

Driving transformational change

by Malcolm Boyd

The recent article 'Confronting productivity in construction' (EA, October 2014) provides some important insights into a major economic challenge – the efficient delivery of our increasingly complex infrastructure.

It has highlighted what we at The Warren Centre have identified as the waste (in effort, time and cost) in the delivery of infrastructure in Australia which is estimated to cost up to \$30 billion per year. There is clearly a need for change but more importantly there is a once-in-a-generation opportunity to deliver the transformational change required.

The challenge is how we implement it and avoid the waste and mistakes of the past. Business as usual cannot be allowed to continue. The Warren Centre has initiated its Construction Performance Quality and Waste project to respond to this challenge.

We are doing so because we believe The Warren Centre is in a unique position to bring its independent process and extensive networks to bear on this issue and to build on success with previous projects in finding solutions and answers in complex environments. These previous projects include:

- Sustainable Transport in Sustainable Cities – a project which initiated new thinking on transport and identified a new approach to city organisation.
- Urban Reform – a project which produced an agenda for reform for the government and industry before the 2011 NSW election.
- Steel – Framing the Future – a project which identified the need and processes to transform an industry lagging behind its overseas counterparts.
- Professional Performance Innovation and Risk (PPIR) – a project which defined for the first time what engineers expect of themselves and what others expect of them in order to promote opportunity for innovation and better manage risk.
- develop an integrated approach to resolving the critical waste issues
- develop resources and implement a learning and improvement process that transcends project life-cycles, at all levels, which will be critical to achieving sustainable transformational change.

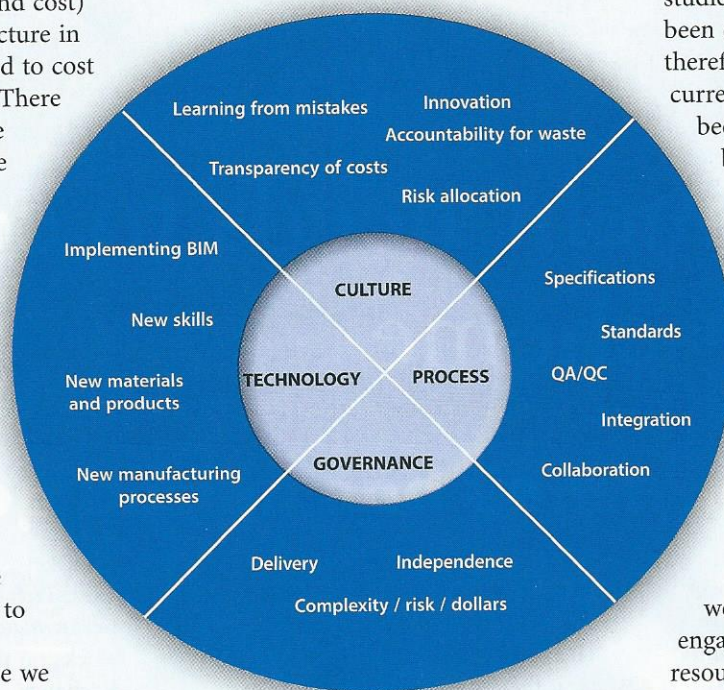
Through copious reports and studies, much of the groundwork has been done. A critical first element therefore will be to benchmark the current work in terms of what has been identified and what has been achieved.

From that we will identify the key performance measurement indicators and their effectiveness. Understanding performance will be critical to effect change at all levels, not the least being community expectations, which in turn might facilitate government strategic plans.

The task is a big one but we believe that collaborative engagement through a properly resourced program will have the capacity to identify the process requirements, performance criteria and governance structure which could save billions of dollars and free up the capital required to expand our infrastructure pipeline.

The first stage of the Construction Performance Quality and Waste project is underway with our target to complete the formation of steering and working groups and finalise the terms of reference, budget and timetable for specific programs and projects this year. The active support and participation of all interested parties will be greatly appreciated. ■

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The success of the PPIR project has indicated the potential of our project to redefine construction performance.

Our starting point is that we believe that the missing ingredient is how people understand and adapt to changes in culture, process, governance, and technology in infrastructure delivery. Accordingly, our objectives are to:

- initiate a transformational change program that will deliver real savings by addressing the culture of performance at all levels across the four key areas in the infrastructure delivery process – owners/regulators, designers/specifiers, manufacturers/suppliers and builders/constructors