



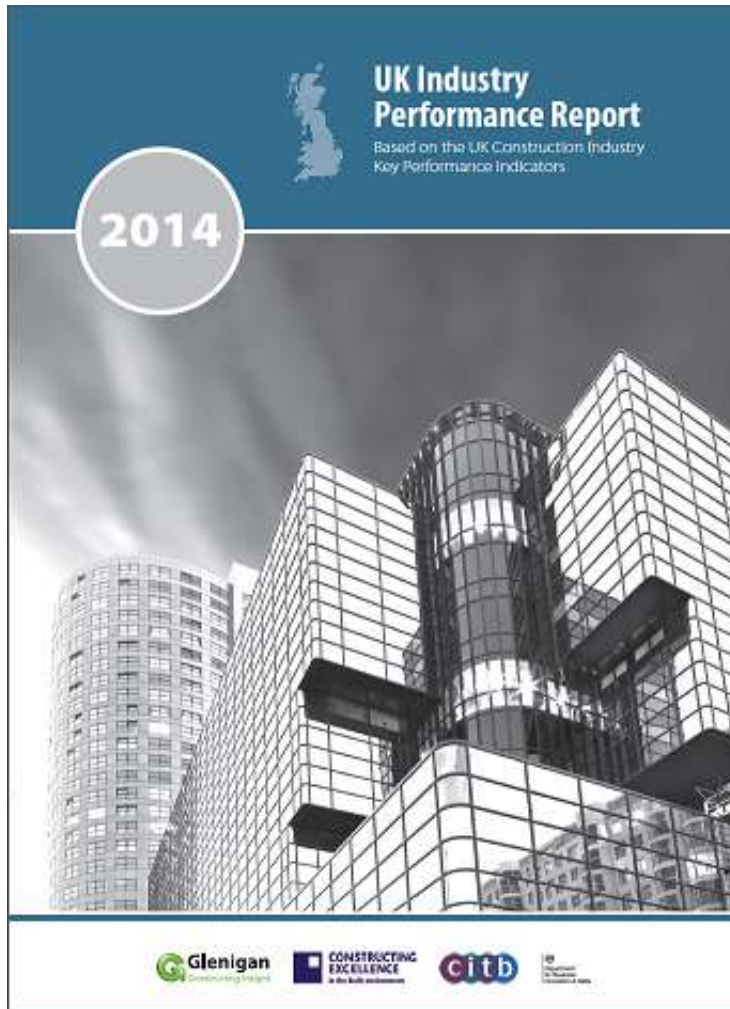
# UK Construction Key Performance Indicators

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Presented by: Tom Crane, Economist

