

COGENCE Alliance

Owners + Architects + Engineers + Contractors

Inspire. Educate. Unite.

What Keeps You Awake at Night

2 April 2019



Mission + Purpose

Cogence *(Latin)*

“To drive together” or “Thinking that is well organized”

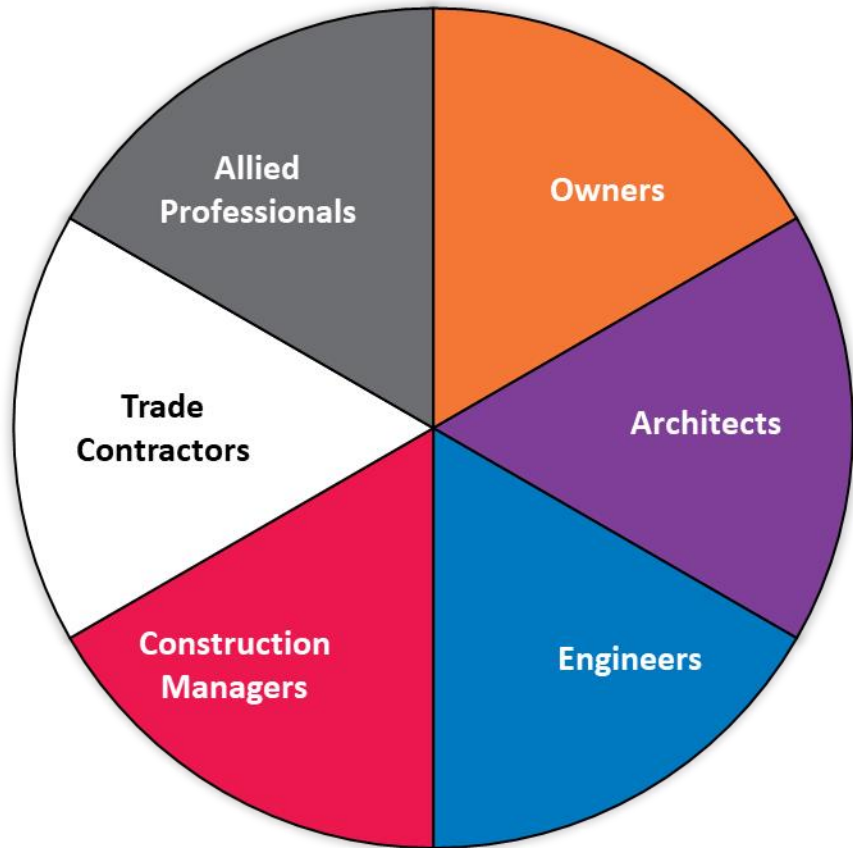
The purpose of the Alliance is to bring Owners and Developers, Architects and Engineers, Construction Managers and Contractors, and Allied Industry Professionals together to **advocate** and be a **resource** for improved project delivery.

For more information visit us at www.cogence.org

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Agenda

- Cogence Mission (5 Minutes)
- Introductions (10 Minutes)
- State of Industry (5 Minutes)
- Northwest Ohio Cogence Survey Results (40 Minutes)
- Leadership and Collaboration (20 Minutes)
- Cogence 2019 (10 Minutes)



Balanced Voice



Engagement

Introductions

State of The Industry



A Driven Industry

“The task of Leadership is to create an alignment of strengths... making a system’s weaknesses irrelevant.” - Peter Drucker



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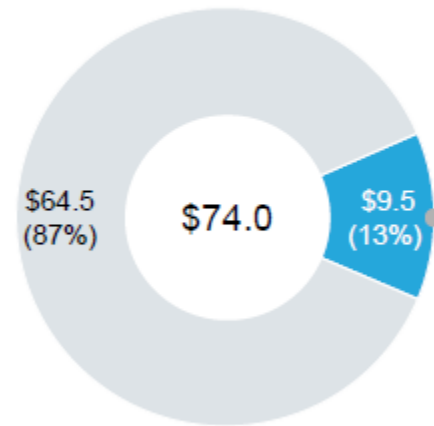


Construction Spending

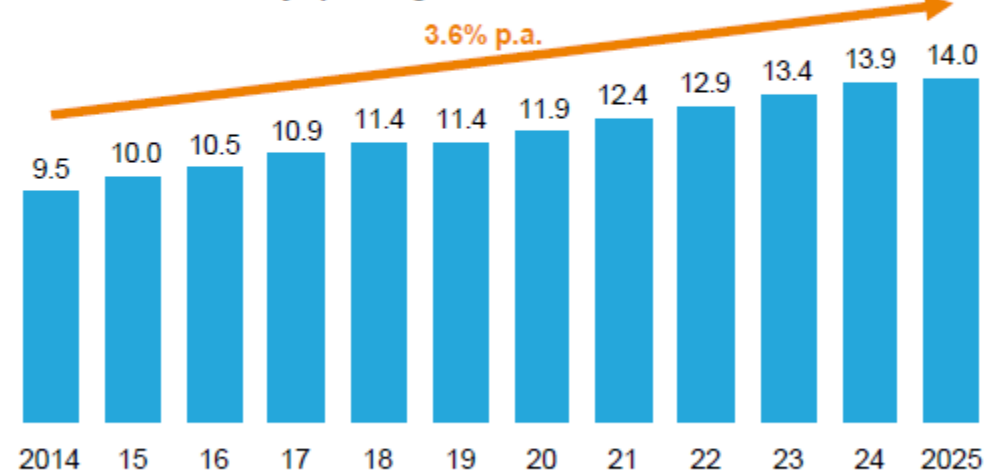
Construction matters: Construction-related spending accounts for 13 percent of global GDP

