

CONSTRUCTION MANAGEMENT “FOR FUN AND MONEY”

Monday, 26 November 2012



(building trust)
setting the construction standard





WHY FUN and MONEY

I have never before been to a construction related conference or seminar, where the topic had to do with "how to make money" and possibly "how to have fun while making money in the construction industry"

How many people in this room have and will recommend to your children that they join the construction industry?

How many top academic achievers at school join our game ?

How many school leavers enter our industry as first choice careers?

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CONSTRUCTION MANAGEMENT

We are constantly trying to define “construction management”—CIOB

We have approximately 30 different construction related associations, bodies and or member organisations

We are a fragmented industry

Conflict , aggression , tough and unsophisticated

Hard work , long hours and hands dirty

Away from home

Low margins, limited information and shortage of skill

Tender system—not only for contractors, but also for consultants

More than half the price of litigation is paid in emotional terms(EQ)



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CONSTRUCTION MANAGEMENT

McKinsey Global Institute suggests that by 2020, the world could have 45 million too few college –educated workers

The uneven distribution of skills and needs means that business leaders must develop a finer-grained view of what the business needs and what's available.

In addition to this , companies and industries will need to assess the quality of educational systems and the market forces(I take it that that is part of what we are trying to do today)

A shortage of highly skilled construction managers and workers just implies intensifying the global war for talent



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CONSTRUCTION MANAGEMENT

Today's construction manager is less linear---life is much more of a jumble-because we are always multi-tasking, technology taking away the limitation of time and space---WE ARE ALWAYS ON!

However in our industry-technology has complemented , not replaced labour, and therefore jobs are still being performed in the same fashion and ways as they have done for decades.

All our challenges today are –how do we develop, use and keep our most highly skilled talent?

**2 big draw cards----FUN
MONEY**



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Aspirations

career growth
pay well
recognition
free expression
service each other
company support

Values

pride
Ubuntu
relationships
balance
trust

Attitudes

can do
delivery
candor
walk tall
happy

BRAND EQUITY

Brand Personality

setting the
construction
standard
trustworthy
honest brokers
dynamic
smart

Brand Tone

smile
helpful
energy
caring

Brand Promise

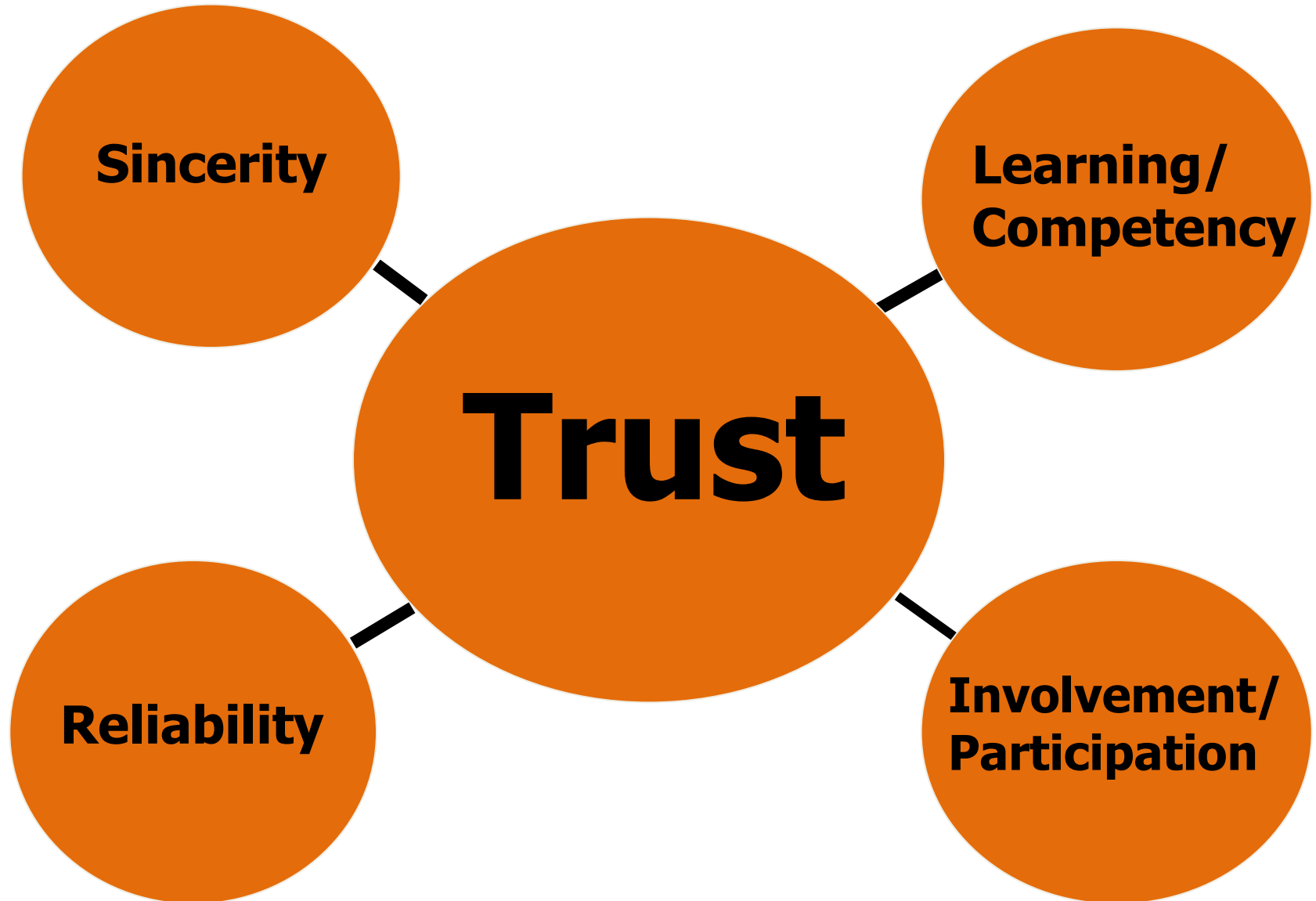
build
relationships
deliver
best value
great people
greatest company



