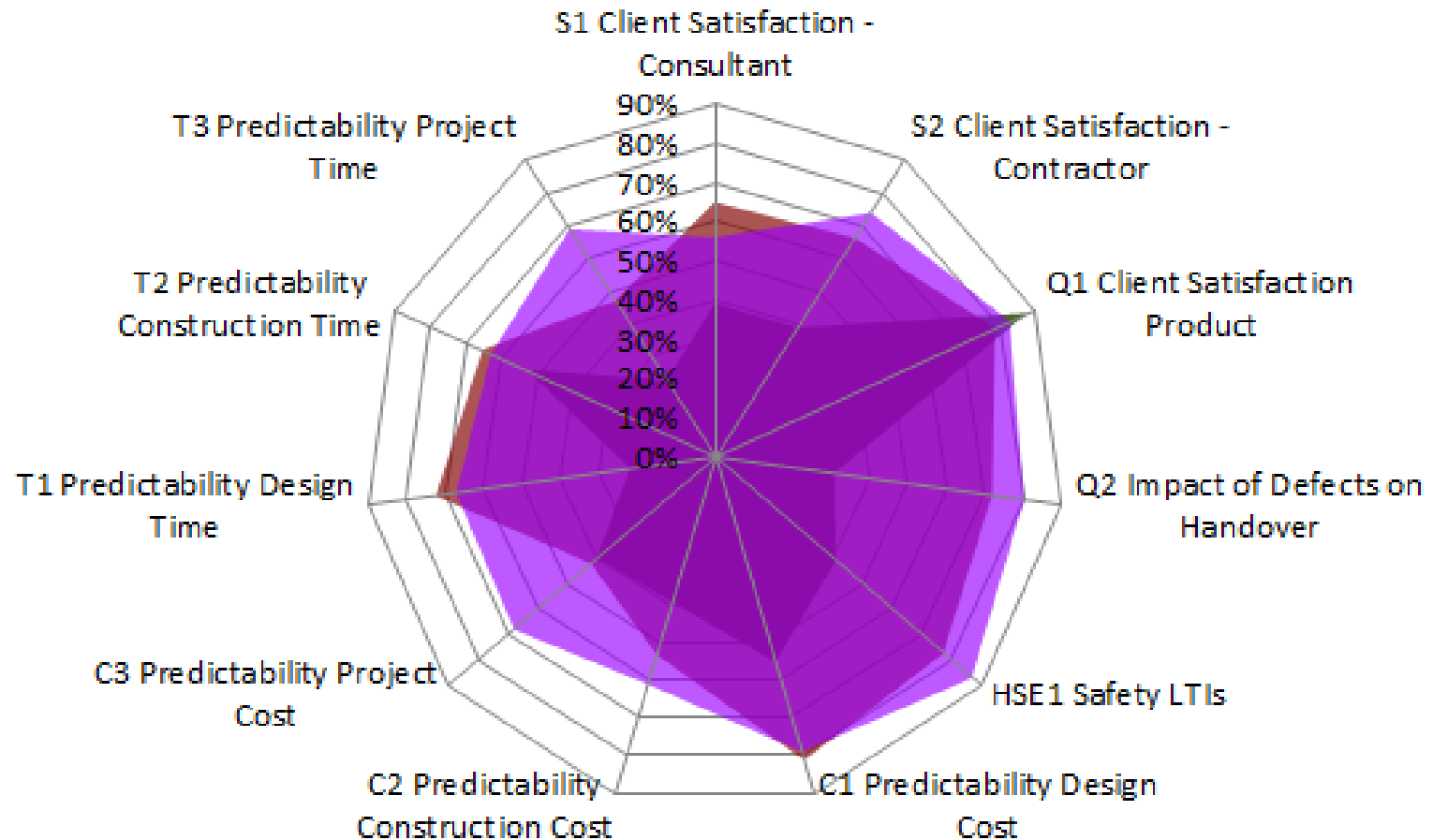
The Results – Spidergraphs...