\$ trillion

Global GDP



Construction industry spending



SOURCE: World Bank; IHS; ISSA; McKinsey Global Institute analysis



Leaders or Laggards

A small number of countries have achieved healthy productivity levels and growth rates

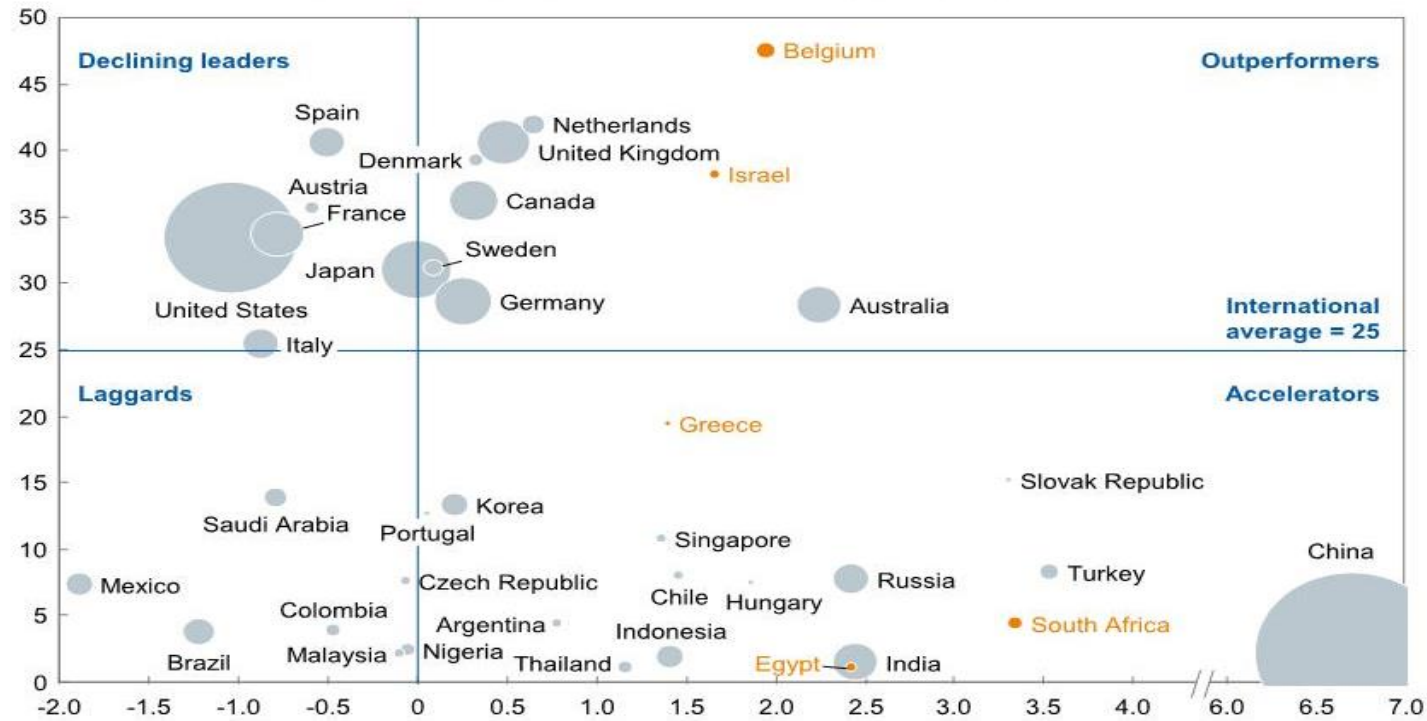
- Sector productivity growth lags behind total economy
- Sector productivity growth exceeds total economy

Size indicates total country construction investment, 2015
\$ billion



Construction labor productivity, 2015¹

2005 \$ per hour worked by persons employed, not adjusted for purchasing power parity²





Technology Adaptation



Relatively low digitization Relatively high digitization
● Digital leaders within relatively undigitized sectors

