



# 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......



Measure

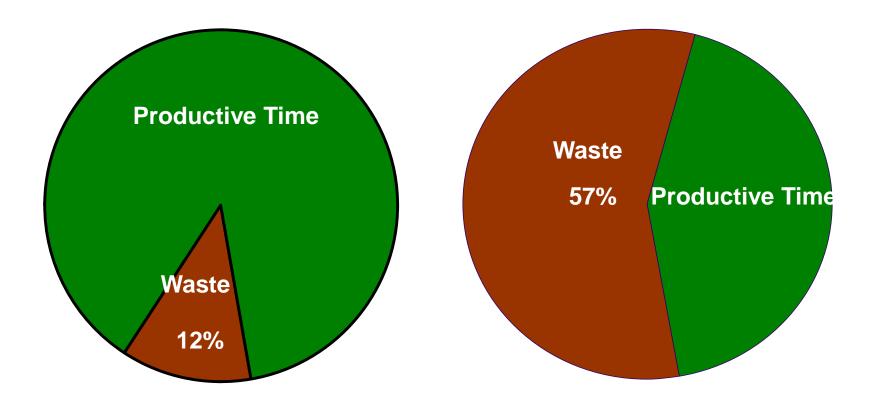
**Benchmark** 





# Why bother?...

▶ Sir John Egan: 30% Waste









#### The 7 Types of Waste (Ohno, Lean Construction)

#### The Waste of...

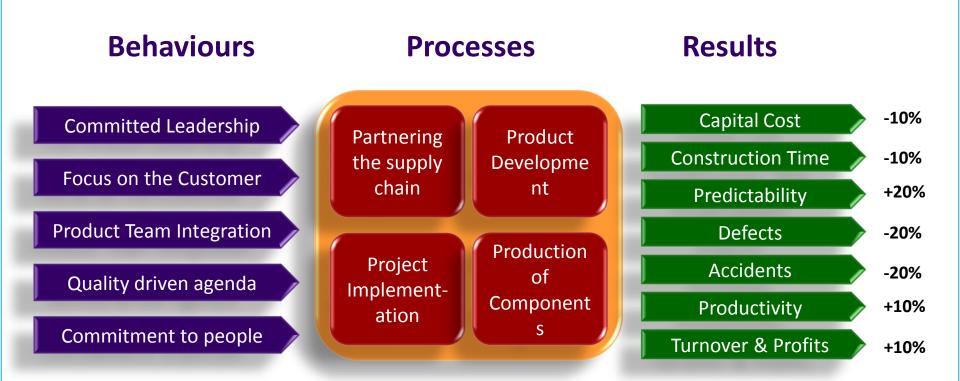
- ...Overproduction building ahead of time
- ...Waiting people, information, materials
- ...Unnecessary Transportation haulage and double handling
- ...Inappropriate processing wrong methods
- ...Unnecessary inventory storage
- ...Unnecessary motions travel distances
- ...Defects rework