Example Project Spidergraph



NZ Industry Results – 2006, 2011, 2012

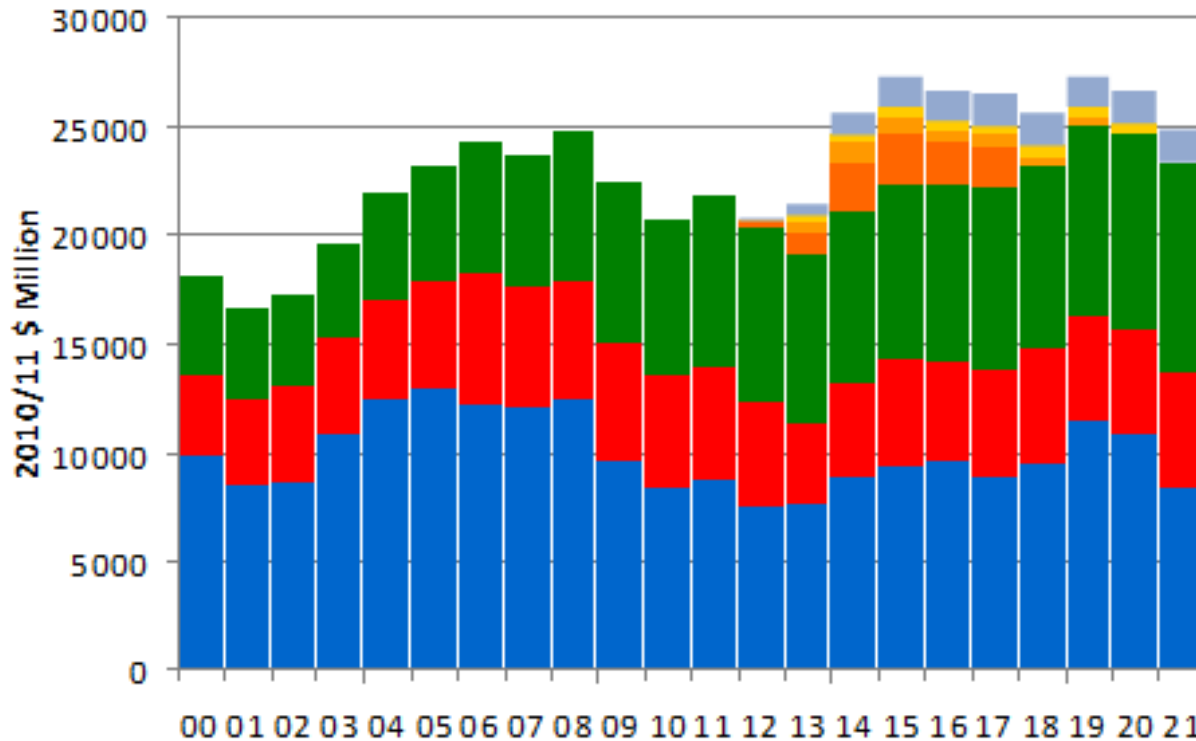
% Projects Scoring...



