

Unravelling the Construction Productivity Puzzle

The UK's construction productivity growth has been flatlining since 2010. The sector faces long-standing challenges that demand drastic solutions. We asked Trevor Richards, Director of Cogent Consulting, to take a deep dive into strategies that can tackle inefficiencies and unlock the latent productivity potential in the sector.

As the offsite experts at Cogent grapple with the speaker programme for the Construction Productivity Conference taking place in London on 28 January 2025 – it is clear there is no 'silver bullet' to end the productivity woes of the construction sector. But it is our job to get the brightest and the best together to share their knowledge and come up with some comprehensive solutions.

Adopting Modern Construction Methods

Offsite construction is not the 'Holy Grail' of productivity, but it does hold significant promise. Aside from a few slick operators who will take centre stage at the conference, we are yet to unlock its full potential. These approaches transfer much of the work to controlled factory settings, reducing delays from weather and labour shortages, enhancing quality and accelerating project completion. Though initial costs may be high, long-term savings in time and labour drive substantial productivity gains.

Embracing Digital Technology

The UK construction industry has been slow to adopt digital solutions like Building Information Modelling (BIM), Artificial Intelligence (AI) and robotics, despite their transformative potential. BIM fosters better collaboration and reduces errors, while AI and robotics streamline project management and repetitive tasks. Conference speakers will make it abundantly clear how by transitioning to digital solutions, construction professionals can mitigate risks, improve return on investment and significantly enhance productivity.

Improving Skills and Training

As anyone working in the sector knows, a lack of skilled labour is a real thorn in the side of productivity. Yes, we need investment in training and upskilling but using modern construction technologies and techniques – can reduce errors and reworks, which are a drag on productivity.

Improving skills is one of the main aims of the conference and the Get It Right Initiative (GIRI). GIRI's 2016 report, *Improving Value by Eliminating Error*, found that direct costs of avoidable errors equate to approximately £5 billion per annum. This is an issue you may be aware of, but the financial scale is staggering. When unmeasured and indirect costs were included, the situation was much worse, with estimates of total costs ranging between £10-25 billion per annum across the sector.

Collaboration and Communication

Fragmented communication among contractors, subcontractors and suppliers is another significant barrier to productivity. Miscommunication often leads to inefficiencies and delays, exacerbated by

the siloed nature of the industry. The Construction Productivity Conference will shine a spotlight on technological solutions. Such as integrated project delivery (IPD) methods and collaborative digital platforms that streamline processes, enhance real-time communication, and reduce project delays. In a recent report Procore, a project management software provider, emphasises that most construction projects that hit difficulties do so for a small and quite consistent handful of reasons that we all need to be made aware of.

Regulation and Reducing Bureaucracy

While regulations ensure safety and quality, they often introduce inefficiencies. We intend to showcase how productivity can be enhance without compromising standards by developing tactics to streamline processes or adopting more efficient regulatory approaches, particularly when using innovative methods like offsite and modular construction.

Innovating Procurement Processes

Traditional procurement methods can foster adversarial relationships among stakeholders. Featuring prominently in the conference programme, McKinsey's 2024 report, *Delivering on Construction Productivity is No Longer Optional*, examines procurement's role claiming direct workforce productivity-focused technologies, such as prefabrication and supply chain marketplaces, are not yet delivering on their promise at scale. These innovations hold significant potential, but cutting corners in their implementation adds to the scaling and adoption challenge.

Construction Productivity Conference

Join us at the Construction Productivity Conference in January 2025 and be part of the conversation driving the future of the UK construction industry. Discover the innovations that can help the government meet its ambitious housing targets and transform productivity across the sector.

Hear from the industry's leading 'frontier' companies - the top 10 per cent driving productivity growth - on what sets them apart and how their success stories can inspire widespread change.

Register now and be part of shaping the future of the UK construction industry. Tickets are £245 + VAT which includes access to the conference, pop-up exhibition and networking area, lunch and refreshments throughout the day. For the full speaker lineup and to secure your place, head to: www.constructionproductivity.co.uk