Date: 11<sup>th</sup> February 2015

# The 2014 Report

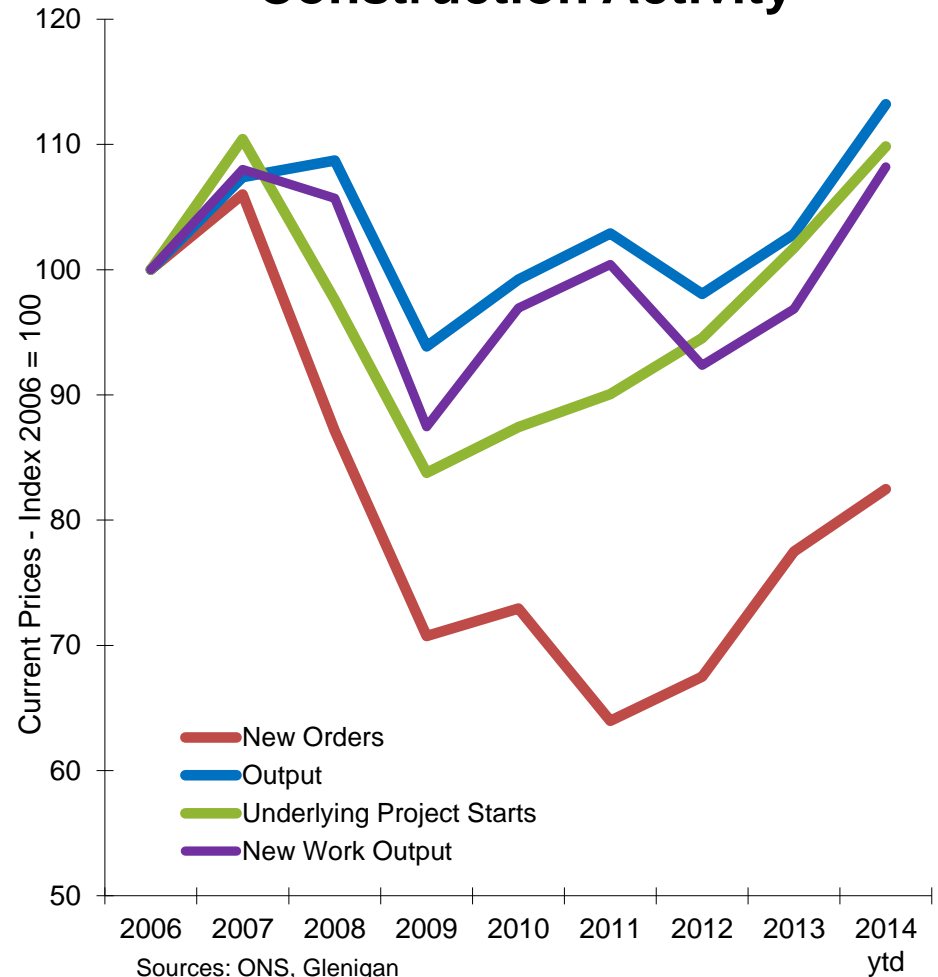


- Free to download from Glenigan- just search Construction KPIs 2014
- Headline findings on Client Satisfaction, Project Predictability, Profitability, Environmental Performance, Industry Workforce, Consultant Performance
- Industry benchmarks are tip of the iceberg....

# Market Conditions

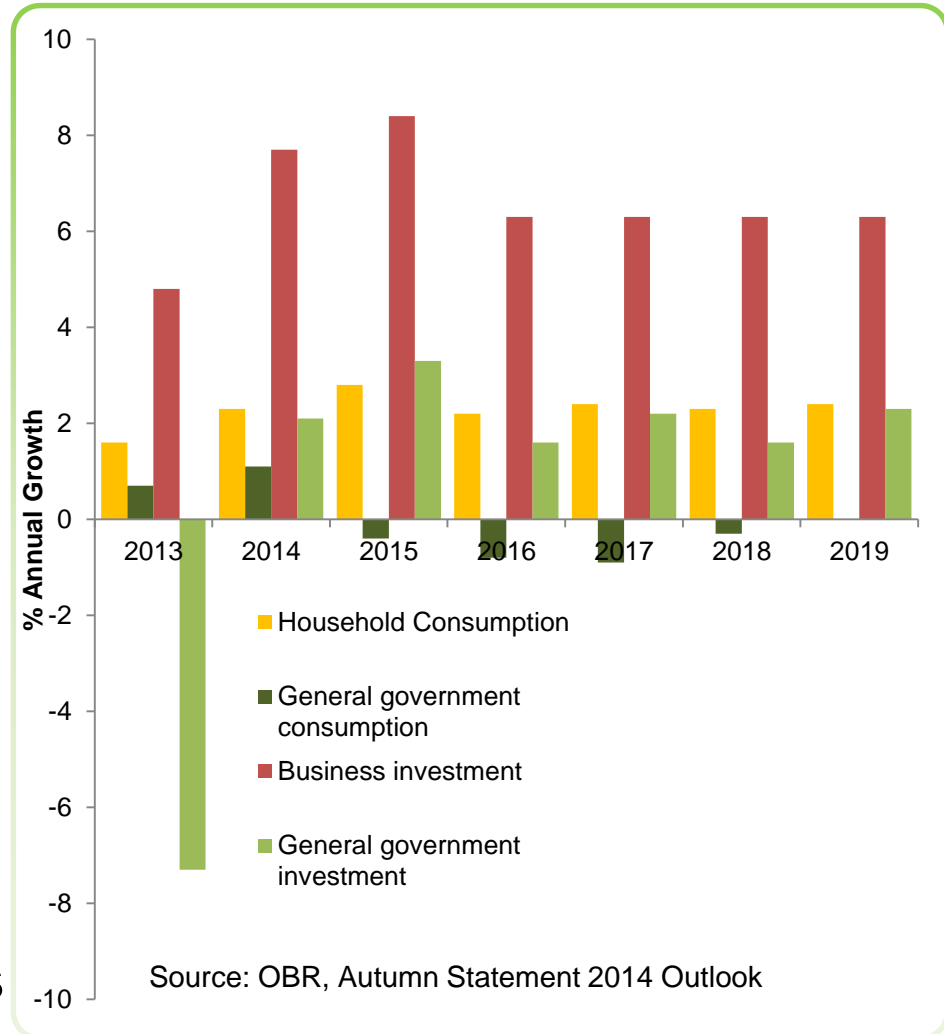
- Double dip recession
  - Initial slump falls in private sector work in 2008 & 2009
  - Renewed pressure from public sector cuts in 2011 & 2012
- Gradual private sector recovery
- Costs have risen alongside improved volume