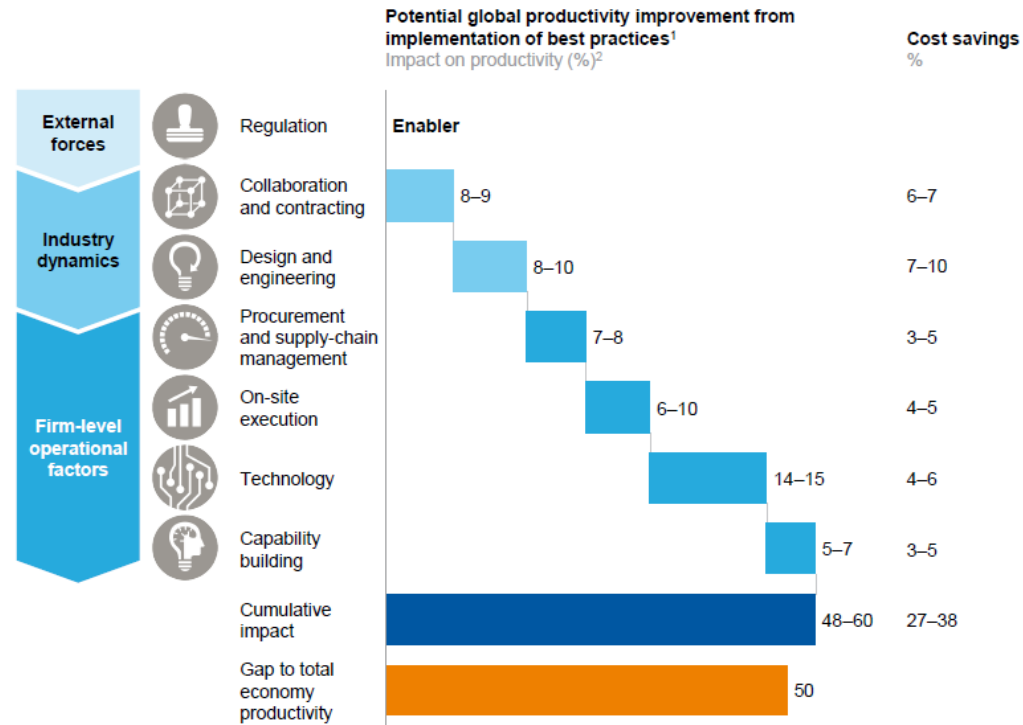


A Driven Industry

Construction can catch up with total economy productivity by taking action in seven areas

Cascading effect

Regulation changes facilitate shifts in industry dynamics that enable firm-level levers and impact

