

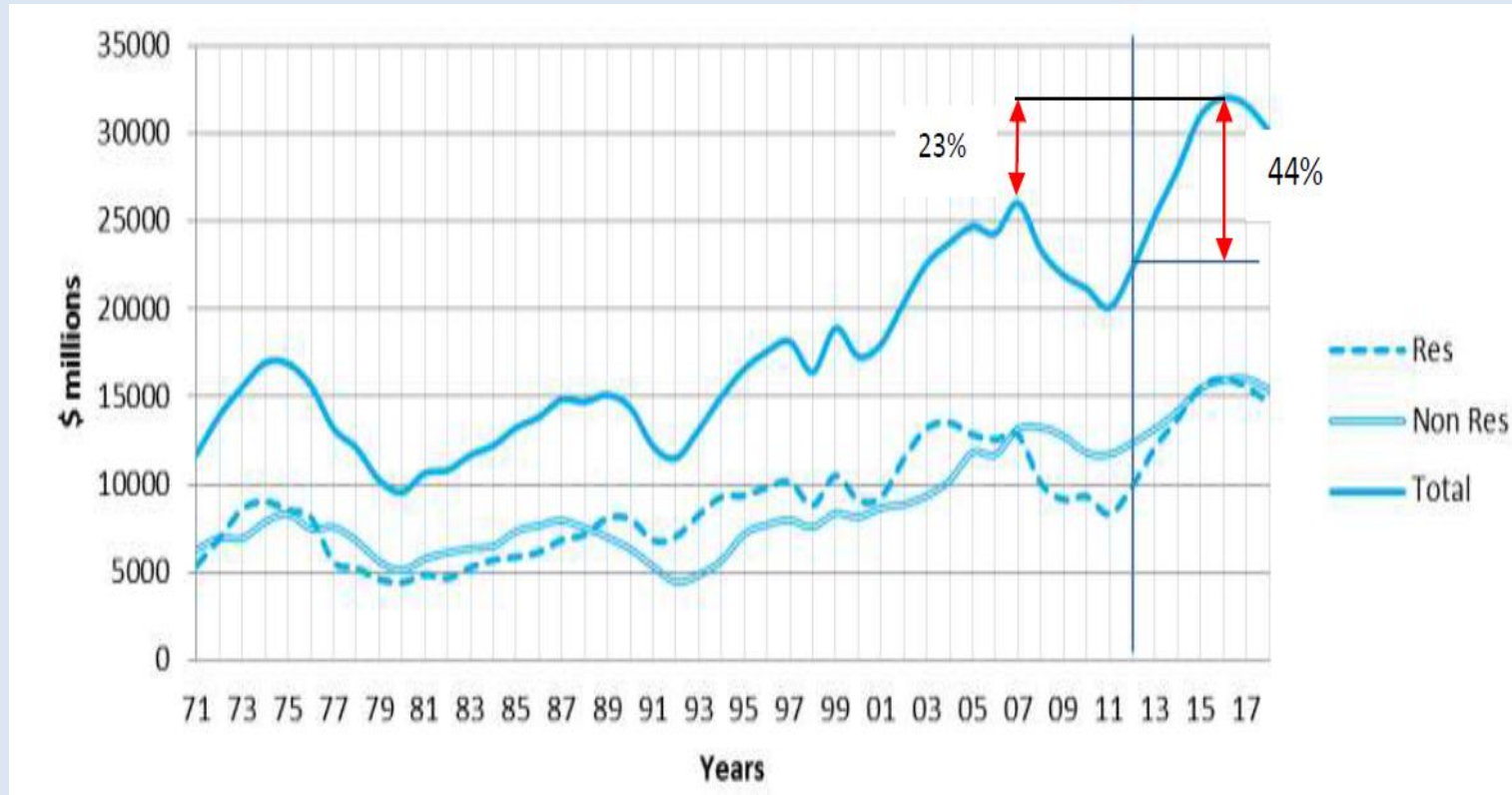
# **The Effects of Boom Bust on National Construction Industry Performance**

