

An opportunity for growth

Construction sectors globally are being told that they must adopt modern methods and technologies to survive and thrive. This is a direction Aotearoa New Zealand's own industry is heading in – adopting global best practice and developing our own innovative solutions.

BY JANE HENLEY, TRANSFORMATION LEAD – INNOVATION, CONSTRUCTION SECTOR ACCORD

Six years ago, Mark Farmer wrote *Modernise or Die* about the UK construction sector and why it needed to embrace a more digital and manufacturing mindset. Just last November, the Australian Contractors Association released *Disrupt or Die*, which maps out key opportunities to increase productivity, streamline the procurement process and make the sector appealing to the next generation – all issues recognised globally.

While significant initiatives are occurring in Aotearoa, greater disruption, momentum and transformation could be achieved by adapting what is working globally to our local sector.

A key message in *Disrupt or Die* is the importance of everyone within the sector having a part to play in disruption, but particularly the government and public sector agencies.

The Construction Sector Accord acts as a platform

The Accord is a joint commitment from government and industry to work together to create a high-performing construction



Digitalisation improves productivity by increasing coordination and efficiency.

sector for a better Aotearoa. The Accord has created a platform to bring key stakeholders together to meet key challenges facing the sector. These include:

- skills and labour shortages
- unclear regulations
- a lack of coordinated leadership
- an uncertain pipeline of work
- a culture of shifting risk.

Opportunity for Aotearoa

One of the focus areas of the Accord is innovation – this area is tasked with supporting and enabling the creation of an innovation ecosystem where new tools, products, practices and technologies are constantly developed, tried and tested.

The adoption of these new developments needs to be accessible, affordable and low risk for businesses. As part of the solution, the regulatory system needs to continue to evolve and adapt to act as a better enabler for innovation.

Digitalisation can improve process productivity alongside increasing coordination and efficiency between businesses along the supply chain. This involves not just bringing offline information to the digital world but rather enabling and improving business processes by using digital technologies.

Company-level process improvement includes moving from paper-based systems to integrated processes linking quoting, job allocation, purchasing, invoicing and payment.

In the construction sector, digitalisation may include broad benefits such as helping to improve the efficiency and accuracy of procurement, invoicing and digital marketplaces. It can also involve using new technologies like digital twins, building information modelling (BIM), pre-manufactured value (PMV) and off-site manufacturing (OSM).

Inspiration from other global initiatives

The Construction Innovation Hub in the UK has recently introduced the Product Platform Rulebook. This is an open-access guide to support industry – clients, consultants, contractors, manufacturers and product suppliers – in building capability and capacity to develop and deploy product platforms to meet demand.

The Rulebook is a live document with case studies that will be developed and added over time – resulting in opportunities for continuous improvement and feedback.

If we standardise certain elements together and follow the lead of the Rulebook, we can shift to a more manufacturing-focused mindset. This will improve productivity and assist in shifting our attention to quality, performance and the whole-life value of assets.

Aotearoa has its own unique initiatives. Supply chain marketplace platforms for other sectors could be brought across to transform the digital capability of the construction sector, not only here but globally.

These would develop a user base allowing for lower-cost development and deployment of other digital solutions – for example, integration with council approval requirements, product compliance and the carbon emissions register.

The scope of the innovation workstream also includes:

- construction's digital roadmap for supply chain interoperability (including BIM and digital twins)
- innovation-focused regulatory reform
- finance and investment
- SME digital tools for productivity.

How to get involved in sector transformation

Everyone has a part to play in the transformation initiatives of the Accord, and there are several ways to get involved. One is being available to participate in technical working groups – a great way to ensure voices are heard.

Our innovation forum will begin in 2023 and will enable key innovation stakeholders to dialogue with industry and government. The forum is likely to include smaller working groups for specific areas.

Let me know what innovation is out there in the sector. Whether in Aotearoa or overseas, fully developed or in the development phase, I am keen to hear about any innovation that can help our industry thrive.

FOR MORE Contact Jane Henley at: <https://www.linkedin.com/in/janehenley> 