■ NZ Score 2006 ■ CCG Score 2011 Data ■ CCG Score 2012 Data

The wall of work is coming

Construction industry workloads

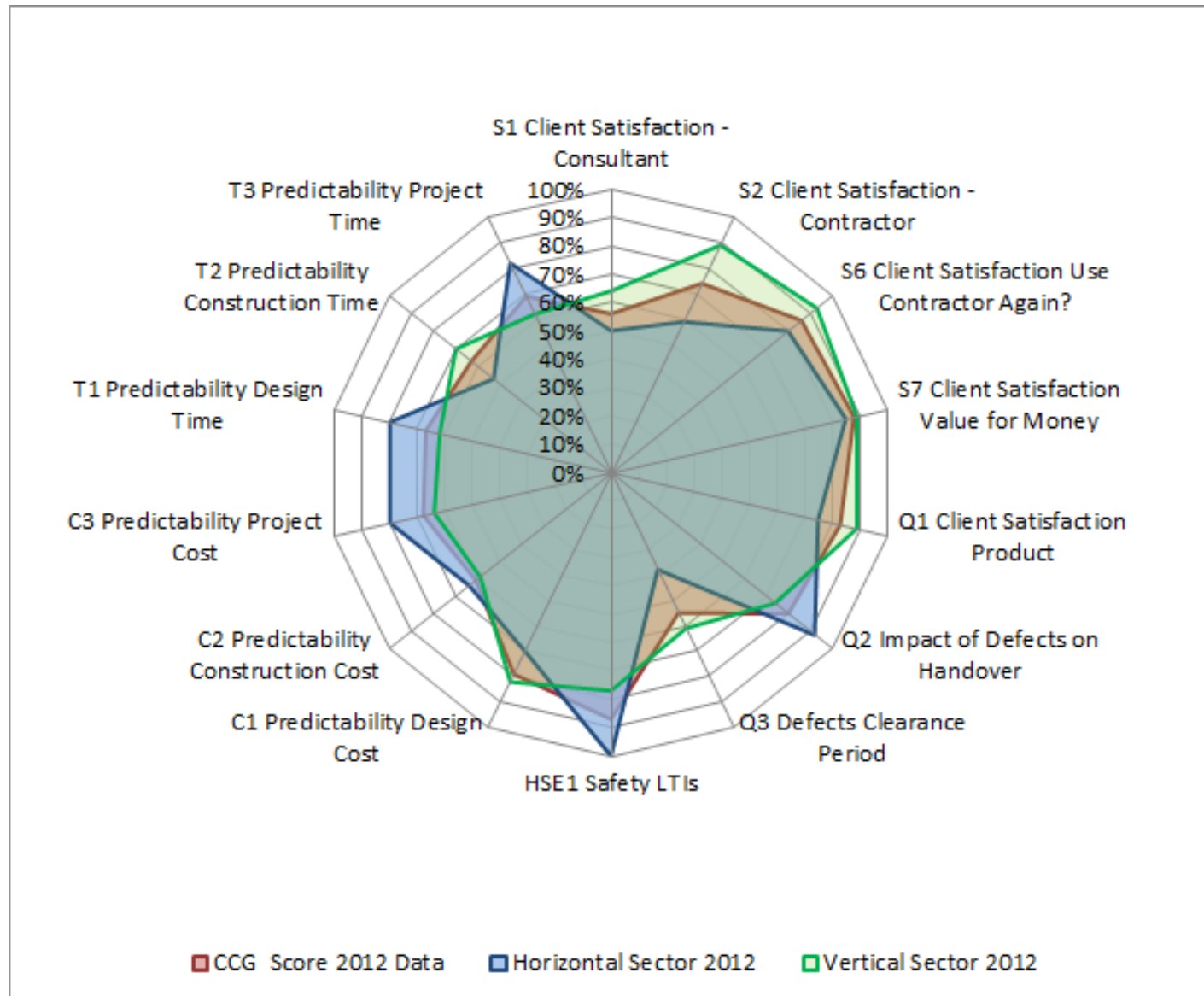


- Housing
- Non-res bldgs
- Civil
- EQ housing (\$9 billion)
- EQ Non-res bldgs (\$4 billion)
- EQ Civil (\$ 4 billion)
- Leaky bldgs (\$12 billion)

