5 Best Practices To Regaining Your Competitive Edge

Reducing delivery time, cost and safety incidents through collaboration





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)

	Schedule	Cost	Quality	Safety
Owner - Project Manager				
Owner - Safety Manager				
General Contractor				
Subcontractor				
Site Safety				
Craftsman				

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 <u>on-time</u>, <u>on-budget</u>, and <u>safety</u> goals?

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





"First we build people, then we build cars."

-Fujio Cho, Chairman of Toyota Motor Corporation





"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

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"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





#2 Alignment on goals & values

- Set SMART Goals
- Communicate clearly
- Measure often





#3 Line of engagement - feedback

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





#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





#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

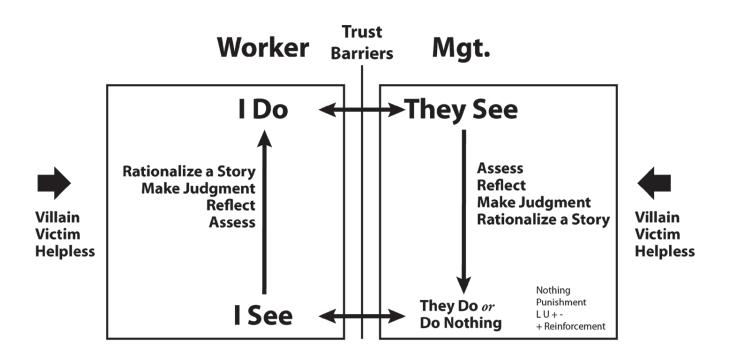
Worker O Subcontractor O General Contractor O Owner



Connected + Belong + Safe + Matter = Trusted Relationship







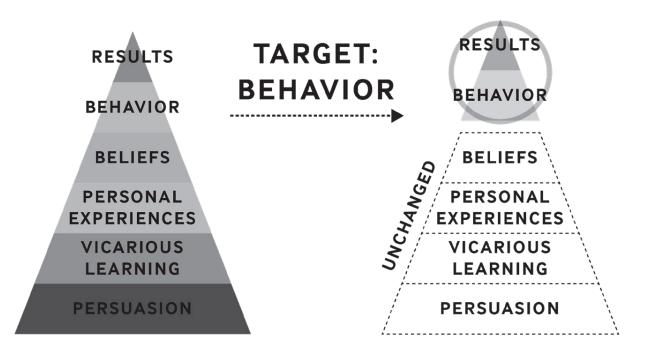
Learned Helplessness - Apathy - Malicious Obedience

--- Paradigm Shift

eTracker Way of Thinking **RESULTS EFFECTS** CHANGED **TARGET** BEHAVIOR **BELIEFS** PERSONAL **EXPERIENCES VICARIOUS RESULTS** LEARNING PERSUASION

→ Paradigm Shift

Old Way of Thinking



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

	not considered	considered not implemented	implemented not successful	implemented successful
1 – Rethink the user experience at the worker level				
2 – Alignment on goals & values				
3 – Line of engagement - feedback				
4 – Create a clear line of sight				
5 – Close the loop				





ENGAGE · ALIGN · EXCEL

COMPETITIVE EDGE THROUGH WORKER ENGAGEMENT

Thank You! Q & A



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