

Innovation a must for construction companies: QUT researcher

Tuesday, 17 April 2007

A QUEENSLAND University of Technology researcher has found that an "innovation reputation" is the new must-have for construction companies seeking the competitive edge that will win them business.

Dr Karen Manley from QUT's School of Urban Development said clients valued firms with a history of innovation and were now asking prospective contractors about their innovation record.



"If a construction contractor can suggest an idea that improves quality or offers cost savings it helps them gain an innovation reputation, which is increasingly recognised as part of best practice," she said.

According to Manley, the benefits that flow from innovating or adopting others' construction innovations – either products or processes – have significant effects on the economy at large.

"If Australia's small and medium-sized enterprises [SMEs] in the construction sector, which make up 90 percent of the industry, raised their productivity by as little as 5 percent it would have an enormous impact on industry productivity," she said.

"Because the construction industry has strong connections with other industries it has an impact on GDP that is much greater than that which can be offered by most other industries, for the same improvement in productivity. And innovation is the driver of that improvement."

Manley heads up the BRITE Project, an initiative of the Co-operative Research Centre (CRC) for Construction Innovation headquartered at QUT.

The CRC has produced case studies of the often simple, but highly effective innovations that have improved construction productivity and distributed them to construction SMEs via Australia's construction industry associations. The case studies can be accessed on the BRITE Project website.

Manley said the construction industry was highly fragmented.

"People come together for a project and then disperse – learnings from projects are lost and innovation is not spread," she said.

"The case studies have been very successful at capturing and broadcasting ways to raise productivity and improve quality, health, safety and environmental outcomes in the industry."

Manley said a nationwide survey of construction firms conducted independently for the CRC found 65% of respondents considered the BRITE Project had improved attitudes to innovation.

"BRITE has helped reduce cynicism towards innovation in an industry where small players were resistant to new ideas and products – partly due to a lack of time and resources," she said.

"The industry is made up of so many microbusinesses that don't have the resources to take the risks that they consider are associated with innovation.

"But by distilling leading innovations from the industry in easy-to-access case studies, BRITE has enabled construction SMEs to understand that adopting best practice is a form of innovation in itself, one which can improve business performance without involving high risks or large investments."