5 Best Practices To Regaining Your Competitive Edge

Reducing delivery time, cost and safety incidents through collaboration

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CONSTRUCTION OWNERS ASSOCIATION OF ALBERTA
Teetering on the edge of crisis

The New York Times

Oil Sands Boom Dries Up in Alberta, Taking Thousands of Jobs With It
No Pipeline
U.S. Crude Oil Production Hits Record 12 Million Bpd

By Tsvetana Paraskova - Feb 22, 2019, 6:00 PM CST
3 Options

- Get Out
- Shut Down
- Pivot - Strategic Changes
External Problems

- Demand for Canadian Oil
- Regulations
- Unions
- Talent Pool
- Millennials
Internal Problems

- **Project Costs**
  - The cost has gone up 300%

- **Delivery Schedule**
  - Delivery time has gone up 150%

- **Safety has decreased**
  - Safety incidents have increased 27%
Intangible Problems

- Engagement
- Alignment
- Communication
- Workplace Culture
# Alignment Exercise

**Rank each (1 - 4)**

<table>
<thead>
<tr>
<th></th>
<th>Schedule</th>
<th>Cost</th>
<th>Quality</th>
<th>Safety</th>
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</thead>
<tbody>
<tr>
<td>Owner - Project Manager</td>
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<tr>
<td>Owner - Safety Manager</td>
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<tr>
<td>General Contractor</td>
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<tr>
<td>Subcontractor</td>
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<tr>
<td>Site Safety</td>
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<tr>
<td>Craftsman</td>
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</table>
Case Study #1 - Boh Brothers

Problem: Accident affecting Bottom line & Competitiveness

Solution:

● Made senior management responsible for safety not safety team
● Develop & implemented worker engagement & training model
● Deploy a cycle time learning process
● Provide a direct line of sight
● Act with urgency
● Recognize & celebrate success

Outcome:

● 26 awards in three years and sustained excellence.
Safety – Productivity Awards

Recognition for our culture of safety:

Boh Bros. has received a number of awards for our commitment to safety on every jobsite, including:

- Certificate of Commendation for Excellent Safety Record – Associated General Contractors (AGC)
- Platinum STEP (Safety Training and Evaluation Process) Award – Associated Builders and Contractors, Inc. (ABC)
- New Orleans District Large Contractor Superior Safety Performance Award – U.S. Army Corps of Engineers (USACE)

Awards (22 listed):

- American Concrete Institute (ACI) [2]
- American Institute of Steel Construction (AISC) [1]
- Associated Builders and Contractors, Inc. (ABC) [7]
- Associated General Contractors (AGC) – Build America Award [7]
- Louisiana Department of Transportation [1]
- National Steel Bridge Alliance (NSBA) [2]
- United States Army Corps of Engineers (USACE) New Orleans District Large Contractor [2]
Case Study #2 – Murphy Oil

Problem: Outages consistently over budget & behind schedule

Solution:

● Create an advanced executive team
● Develop a different employee engagement model
● Daily performance feedback on productivity & safety
● Daily recognition of excellence
● Weekly publication of success stories

Outcome:

● CICE (Construction Industry Cost Effectiveness) Award
Case Study #2 – Murphy Oil: Award Metrics

- Safety
  - 500,000 Man-Hours
  - 0 Recordables
  - 0 Lost Time Accidents

- Under Budget 8% = $3,000,000
- On Schedule – 4 weeks / 2 Shifts
- First Time 0 Leaks at Alky Start-up

- FCC on Line at Rate in 3 Days
- Major Scope
  - 50% Exchangers Repaired
  - 90% FCC Refractory Replaced
- Weld Repairs – Less Than 5% Failure
- Turnover on Project – 5%
5 Best Practices To Get Started

How do we start to make change?

What is the first and most simple way to make a shift towards achieving our on-time, on-budget, and safety goals?
#1 Rethink the user experience at the worker level

- Incoming bias
- Interview & hiring process
- Orientation
- Day-to-day experience

Connected + Belong + Safe + Matter = Trusted Relationship
#1 Rethink the user experience at the worker level

“First we build people, then we build cars.”

-Fujio Cho, Chairman of Toyota Motor Corporation

Connected + Belong + Safe + Matter = Trusted Relationship
#1 Rethink the user experience at the worker level

“First, the people - and not the contracts, methods, machines, procedures, processes, programs, rules, organizations, plans, or incentives – are responsible for producing action.”

-Hal Macomber & Calayde Davey, The Pocket Sensei

Connected + Belong + Safe + Matter = Trusted Relationship
#1 Rethink the user experience at the worker level

“The name Boh Bros. has always been synonymous with quality construction and safety, and that’s because of the people.”

- Heather Grytza, Corporate Safety Director

Connected + Belong + Safe + Matter = Trusted Relationship
#2 Alignment on goals & values

- Set SMART Goals
- Communicate clearly
- Measure often

Connected + Belong + Safe + Matter = Trusted Relationship
#3 Line of engagement - feedback

- Captures Ingenuity
- Promotes Innovation
- Prevents Errors
- Builds Connection

Connected + Belong + Safe + Matter = Trusted Relationship
#4 Create a clear line of sight

Worker → Subcontractor → General Contractor → Owner

- Real time reporting. (24 - 48hr)
- Transparency at all levels
- Recorded - digital paper trail
- Actionable reports with accountability

Connected + Belong + Safe + Matter = Trusted Relationship
#5 Close the loop

- Validates the value of feedback
- Encourages feedback
- Increases worker participation / ownership
- Creates a culture of innovation
- Celebration of ideas that come out of feedback
Worker → Subcontractor → General Contractor → Owner
#5 Close the loop

Worker ○ Subcontractor ○ General Contractor ○ Owner

Transparency & Accountability

Connected + Belong + Safe + Matter = Trusted Relationship
Learned Helplessness - Apathy - Malicious Obedience
Paradigm Shift

eTracker Way of Thinking

1. TARGET

   PERSONAL EXPERIENCES
   VICARIOUS LEARNING
   PERSUASION

2. EFFECTS

   BELIEFS

3. RESULTS

   RESULTS
   CHANGED BEHAVIOR

+
Paradigm Shift

Old Way of Thinking

TARGET: BEHAVIOR

RESULTS
BEHAVIOR
BELIEFS
PERSONAL EXPERIENCES
VICARIOUS LEARNING
PERSUASION

UNCHANGED
BELIEFS
PERSONAL EXPERIENCES
VICARIOUS LEARNING
PERSUASION
Next Steps To
Regaining Your Competitive Edge

1. Rethink the user experience at the worker level
2. Get alignment on goals
3. Create a line of engagement - feedback
4. Create a clear line of sight - through management
5. Close the loop
## Next Steps - Self Assessment

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<th>considered not implemented</th>
<th>implemented not successful</th>
<th>implemented successful</th>
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<tr>
<td>1</td>
<td>Rethink the user experience at the worker level</td>
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<td>2</td>
<td>Alignment on goals &amp; values</td>
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<tr>
<td>3</td>
<td>Line of engagement - feedback</td>
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<tr>
<td>4</td>
<td>Create a clear line of sight</td>
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<tr>
<td>5</td>
<td>Close the loop</td>
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ENGAGE • ALIGN • EXCEL

COMPETITIVE EDGE THROUGH WORKER ENGAGEMENT
Thank You!

Q & A

COAA
Construction Owners
Association of Alberta
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