By Warren G Parke

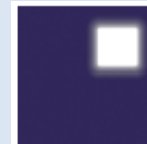
Chairman Construction Clients'  
Group



# NZ Construction Sector Boom- Bust Cycle



—Pacifecon (NZ) Ltd and BRANZ, Nov 2013

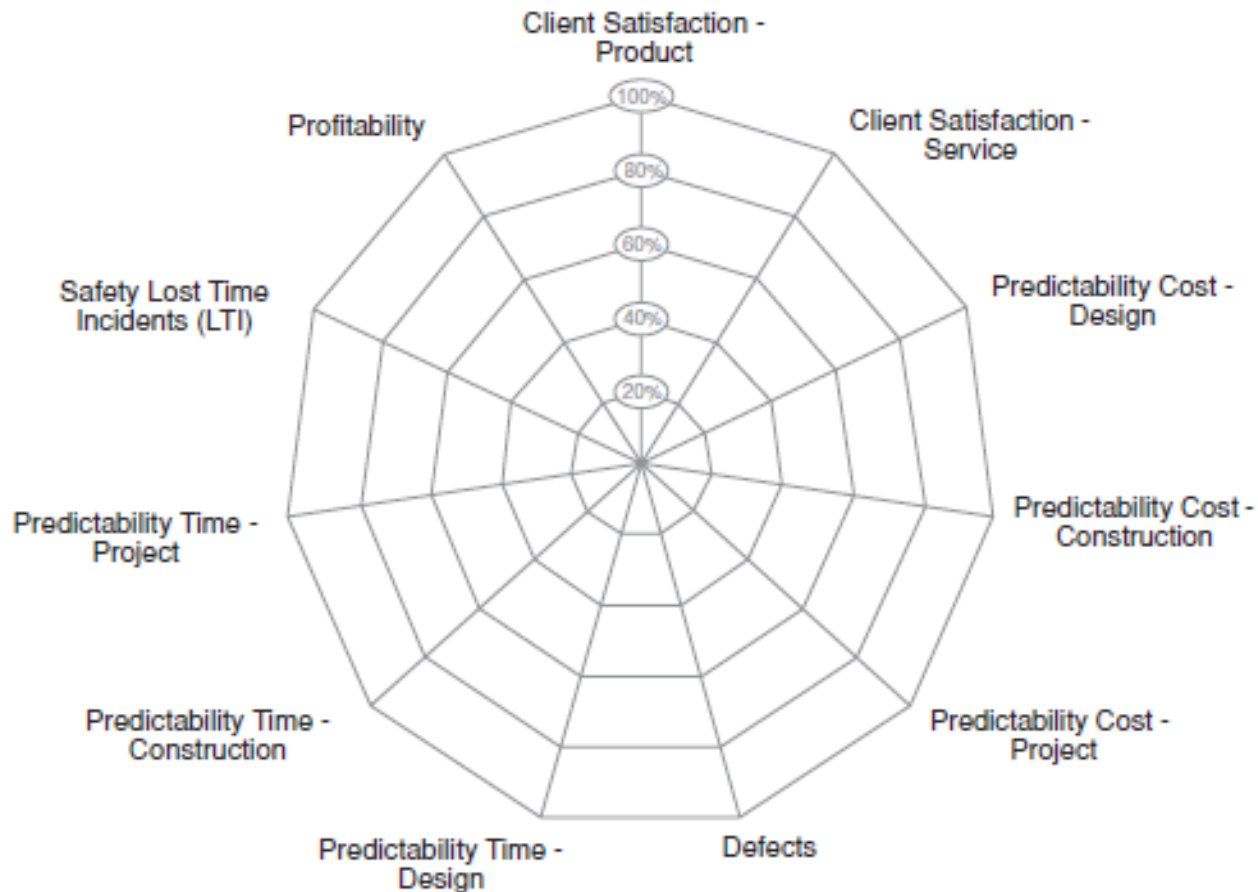


**Construction  
Clients' Group**  
CONSTRUCTING EXCELLENCE