#### plus

...Human potential not developing people



# The Constructing Excellence Model '5-4-7'





# 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...

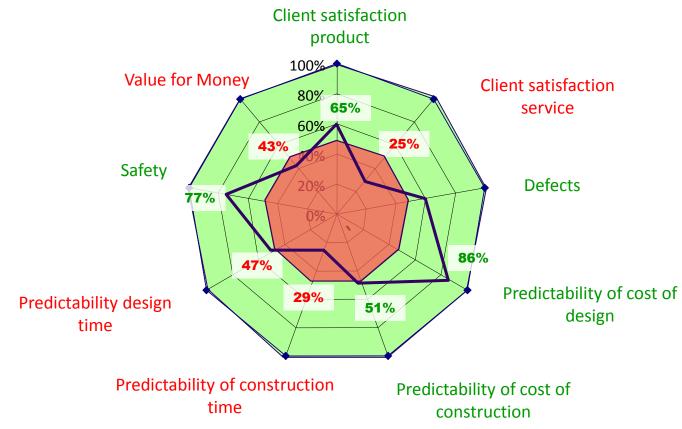






# The Results – Spidergraphs...

#### **Example Project Spidergraph**

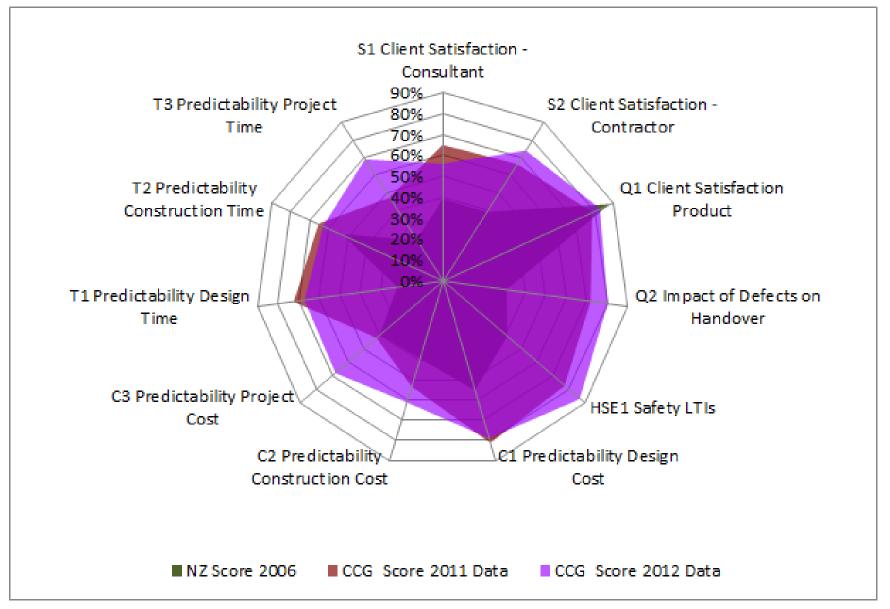






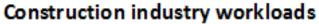
## NZ Industry Results – 2006, 2011, 2012

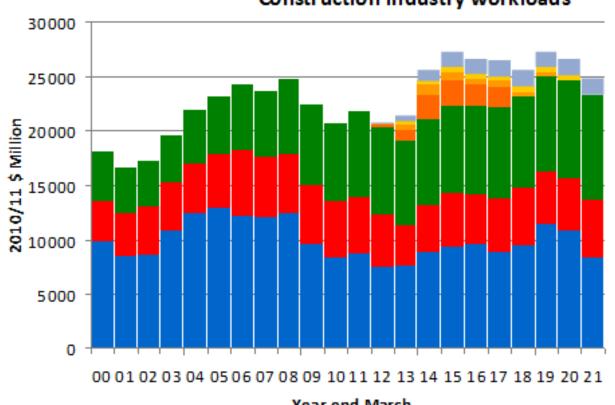
% Projects Scoring...



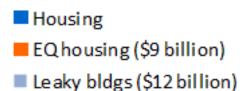
## The wall of work is coming







#### Year end March



■ Non-res bldgs

Civil

EQ Non-res bldgs (\$4 billion) EQ Civil (\$4 billion)

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

	•	•			
PI uite	KPI	Measure - % Projects	NZ Score 2006	CCG Score 2011 Data	CCG Score 2012 Data
_	S1 Client Satisfaction - Consultant	% Scoring 8/10 or better	39%	65%	56%
NO I	S2 Client Satisfaction -Contractor	% Scoring 8/10 or better	39%	66%	74%
SATISFACTION	S3 Client Satisfaction - Delivery Team			80%	72%
SATI	S6 Client Satisfaction Use Contractor Again?	% Scoring 8/10 or better		79%	86%
	S7 Client Setinfection Value for Money	0/ Cooring 9/10 or botton		75%	88%

% Scoring 8/10 or better

% Scoring 8/10 or better

% on target or better

% where defects are cleared within 14 days

% Projects with zero LTIs (Lost Time Incidents)

88%

31%

41%

55%

39%

40%

22%

53%

23%

79%

72%

60%

77%

81%

53%

42%

72%

65%

47%

83%

80%

55%

87%

79%

61%

68%

67%

63%

69%

KPI	Measure - % Projects	2006	Da
S1 Client Satisfaction - Consultant	% Scoring 8/10 or better	39%	65
S2 Client Satisfaction -Contractor	% Scoring 8/10 or better	39%	66
S3 Client Satisfaction - Delivery Team			80
S6 Client Satisfaction Use Contractor Again?	% Scoring 8/10 or better		79
S7 Client Satisfaction Value for Money	% Scoring 8/10 or better		75