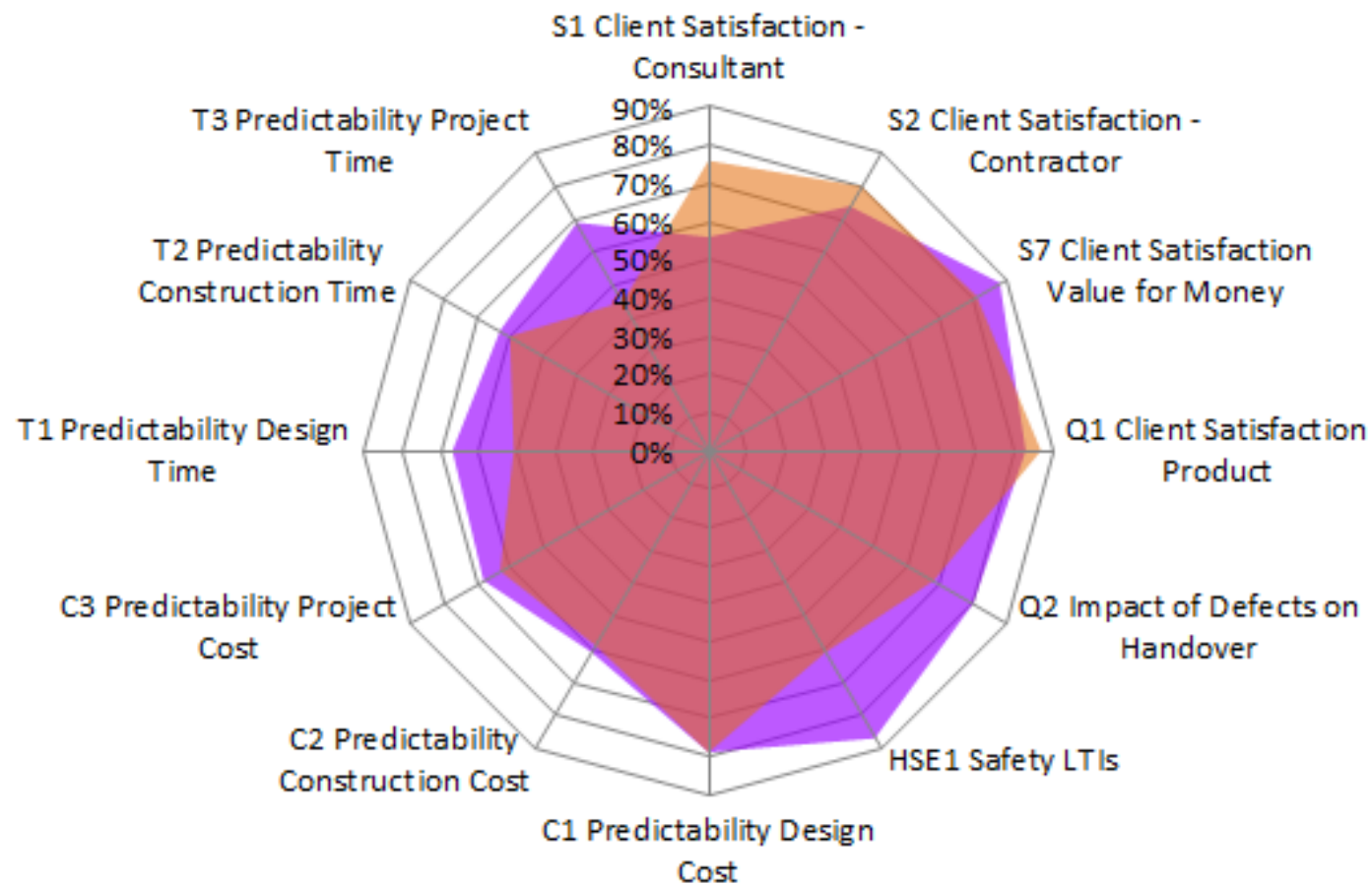
Industry Results – 2006, 2011, 2012% Projects Scoring...