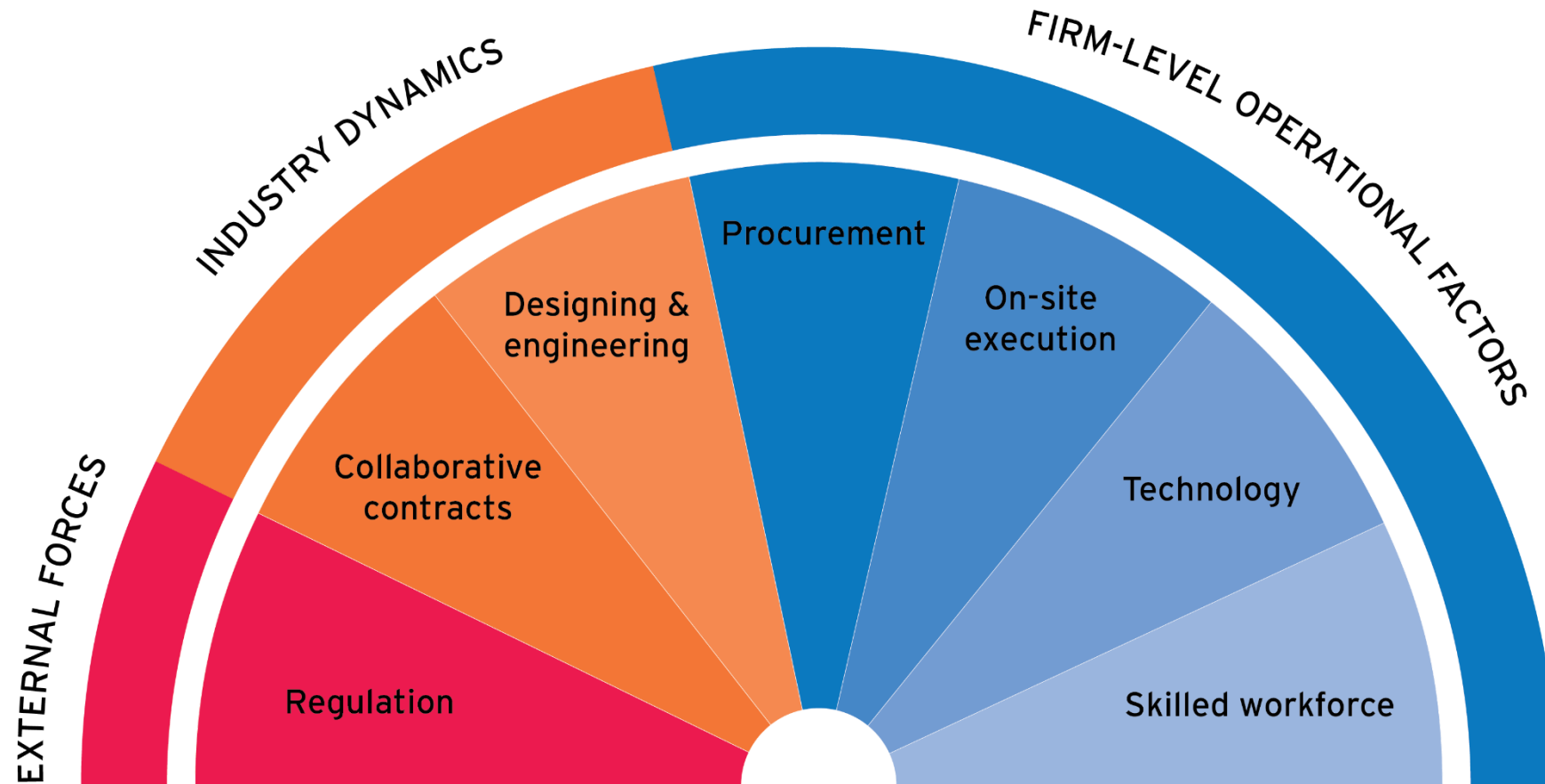


¹ The impact numbers have been scaled down from a best case project number to reflect current levels of adoption and applicability across projects, based on respondents to the MGI Construction Productivity Survey who responded "agree" or "strongly agree" to the questions around implementation of the solutions.
² Range reflects expected difference in impact between emerging and developed markets.

SOURCE: McKinsey Global Institute analysis

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*McKinsey & Company, Reinventing Construction:
A Route to Higher Productivity, 2017 February*



PRODUCTIVITY DRIVERS

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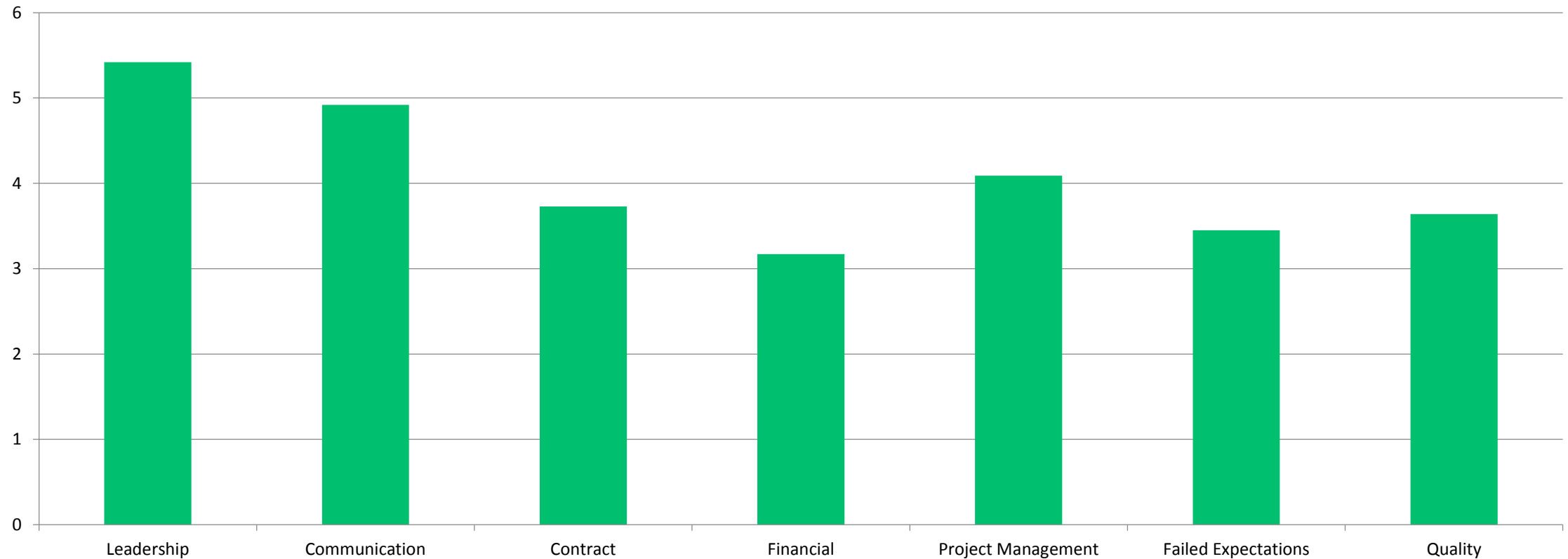
*McKinsey & Company, Reinventing Construction:
A Route to Higher Productivity, 2017 February*

Survey Results



Where should we deep dive?