Q1 Client Satisfaction Product

Q3 Defects Clearance Period

C1 Predictability Design Cost

C3 Predictability Project Cost

T1 Predictability Design Time

T3 Predictability Project Time

C2 Predictability Construction Cost

**T2 Predictability Construction Time** 

HSE1 Safety LTIs

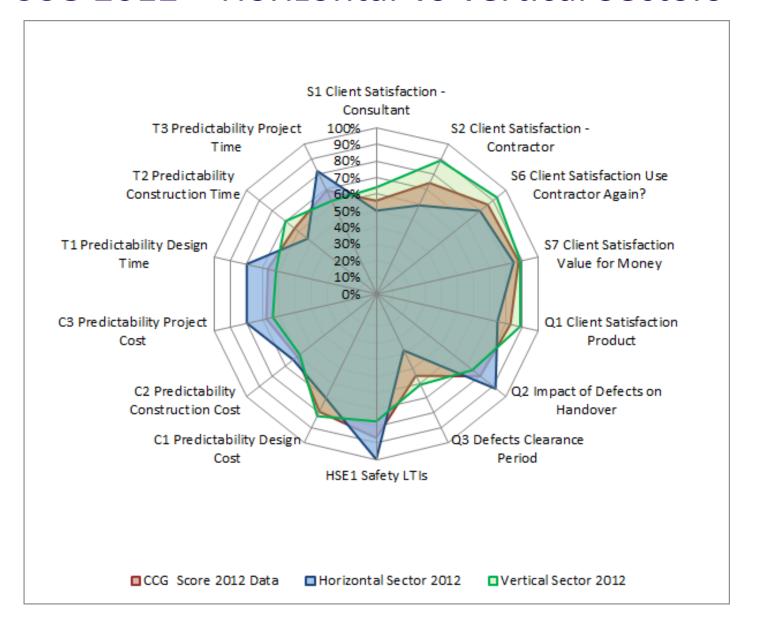
SAFETY

COST

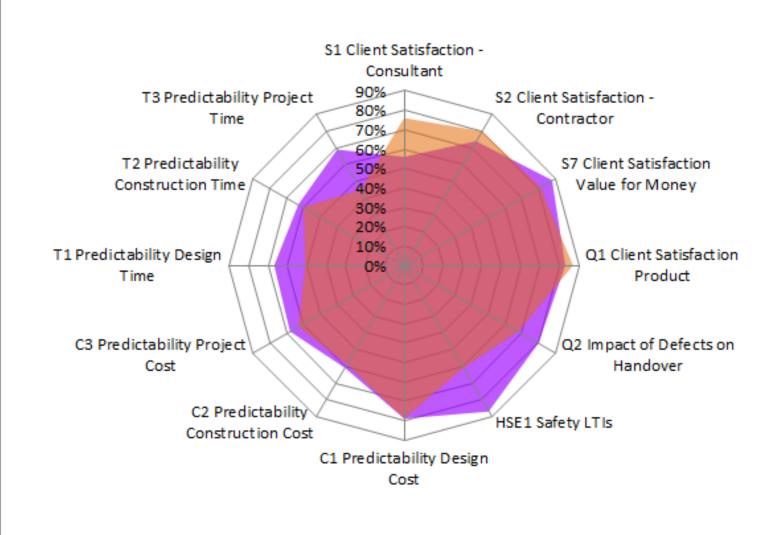
TIME

Q2 Impact of Defects on Handover

### NZ CCG 2012 – Horizontal Vs Vertical Sectors



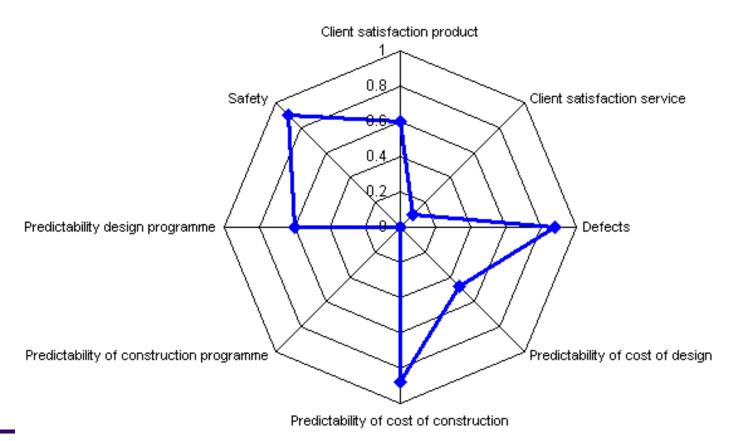
#### NZ Versus UK



CCG Score 2012 Data UK Score 2011 Data

# Sample Project Spidergraph

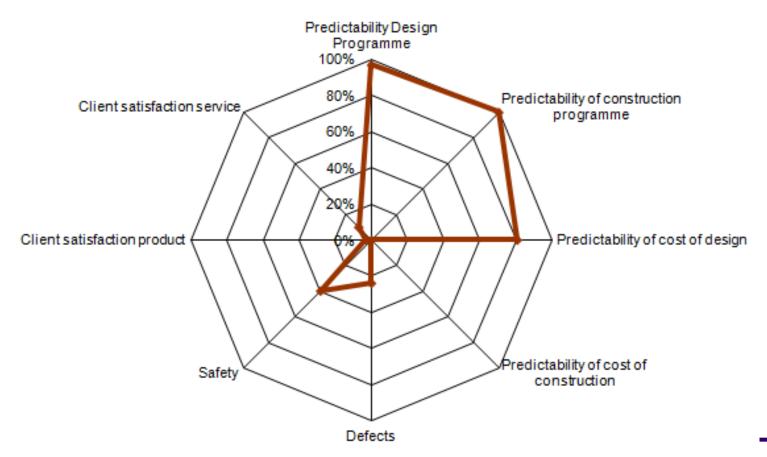
#### Acme Retail Ltd





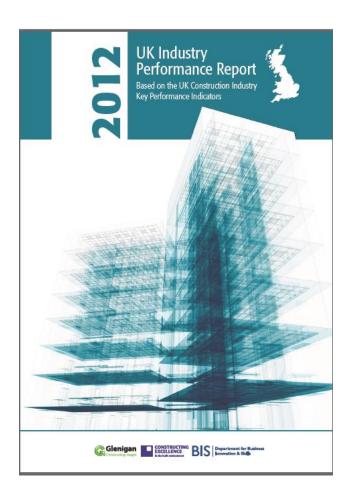
# Sample Project Spidergraph

### ▶ Public Housing plc





# **UK Progress**



# **UK Progress**

КРІ	Measure	Performance									Trend		
NI I		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Last Year	All Years
Client Satisfaction - Product	% scoring 8/10 or better	78%	80%	83%	84%	82%	83%	86%	87%	87%	83%		
Client Satisfaction - Service	% scoring B/10 or better	71%	74%	77%	79%	75%	77%	84%	82%	80%	75%	4	
Client Satisfaction - Value for Money	% scoring 8/10 or better	73%	74%	79%	80%	75%	75%	82%	77%	81%	78%		
Contractor Satisfaction - Performance - Overall	% scoring 8/10 or better	64%	65%	63%	62%	62%	62%	64%	69%	69%	75%	1	1
Contractor Satisfaction - Provision of Information - Overall	% scoring 8/10 or better	57%	59%	58%	56%	56%	56%	59%	63%	64%	73%		1