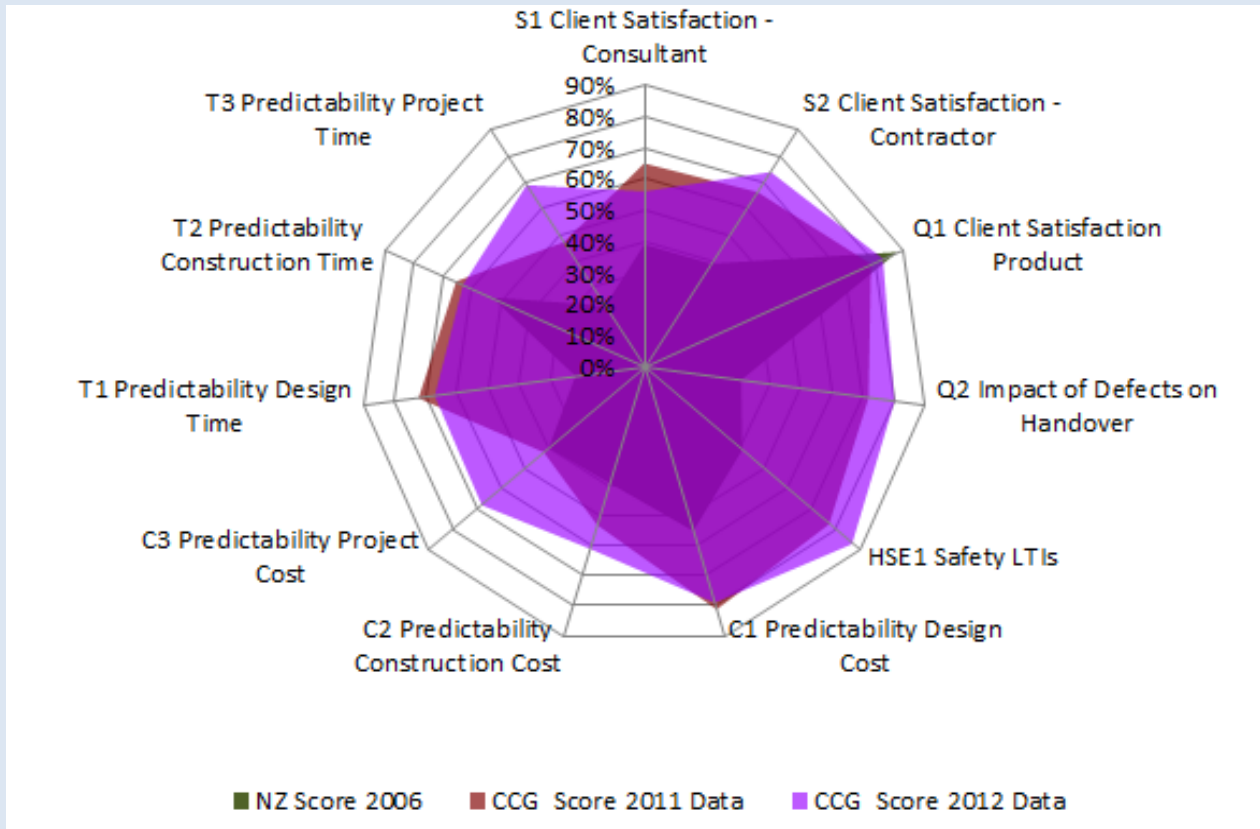
# Project Performance Monitoring

- UK investigation in 90's into unproductive construction sector
- 1998 Construction Industry KPIs introduced in UK
- Introduced into NZ in 2006
- Data sets for 2006, 2011, 2012
  - (2013 underway)