If we changed directions a bit, and took a deep dive into one of the seven causes, rank your order of preference (1 is top choice; 7 is lowest choice):

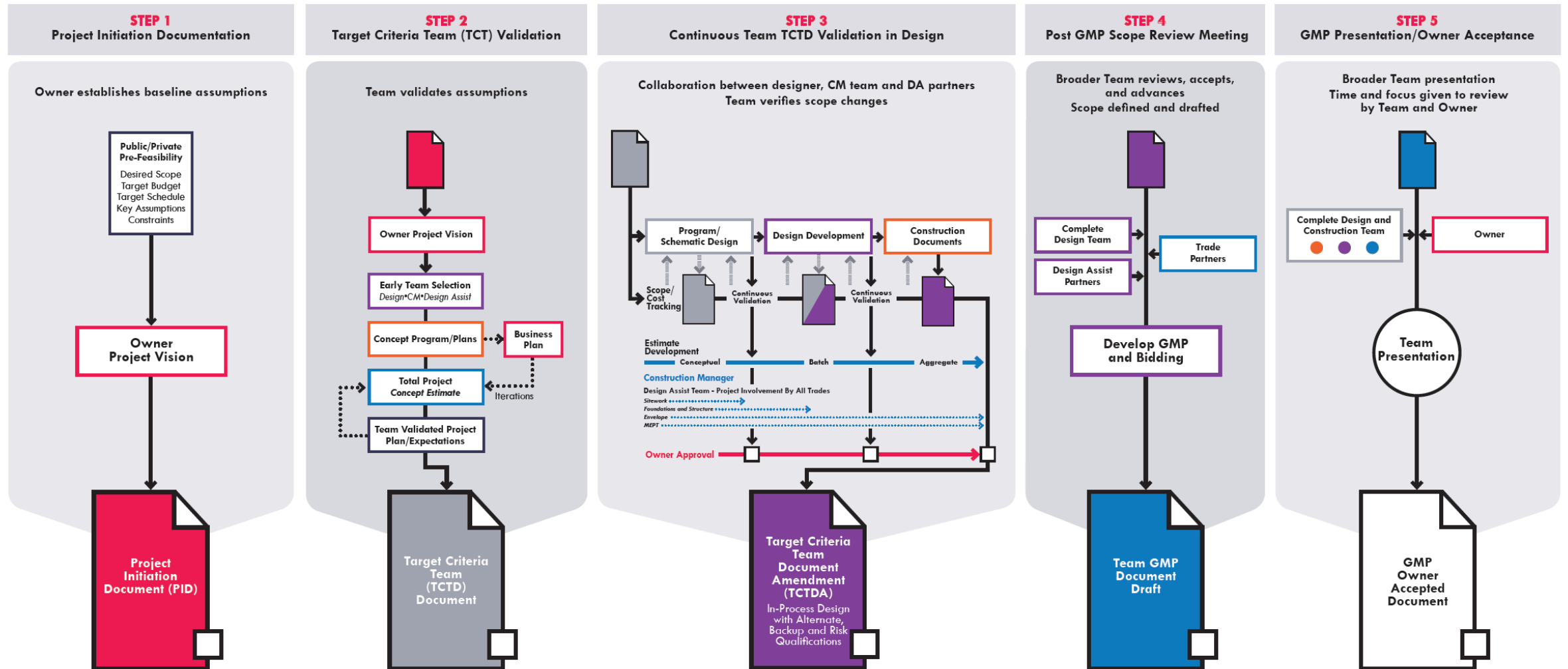




Matters of influence in NW OH

- Project guide
- Owner preferred contract delivery methods and how they benefit each of us
- Increasing exposure with Jobs Ohio and other incentive agencies
- Quality Assurance
- Strategic planning at all levels for specific risk drivers
- What are opportunities that owners, design professionals, and contractors missing out on? Best practices to work together?
- Other:

Cogence GMP 5 Step Process



Trust and Collaboration throughout the Process through Team Building, Continuous Approval, and Accountability



Important Industry Issues in NW OH

- Knowledge and Resources to truly improve what we know is broken
- Increased local collaboration
- Unrealistic schedules
- Project financing
- Labor: skilled workforce
- Strong Leadership
- Building trust in the team
- Sustainability, keeping up with technology
- Other