Contractor Satisfaction - Payment - Overall	% scoring 8/10 or better	67%	66%	65%	65%	63%	63%	67%	71%	77%	80%		1
Defects - Impact at Handover	% scoring B/10 or better	68%	68%	72%	77%	73%	73%	77%	75%	68%	74%	1	1
Predictability Cost - Project	% on cost or better	52%	50%	48%	45%	46%	49%	48%	52%	63%	61%	<u> </u>	
Predictability Cost - Design	% on cost or better	65%	62%	63%	66%	64%	65%	61%	67%	79%	79%		
Predictability Cost - Construction	% on cost or better	52%	49%	48%	44%	49%	48%	46%	47%	59%	58%		
Predictability Time - Project	% on time or better	44%	44%	46%	44%	58%	45%	45%	43%	45%	34%	<u></u>	1
Predictability Time - Design	% on time or better	53%	55%	52%	57%	58%	58%	53%	69%	51%	48%	4	
Predictability Time - Construction	% on time or better	59%	60%	62%	60%	65%	58%	59%	57%	60%	42%	•	1
Profitability 1	Median % profit before interest & tax	5.4%	7.0%	8.1%	7.9%	8.2%	9.6%	9.9%	7.7%	5.0%	2.7%		4
Productivity - (VAPH Current Values) <sup>1</sup>	Median value added/FTE employee (E000)	31.1	32.6	34.2	38.2	42	45.5	46.2	49.5	58.5	60.0	1	<b>1</b>
Productivity - (VAPH Constant 2005 Values) <sup>12</sup>	Median value added/FTE employee (£000)	37.0	36.4	36.7	38.2	39.9	41.1	40.1	43.0	52.1	52.7	1	<b>1</b>
	Median % turnover from												

#### What next?

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





# Ways we help the industry to improve