# Measure, Target and Monitor

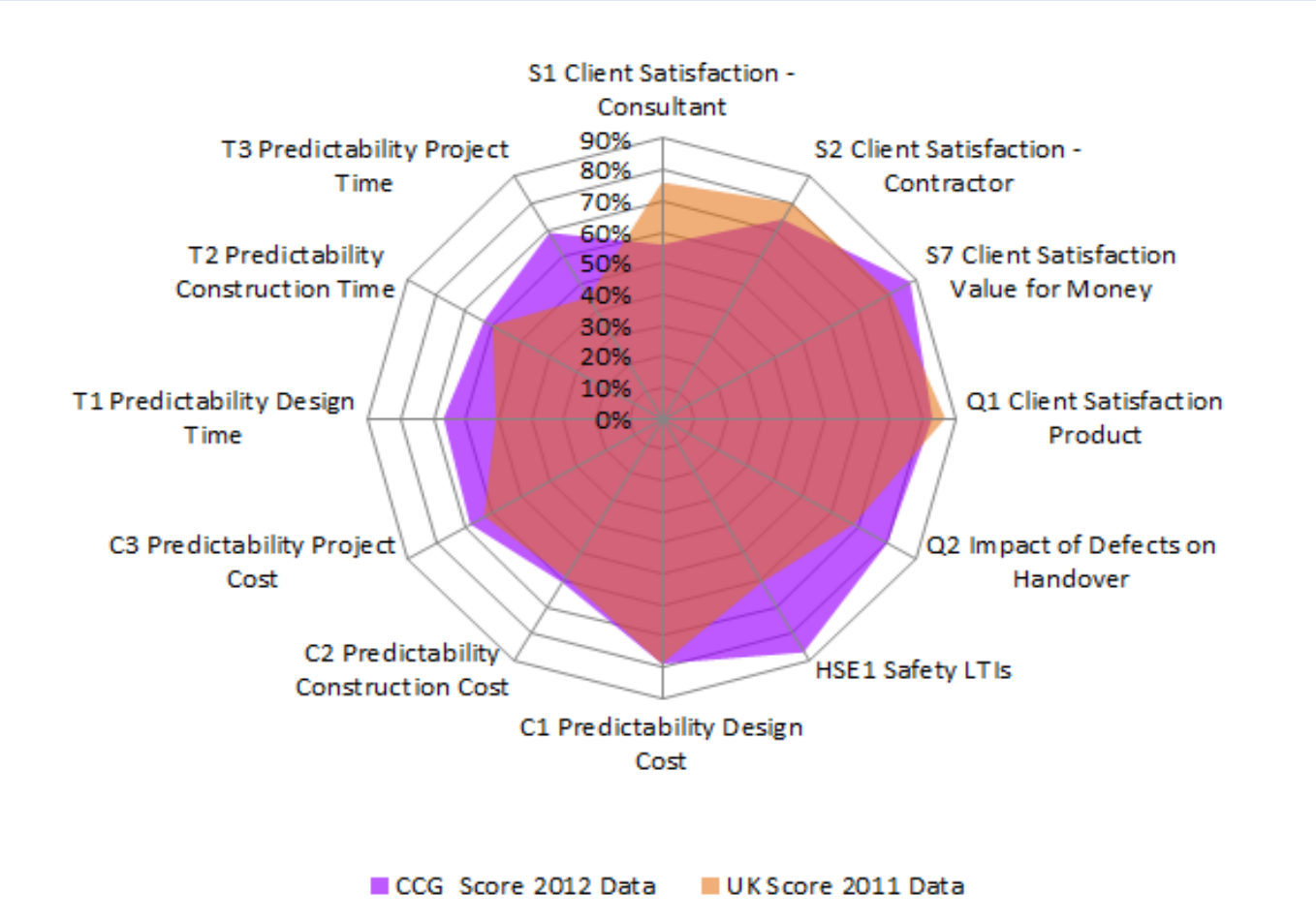


# NZ Results



**Conclusion:** GFC bust period has seen an increase in project performance

# Benchmarking



# Analysing Top Performers

- Client leadership and effective procurement
  - Informed clients (H&S and QA)
  - Innovation (BIM and ECI)
- Defining the project for success
  - KPIs
  - Whole-of-life focus, not just 'best for project'
- Creating the culture
  - Appealing to 'hearts and minds'
  - Collaboration

# Entering the Boom

## How to Protect Performance

- Utilise KPIs to monitor performance and target areas for improvement
- **Supply Side** – only take on what your resourced to deliver, look after good staff and subcontractors
- **Client Side** – stream line and reduce tendering processes, discuss and share risk



# Questions

GDP volume index, seasonally adjusted  
GDP;1987-2012