## Construction Activity

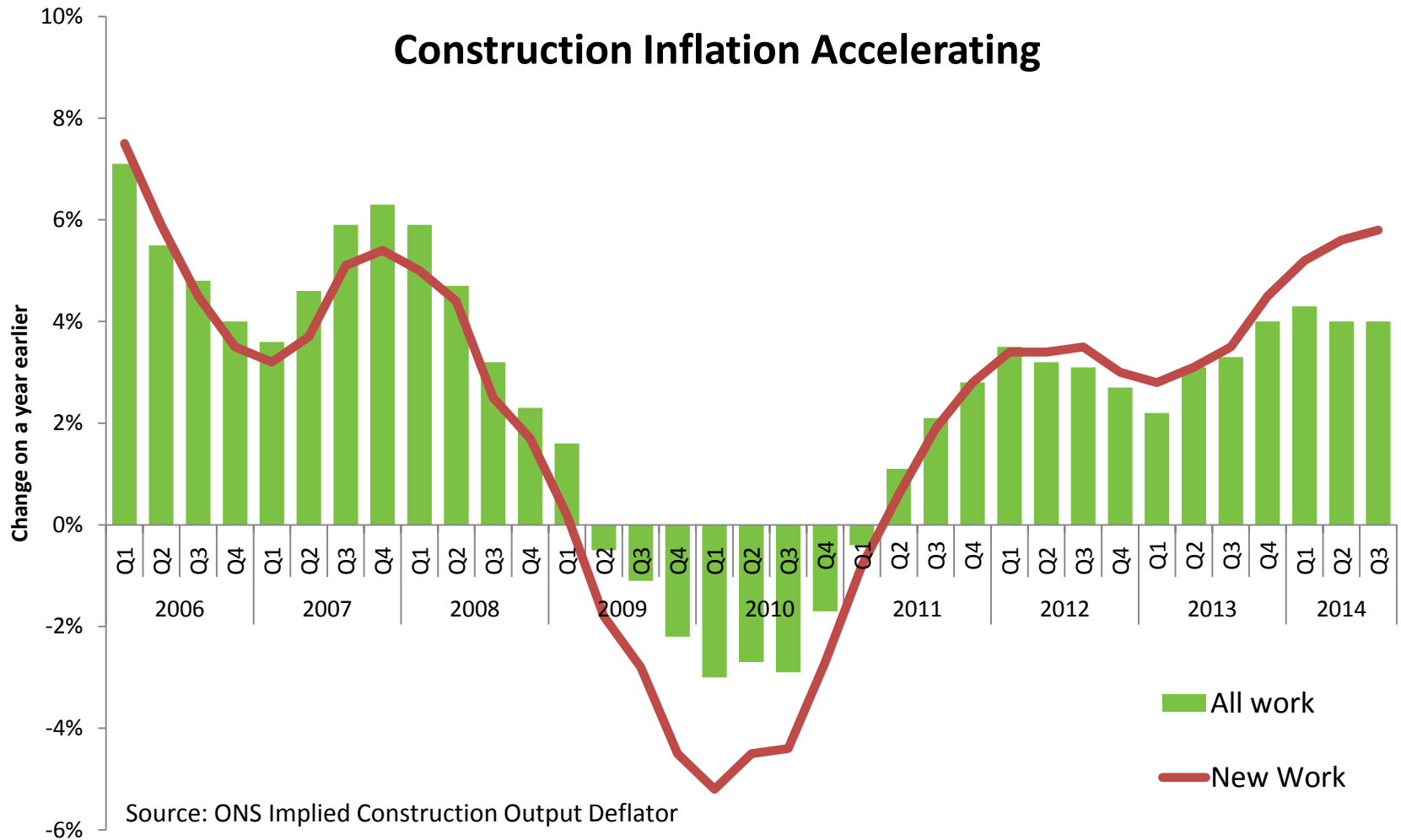


# Property Market & Construction Prospects

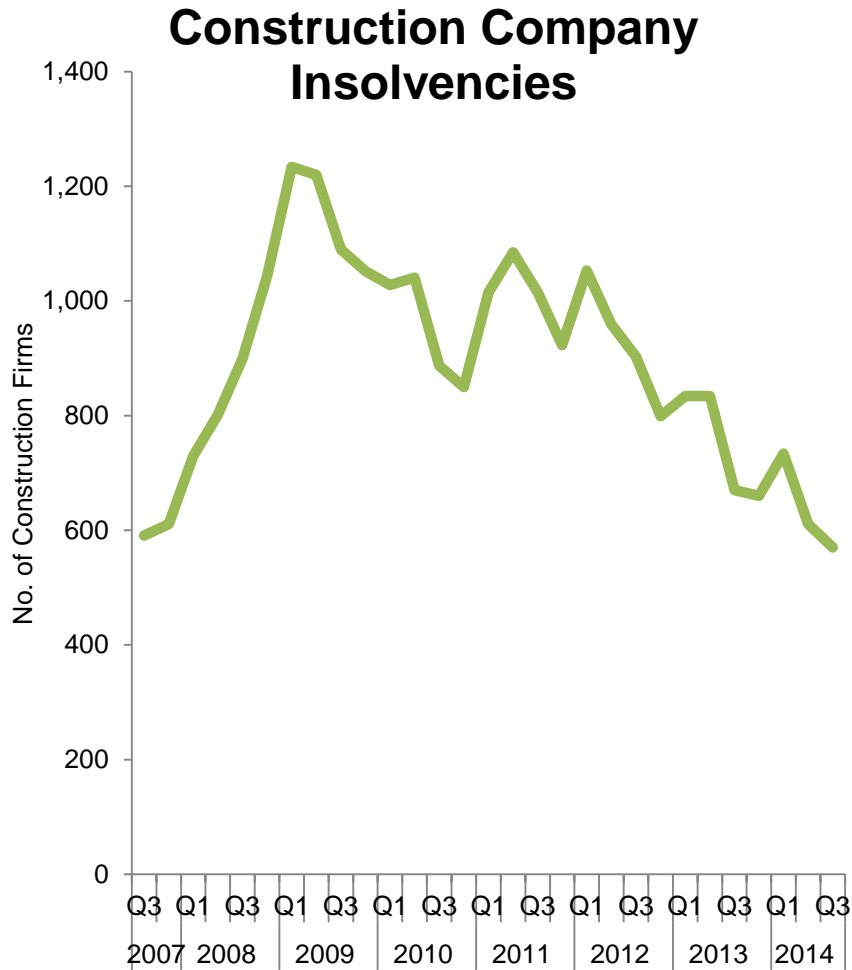
- Government looking to private sector to lead the recovery
- Public sector capital funding constrained by Budget deficit
- Improving consumer confidence
- Broader housing market upturn in 2015
- Office Market strengthening in major conurbations
- Retail property facing structural change
- Infrastructure investment plans



