

The BRITE Research Project of the CRC for *Construction Innovation*

For immediate release Wednesday November 17

High innovators in construction

The **2004 BRITE Innovation Survey Report** will be launched tonight by the Hon. Linda Lavarch, Parliamentary Secretary to the Queensland Minister for State Development and Innovation. The national survey of the construction industry has identified 82 highly innovative businesses, including 26 that have developed world-first innovations.

Innovation is widely seen as the key to better productivity and profitability in the building and construction industry. Increasing the rate and quality of innovation in the industry, which employs more than 730,000 people in Australia, contributes to economic growth.

Researchers from the BRITE Research Project of the Cooperative Research Centre for Construction Innovation examined the characteristics common to these high innovators – drawing out the things they do differently. “This examination of successful innovators is expected to be a valuable resource for the industry. It will help promote more widespread adoption of best practice”, said Project Leader Dr Karen Manley.

The survey polled more than 1300 businesses in the commercial building and road/bridge sectors in NSW, Victoria and Queensland.

The survey report makes 10 recommendations for property and construction businesses wishing to improve their innovation performance:

- A 1. enhance in-house skills by providing training programs and employing new graduates, rather than relying on recruiting experienced employees
- A 2. use more innovations to reduce clients' costs
- A 3. actively monitor developments internationally, and in related industries
- A 4. have formal systems to (i) include lessons from previous projects in work processes and (ii) encourage staff to share ideas
- A 5. formally evaluate the effectiveness of advanced technologies and practices
- A 6. invest in Research & Development, possibly using the R&D Tax Concession and/or Australian Research Council Linkage Grants to subsidise costs
- A 7. increase links with universities and other research institutions
- A 8. implement a broader range of the technology, knowledge and human resources strategies listed in the survey report
- A 9. consult more of the sources of ideas on innovation listed in the survey report
- A 10. implement a broader range of the advanced practices listed in the survey report.

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“Arup endorses the BRITE recommendations, including appropriate use of the R&D tax concession scheme. This scheme can be of real benefit to industry”, said Richard Hough, Principal of Building Structures at Arup Australia.

The report also proposes a range of initiatives that governments could introduce to improve the innovation environment for the construction industry:

- B 1 implement programs to assist skill development in industry associations, given the central role the associations play in providing ideas to low innovators
- B 2 review the value and accessibility of the R&D Tax Concession Scheme for small and medium-sized enterprises within the construction industry, as the industry has a low access rate
- B 3 review the effectiveness of programs aimed at promoting industry awareness of international competition, given that a quarter of the industry is unsure of Australia’s ability to cope with it
- B 4 more strongly resource education and training programs, as the construction industry relies more on organisational (people and processes) innovation than the manufacturing industry, and therefore is less able to gain value from the R&D Tax Concession
- B 5 improve the regulation of the construction industry, to reduce its negative impact on innovation. This can be done in part by improving national consistency and moving more rapidly from prescriptive to performance-based regulation.

These recommendations reflect the overarching vision of the Australian construction industry, as reported in a recent national study, *Construction 2020*, from the CRC for Construction Innovation. That vision stresses the need for an improved business environment, particularly in regulation, education, training and profitability. “The information from the BRITE Project is an excellent example of what industry, government and research partners, working together through the CRC for Construction Innovation, can provide to help improve the Australian property and construction industry”, said Dr Keith Hampson, CEO of the CRC for Construction Innovation.

The **2004 BRITE Innovation Survey report** is available at www.brite.crcci.info

Launch details

Speakers - the Hon. Linda Lavarch (Parliamentary Secretary to the Queensland Minister for State Development and Innovation), Mr Max Smith (Assistant Director General of the Qld Department of Public Works), John Lowry (National President of the Australian Institute of Quantity Surveyors), Dr Keith Hampson (CEO of the CRC for Construction Innovation), and Dr Karen Manley (BRITE Project Leader).

Venue- Auditorium, 111 George Street, Brisbane

Time- 4:30-5:00 coffee; **5:00-6:00 speakers**; 6:00-7:00 networking

Background Information- Lists associated with Recommendations 8, 9 & 10

Recommendation 8 - Technology, knowledge and human resources strategies

Technology Strategies

- Enhancing your business's technical capabilities
- Introducing new technologies

- Investing in research and development (R&D)
- Participating in the development of industry standards and practices
- Protecting your business's intellectual property

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Knowledge Strategies

- We have robust relationships with key organisations in the industry
- We actively monitor international best practice in our field
- We actively monitor advances in related industries that might be applicable to our business
- We have a formal system for transferring project learnings into our continuous business processes
- When we make changes, we measure how well the changes have worked
- We reward staff for maintaining networking linkages with strategically useful industry participants
- We have a formal system to encourage staff to share ideas

Human Resource Strategies

- Actively encouraging your employees to seek out improvements and share ideas
- Recruiting experienced employees
- Recruiting new graduates
- Participating in apprenticeship programs
- Providing or supporting training programs for your employees
- Use of multi-skilled teams

Recommendation 9 - Sources of Ideas on Innovation

- In-house staff
- Professional or trade associations
- Conferences/workshops
- Previous projects
- Clients or customers
- Journals/magazines
- Suppliers
- Technical support providers
- Competitors
- Consultants
- Overseas sources
- Research Institutions
- Trade contractors
- Main Contractors

Recommendation 10 - Advanced Practices

Organisational Practices

- Long-term collaborative arrangements with other businesses
- Quality certification (eg ISO 9000)
- Staff training budget
- Written evaluation of new ideas in order to develop options for your business

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Project partners: Arup, Qld Dept of State Development & Innovation, Qld Dept of Main Roads,
Qld Dept of Public Works, CSIRO, Queensland University of Technology, University of Western Sydney

- Documentation of technological/organisational improvements developed by your business
- Written strategic plan

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Computerised Practices

- Computer networks (LAN or WAN)
- Web site
- Computerised systems for estimating, inventory control, modelling, asset analysis, project management, etc
- 3-D CAD
- Computerised asset analysis (eg. HDM4)
- Computerised project management
- Digital photography
- Office-to-site video links or video conferencing
- On-line-remote-construction-management
- Intelligent systems

Contracts Practices

- Alliance contracts
- Risk-sharing/performance-incentive contracts
- Design and construct contracts
- Design/build/fund/operate (DBFO) contracts or public-private partnerships (PPPs)
- Managing contractor
- Partnering on projects, or other relationship forms of contract

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Contact:

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