Experiential Learning

- “Who is wise?” – “the one who is wise is the one who learns from others”.
(My leadership role has taught me that we should use the opportunity to learn from others rather than to try and prove just how smart we are!”)
- Technology—manage through communicating via e-mail, and programming
- Decision making:-Our Construction Managers are not interested in gaining site experience.-Are **timing** and **trends** in your favor with a critical decision?

Business Unit Trust



Anti –Competitive behaviour and corruption

- When the US Congressional hearings were underway after the Wall Street Crash of 1929, the senior partner of Deloitte was being questioned about the limits of the policing role of auditing. He was asked what the control mechanism was once the formal processes were exhausted. He replied: “My conscience.” This demonstrates how far the ethical basis of professionalism has eroded since then.

ORIENTAL CEO

by Korsak Chairasmisak

For every staff member, I have 3 principles to help them achieve a kind of management with “Good Governance”.

They are:

1. Do not take what is undeserved.
2. Give what is due.
3. Work to the best of your ability.



CONSTRUCTION MANAGERS SHOULD BE ABLE TO:-

Co –ordinate and sequence:-managing diverse groups of on-site and remote employees

Composition of teams change rapidly as project based contractors and temp staff come and go.

- nimble co-ordination
- better coaches-tasks mesh smoothly
info shared effectively
- better planning and structuring

(Over) communicate:-you have to over communicate to everyone understands their roles and when work will be completed and handed over

Observe and Listen:-emotional intelligence, body language, spoken language and mood changes

Delegate:-one of the most difficult skills a construction manager has to perform—they struggle to “let go”



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OBSERVER

WE MANAGE INFORMATION:-

I have a simple but strong belief; The most meaningful way to differentiate your company from your competition, the best way to put distance between yourself and the crowd, is to do an outstanding job with information.

How you gather, manage and use information will determine whether you win or lose”

Bill Gates, Chairman, Microsoft
(Business at the speed of thought)

The Cellist



Not many years ago, I began to play the cello. Most people would say that what I was doing was “learning” to play the cello.

But these words carry in our minds the strange idea that there exist two very different processes: -

learning to play the cello, and

playing the cello



They imply that I will do the first until I have completed it, at which point I will stop the first process and begin the second.

In short, I will go on “learning to play” until I have “learned to play” and then I will begin to play.

Of course this is nonsense.

There are not two processes, but one.

There is no other way.



However –if you want to become a CONDUCTOR, you have to be able to read music

Not every great instrument player makes a great CONDUCTOR

And not every conductor can play a musical instrument very well.

Our construction managers do not have to be great technical builders with minimum 20 years experience—however they need the aptitude



Another analogy is between an Orchestra and a Rock Band.

Who has the most fun and who makes the most money

The one seems far more sophisticated and has a much bigger team, the other is unsophisticated, generally 4 or 5 members high on drugs---a bit like our steel erectors and roofers

NEW TEACHINGS

- JOEL PODOLNY-Former dean Yale School of Mgt
- BIG IDEA:-Bus Schools must teach real life problem solving.
- The problem we have had at bus schools is we have taught in a functional way. But management challenges don't arrive within functions.
- If the current state of affairs is any indication, we have not done a very good job of training our business leaders! But his new model means – gone are courses like finances and management; in their place are courses on the customer and the investor-which looks at problems holistically.
- He has left Yale and has joined Apple to start their University?????

NEW TEACHINGS:-

BASICS OF TODAY'S TEACHINGS:

NEW TEACHINGS:-ENTREPRENEURIAL FLAIR

Best entrepreneurs are able to understand people, what their needs and motivations are and how they can marry those with his/her own.

They continually come up with new ideas, trends and have fun while doing it.

Communication ,communication and communication
Relationship building

Logistics—not just materials management

Thinking and planning with the end in mind- vision ,
mission, objectives and action plan

Managing the plan

As you can see---the bulk of these are the old soft skills

**I FIRMLY BELIEVE THEY ARE NOW THE HARD SKILLS
THAT WE CANNOT DO WITHOUT.**



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I DON'T KNOW HOW-BUT THE ANSWER LIES WITH ALL OF US.

- The last lesson comes from Rudyard Kipling
“And is this the law of the wild,
It’s as old and as true as the sky –
And the wolf that keeps it will prosper
While the wolf that breaks it will die”

“As the vine that encircles the tree trunk,
This law runneth forward and back –
The strength of the pack is the wolf
And the strength of the wolf is the pack!”