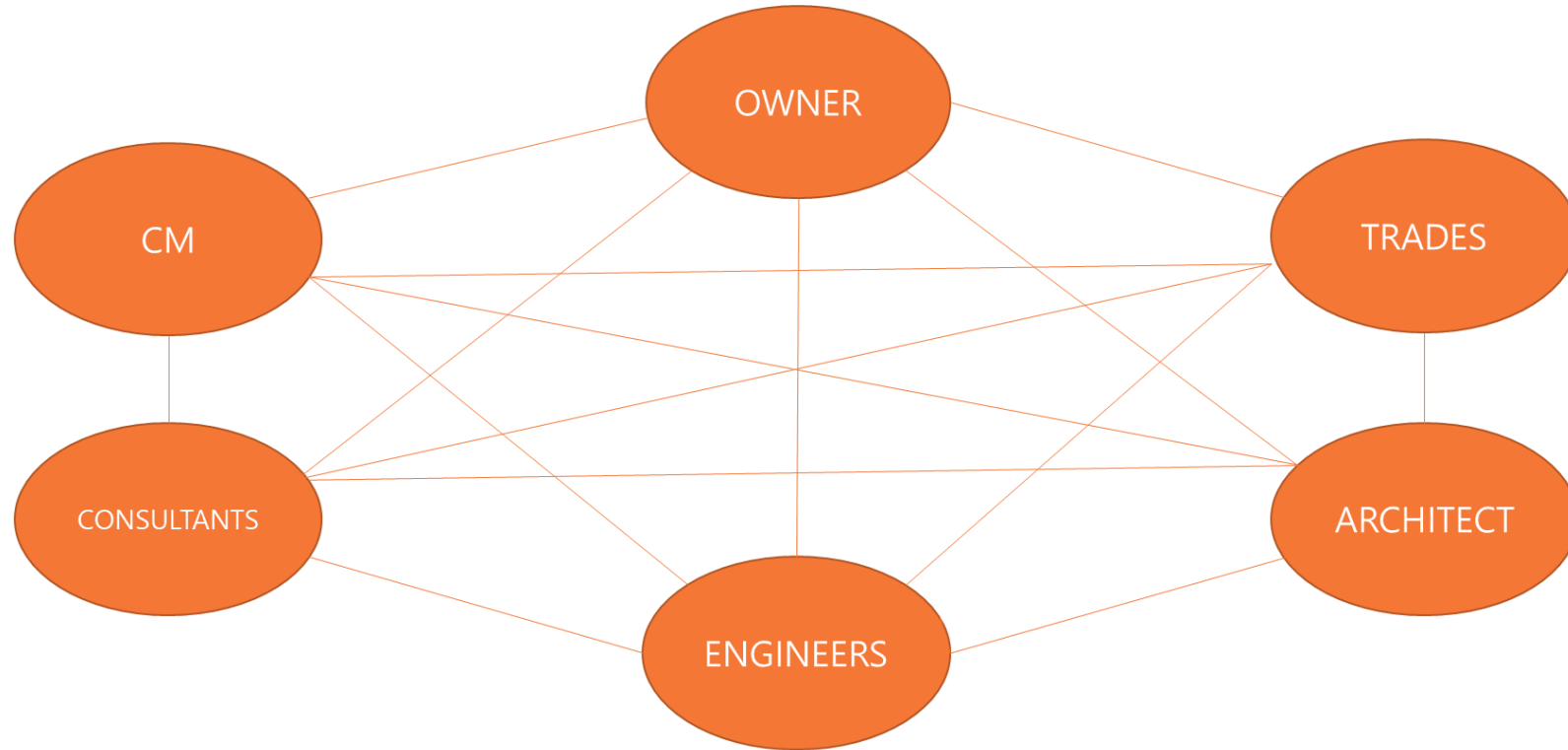


What keeps you up at night in NW OH

- Our processes are behind & siloed
- Labor: skilled workforce
- Cyclicalality of industry
- Poor quality installation which causes downstream problems
- Project Management

Prioritization Activity

Leadership And Collaboration



Relational Coordination Map



Groups or Teams

Work groups



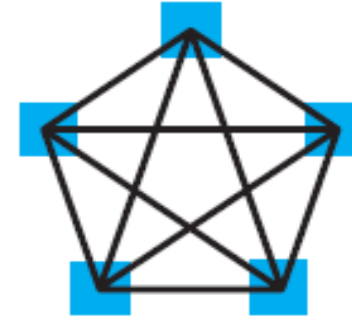
Share information

Neutral (sometimes negative)

Individual

Random and varied

Work teams



Collective performance

Positive

Individual and mutual

Complementary

← Goal →

← Synergy →

← Accountability →

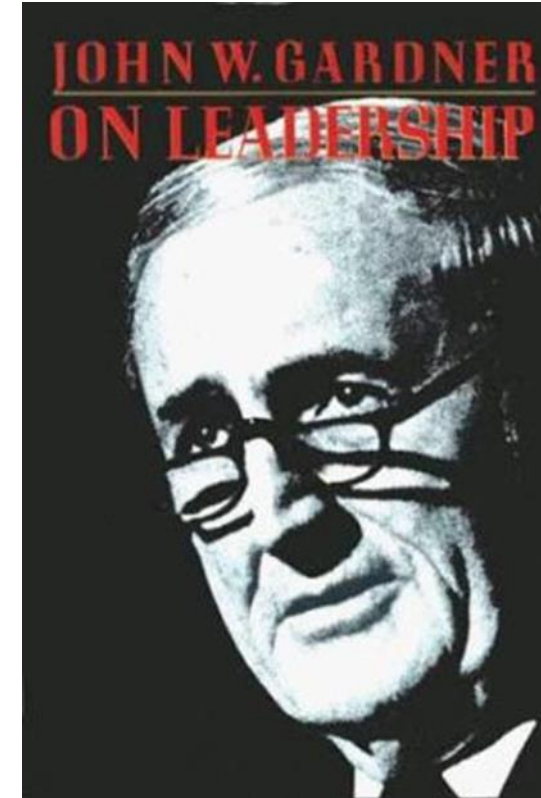
← Skills →



Leadership and Collaboration

Leaders:

1. They think longer term
2. They grasp the larger relationship
3. They reach and influence others beyond their boundaries
4. They put a heavy emphasis on the intangibles of vision, values, and motivation
5. They can manage conflicting requirements and multiple constituencies
6. They think in terms of renewal





Behaviors of Collaborative Leadership

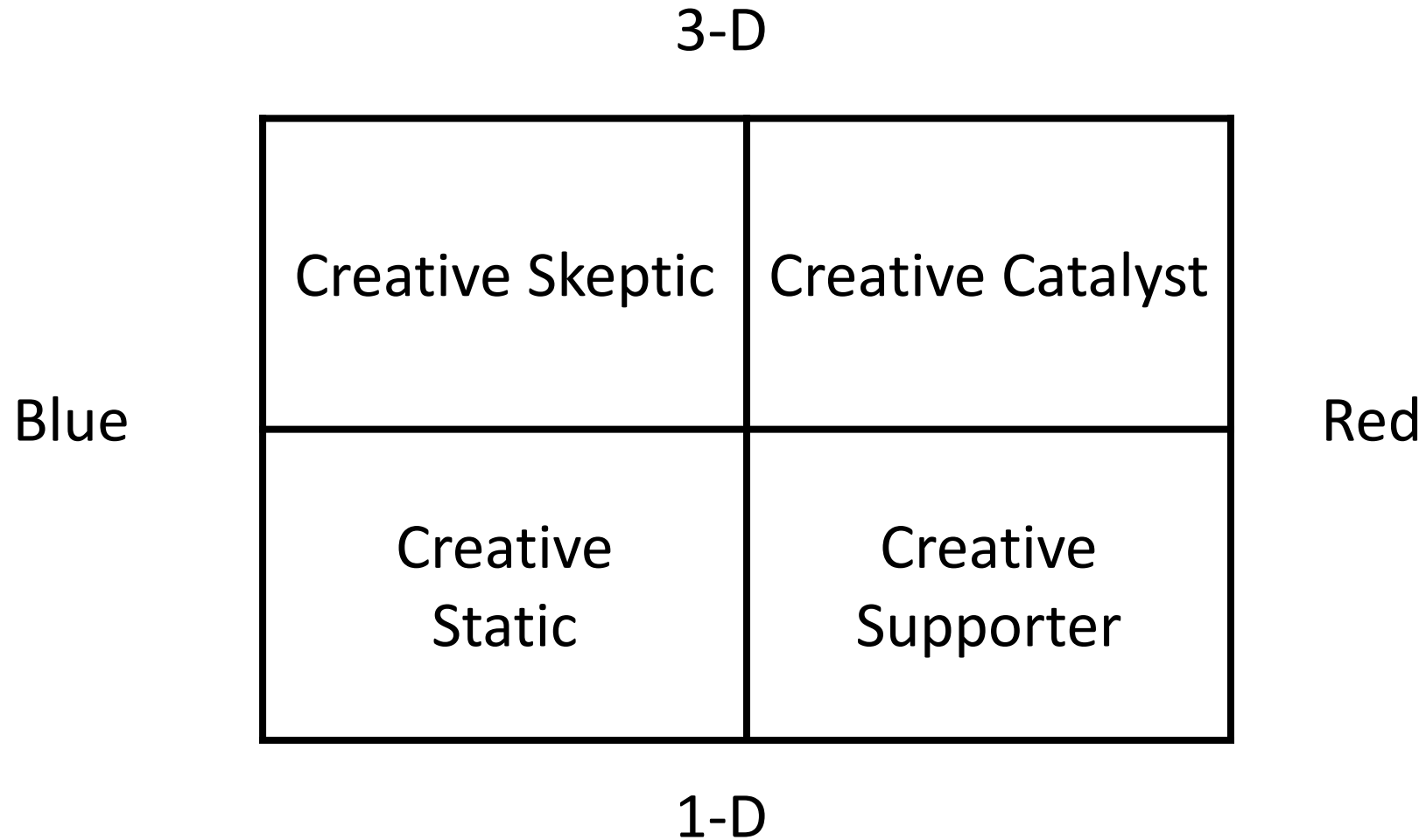
Behavior	What it Means
Redefining success: from narrow agendas to bigger goals	Collaborative leaders redefine success and focus on goals bigger than their own narrow agendas. They seek common ground, look for pragmatic solutions, and compromise.
Involving others: from autocratic to inclusive decision making	Collaborative leaders involve others in decision making and exhibit an open mind – to alternatives, divergent views, dialogue, and working with others.
Being accountable: from blaming to taking responsibility	Collaborative leaders hold themselves accountable, and they also demand accountability from others.