KPI Suite	KPI	Measure - % Projects	NZ Score 2006	CCG	CCG
				Score 2011 Data	Score 2012 Data
SATISFACTION	S1 Client Satisfaction - Consultant	% Scoring 8/10 or better	39%	65%	56%
	S2 Client Satisfaction -Contractor	% Scoring 8/10 or better	39%	66%	74%
	S3 Client Satisfaction - Delivery Team			80%	72%
	S6 Client Satisfaction Use Contractor Again?	% Scoring 8/10 or better		79%	86%
	S7 Client Satisfaction Value for Money	% Scoring 8/10 or better		75%	88%
QUALITY	Q1 Client Satisfaction Product	% Scoring 8/10 or better	88%	79%	83%
	Q2 Impact of Defects on Handover	% Scoring 8/10 or better	31%	72%	80%
	Q3 Defects Clearance Period	% where defects are cleared within 14 days		60%	55%
SAFETY	HSE1 Safety LTIs	% Projects with zero LTIs (Lost Time Incidents)	41%	77%	87%
COST	C1 Predictability Design Cost	% on target or better	55%	81%	79%
	C2 Predictability Construction Cost	% on target or better	39%	53%	61%
	C3 Predictability Project Cost	% on target or better	40%	42%	68%
TIME	T1 Predictability Design Time	% on target or better	22%	72%	67%
	T2 Predictability Construction Time	% on target or better	53%	65%	63%
	T3 Predictability Project Time	% on target or better	23%	47%	69%

