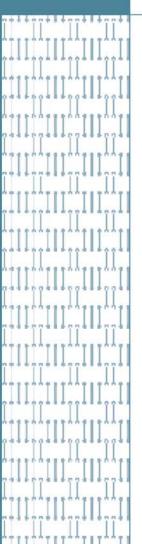


Construction Industry KPI's

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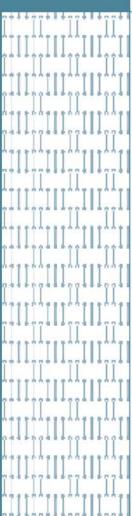
Agenda

- KPI's and Benchmarking
- Current Industry KPI's
- Business Opportunities
- Wider Benefits
- Future KPI's
- Discussion



KPI's & Benchmarking

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A KPI is a measure of a factor critical to success

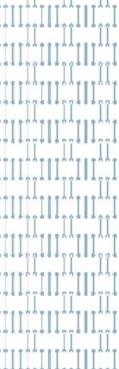
A Benchmark is the best performance achieved in practice

Benchmarking is continuously comparing your performance against others, then using lessons from the best to make improvements



Benchmarking is a Tool

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If you do not measure performance you have no basis to plan improvement

Action, not data, drives improvement!

Best practice companies set and achieve highly challenging performance levels

The constraint is the organisations capacity to handle the actions that stem from the KPI results



Why CAENZ Established the KPI Initiative

- No means to provide commentary on industry performance
- Creating the measure for enhanced performance
- Proving to Government the importance of the Construction Industry to the NZ Economy



The CAENZ KPI Initiative

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A starting point, Industry lead, Project focused

A measure of critical construction project success factors

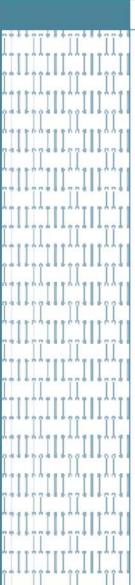
- Cost
- Time
- Quality
- Client Satisfaction
- Safety

Focused on Improvement Opportunities



Cost

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Comparing estimated vs actual

- Predictability cost design
- Predictability cost construction
- Predictability cost total project



Time

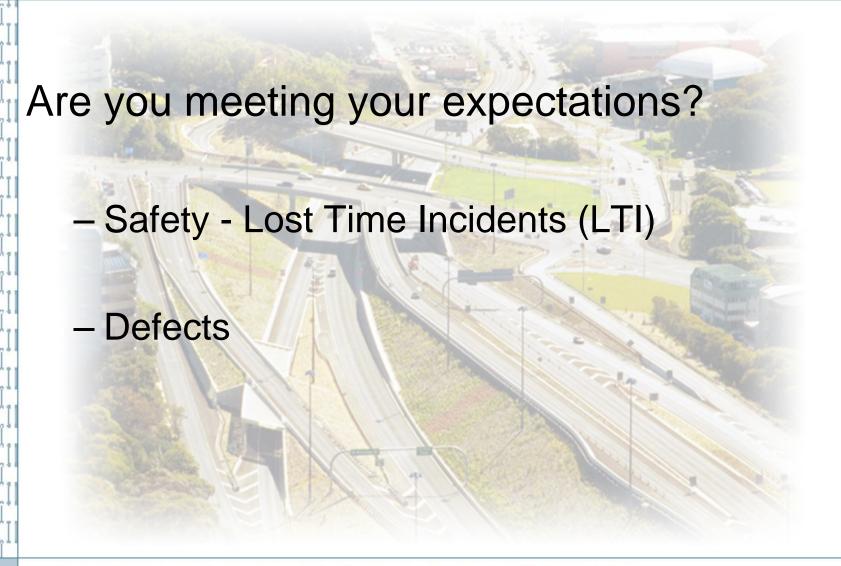
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Comparing estimated vs actual

- Predictability time design
- Predictability time construction
- Predictability cost total project



Quality





Client Satisfaction





Client Opportunities

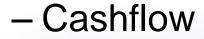
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Opportunities

- Develop closer relationship with clients
- Show active engagement
- Increase likelihood of repeat work
- Word of mouth marketing
- Good reputation



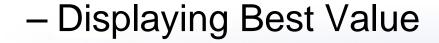
Business Opportunities



- Project cost estimation
- Project completion
- Client relationships
- Client confidence



Business Opportunities



- Improve efficiency
- New work

- ISO/Quality Systems
- Industry standing



Benefits to the Sector

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Threat/Risks

- Industry perceived as inefficient
- Loss of respect, poor image
- Risky competitive environment

Opportunities

- Demonstrate industry efficiency
- Show industry improvement
- Ensure the industry has a sustainable future



Progress to Date

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Three years of collection

- Uptake not as good as hoped for
- KPI usage in general
- National dataset

Feedback

- Extra work to provide & use
- Small number of KPI's
- Limited promotion/provision
- 'What I currently do works...'



Other KPI's

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Not all may be applicable

Company specific KPI's are possible

The value of the current 10 Industry KPI's is they provide a benchmark for comparison

Expansion of the Industry KPI's is desirable



Possible Expansions

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Provision by sector

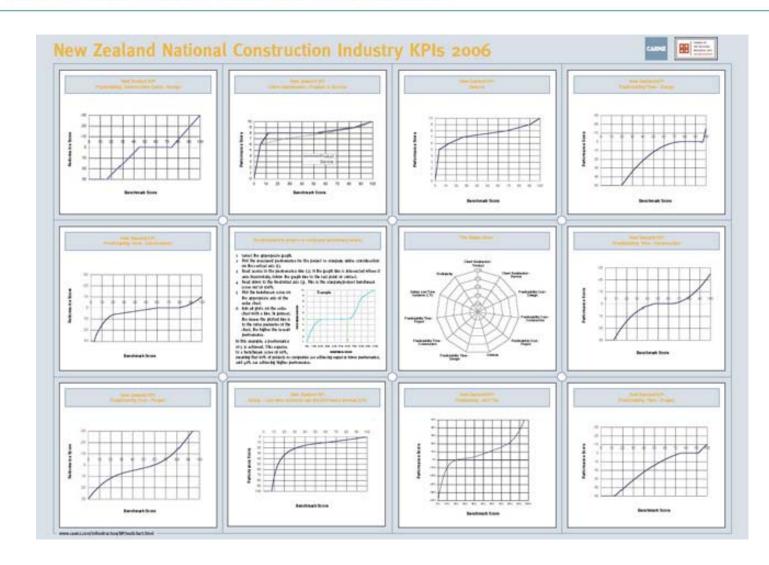
- New build (residential and non-residential)
- Infrastructure
- Repair & Maintenance and refurbishment (residential and non-residential)

M&E Contractors

Consultants

Environmental

Current Form





What Is Needed

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 We need your feedback and active promotion

 We need your involvement in establishing further KPI measures

We need visible leadership from clients