Hansen, Morten. *Collaboration How Leaders Avoid the Traps, Build Common Ground, and Reap Big Results*, 2009

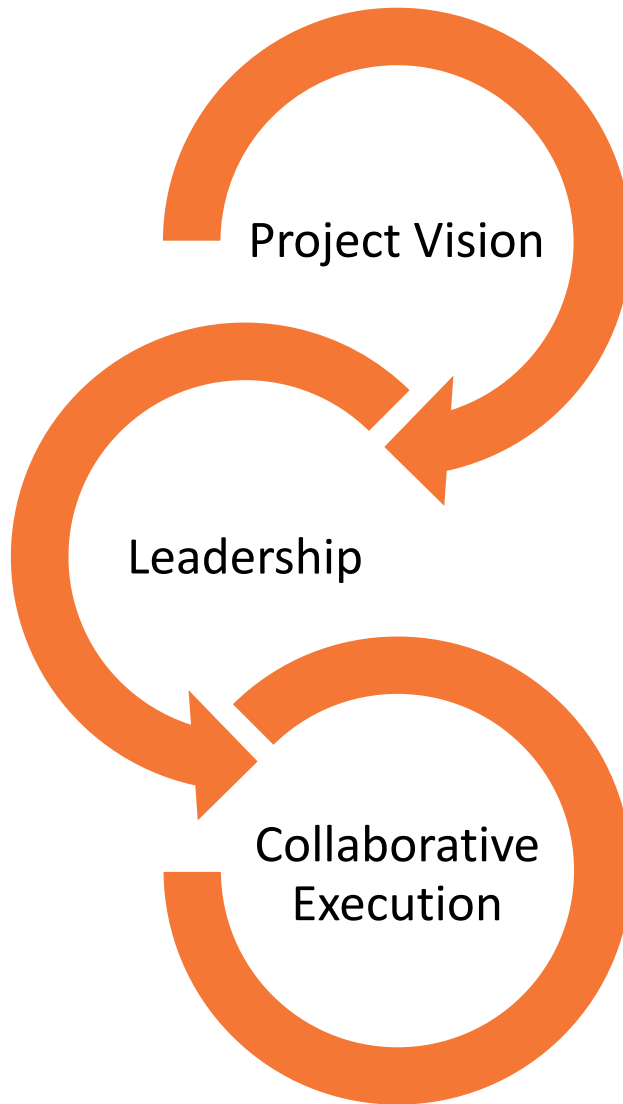
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Roles of an effective follower



Riggio, Ronald E The Art of Followership: How Great Followers Create Great Leaders and Organizations. 2008.



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Growth Objective

Create industry wide focus on collaboration to improve project delivery.





How will we Grow? Continue doing what is working:

- Stay true to our mission
- Foster engagement
- Focus on Roundtables
 - » Attendance and participation
 - » Maintain open dialogue format
 - » Develop topics applicable to all
- Keep a balanced voice
- Gain industry attention
- Break down barriers
- Provide access to resources



How will we grow? Increase our focus on:

Learning from other Industries

Broadening our reach

» Markets

- Increase diversity of partnership: Building Industries
- Include Developers
- Geographic locations: Develop criteria for expansion

» Depth of Industry

- Those who put “barriers” in place
- Trade

Balance and intention



What's Happening: General

- **Northeast Ohio**

- » 2019 Roundtable Theme:
Increasing Productivity
- » Partnership Drive: Owners
and Trade Contractors

- **Northwest Ohio**

- » 2019 Roundtable Theme:
Regional Drivers
- » Partnership Drive: Owners
and Architects

- **Central Ohio**

- » Kick off February 2019
- » 2019 Roundtable Themes:
Understanding Risk
- » Partnership Drive: All



What's Happening: General

- **Cogence GMP Educational Sessions: Summer 2019**
- **Cogence Emerging Leaders:**
 - » Can-struction
 - » Mentoring
 - » Programs
- **2020 AI Summit**
- **Advocacy: Cogence review of OFCC contract document.**
- **Communication: Plan development**
- **Resource:**
 - » Capturing program content
 - » Sharing case studies



Housekeeping

2019 Partnership Dues (\$500) are payable via credit card on the Cogence website under Partner Login tab

- **User ID: your email**
- **Pwrd: you create**

**Contact Bonnie at
Admin@Cogence.org
with any questions or to
pay by check**



Plus / Delta

Plus (+)

- Good conversation
- Introductions was a good ice breaker
- Good location
- Next NWOhio meeting continue conversation

Delta (-)

- Room setup
- Better parking instructions
- Need more Owners/Architects/Trades

Next Program

TBD