NZ CCG 2012 – Horizontal Vs Vertical Sectors



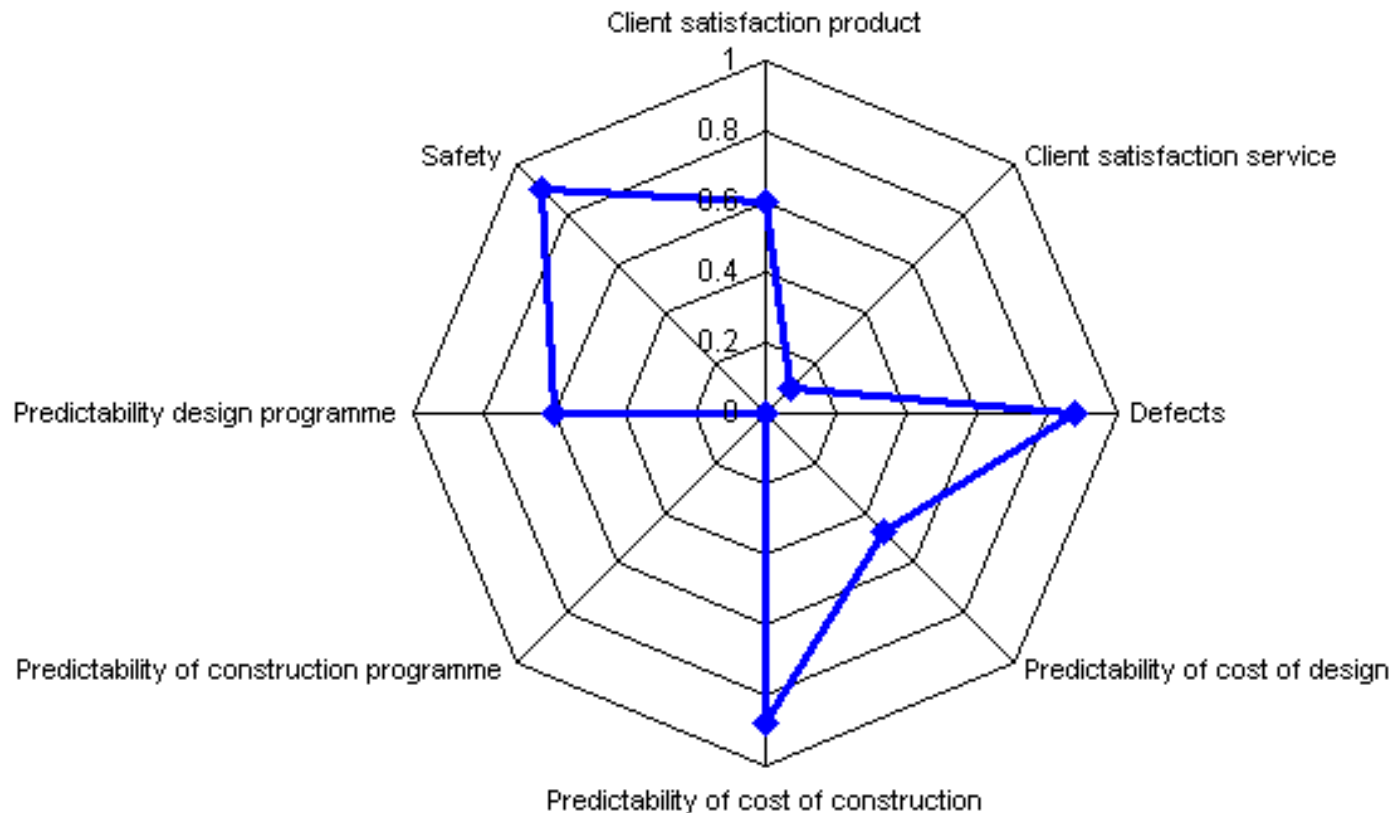
NZ Versus UK



CCG Score 2012 Data UK Score 2011 Data

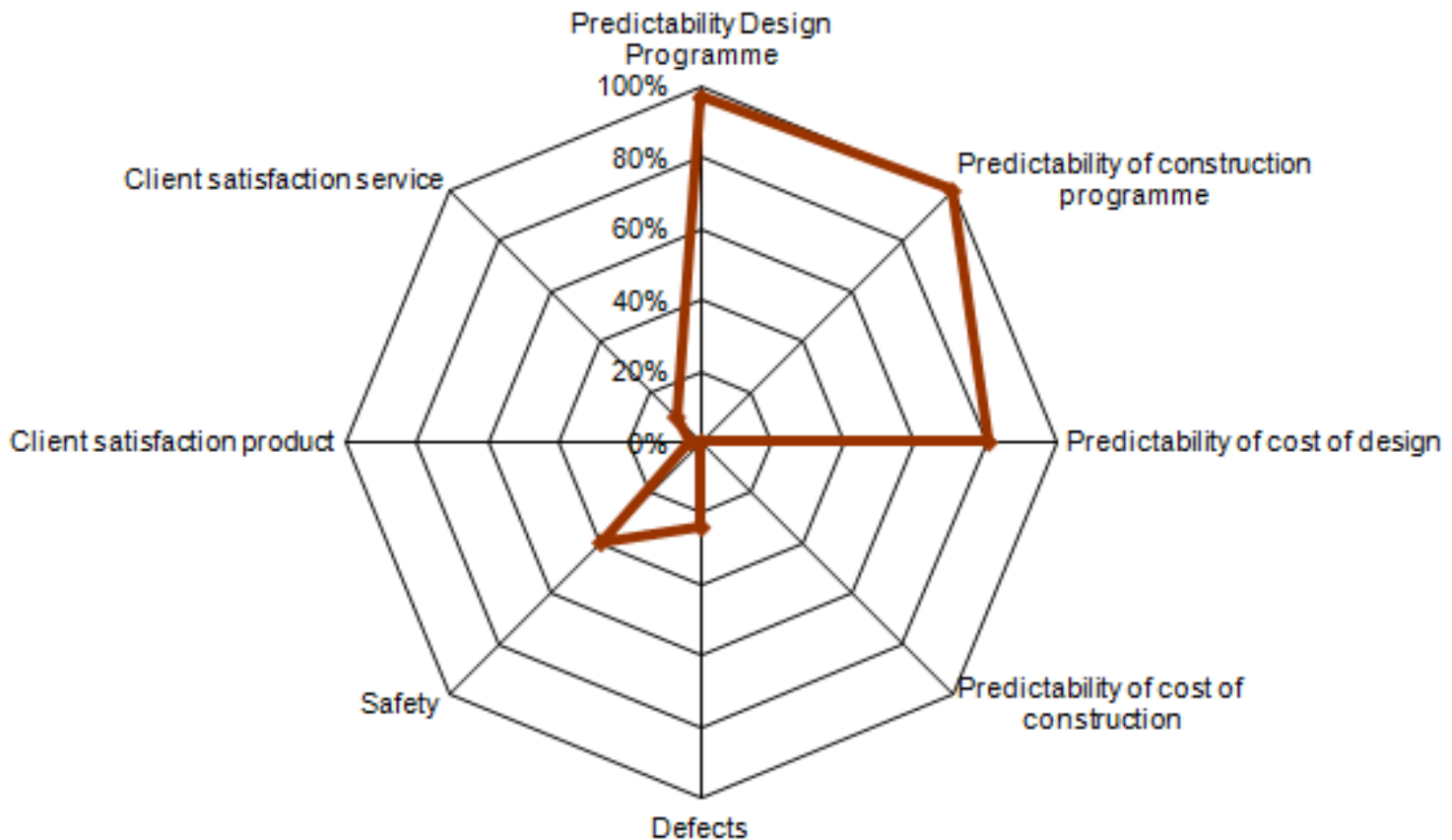
Sample Project Spidergraph

► Acme Retail Ltd

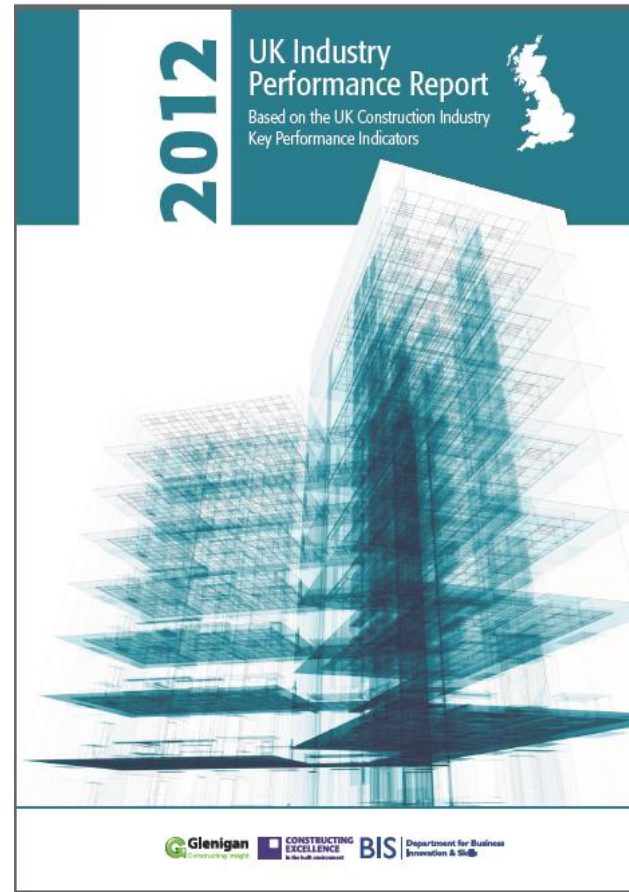


Sample Project Spidergraph

► Public Housing plc



UK Progress



What next?

- ▶ Full Report published November 2013
- ▶ Sponsors personalised Benchmark December 2013
- ▶ Gathering your 2013 project data by June 30th 2014
- ▶ 2013 Report – September 2014
- ▶ Lets all get measuring but...
- ▶ Let's FATTEN THAT PIG – Together!!!



Ways we help the industry to improve



Construction Clients' Group
Akl, Well, ChCh

Pathfinder Project Programme



NZIM Diploma in
Managerial Excellence in
Engineering & Construction
(Lvl 6)

NZIM Diploma in
Project
Management (Lvl 5)



Industrial Research
in Best Practice

Benchmarking &
Continuous
Improvement

Business & Project
Coaching

Lean Construction
& Last Planner™