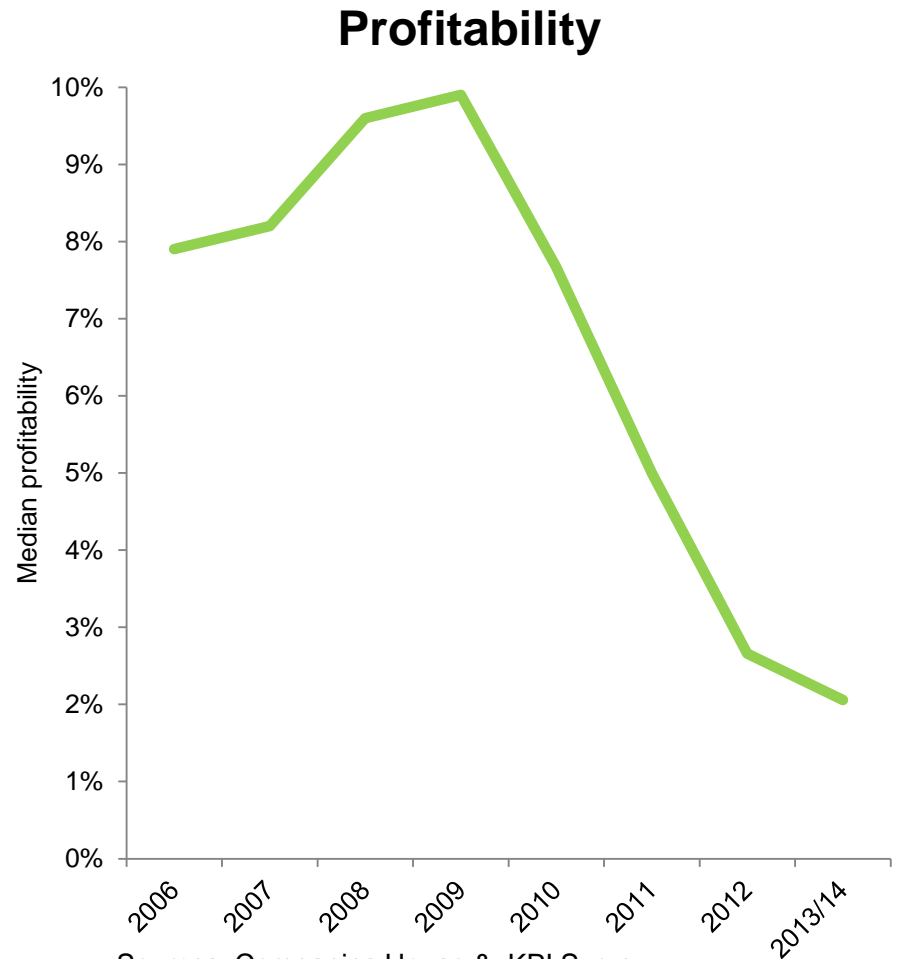
# Construction Costs



# Industry Profitability Squeezed



Source: Insolvency Service

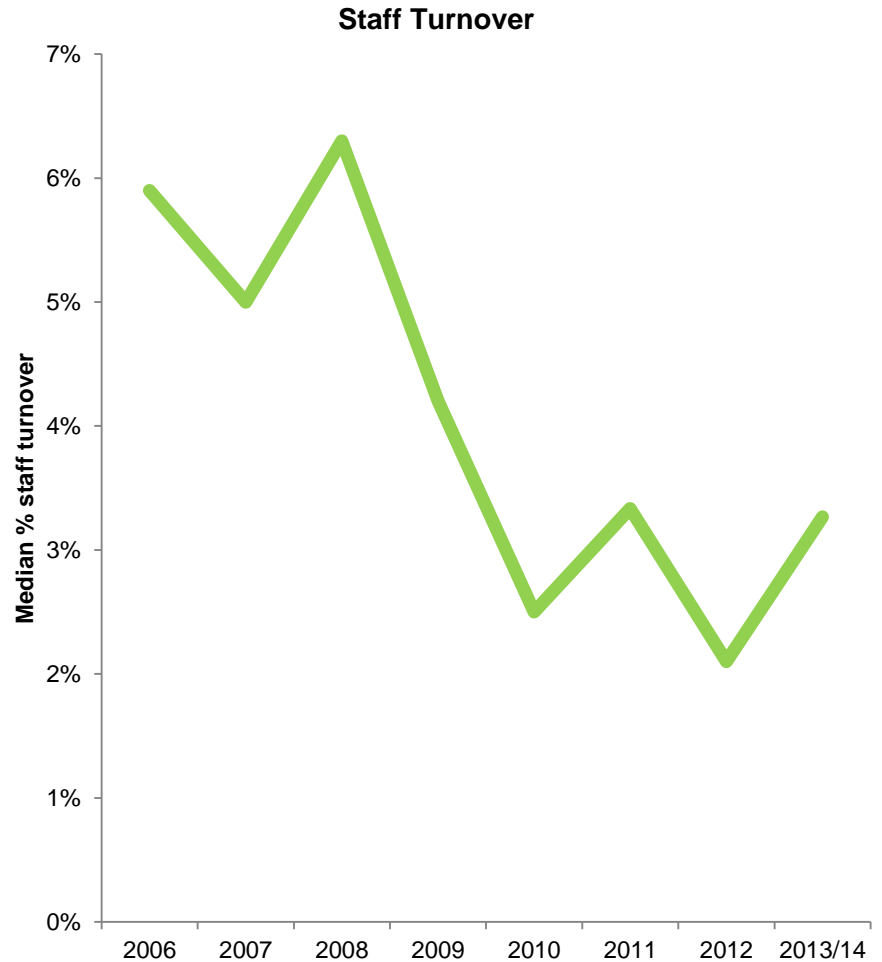


Sources: Companies House & KPI Survey

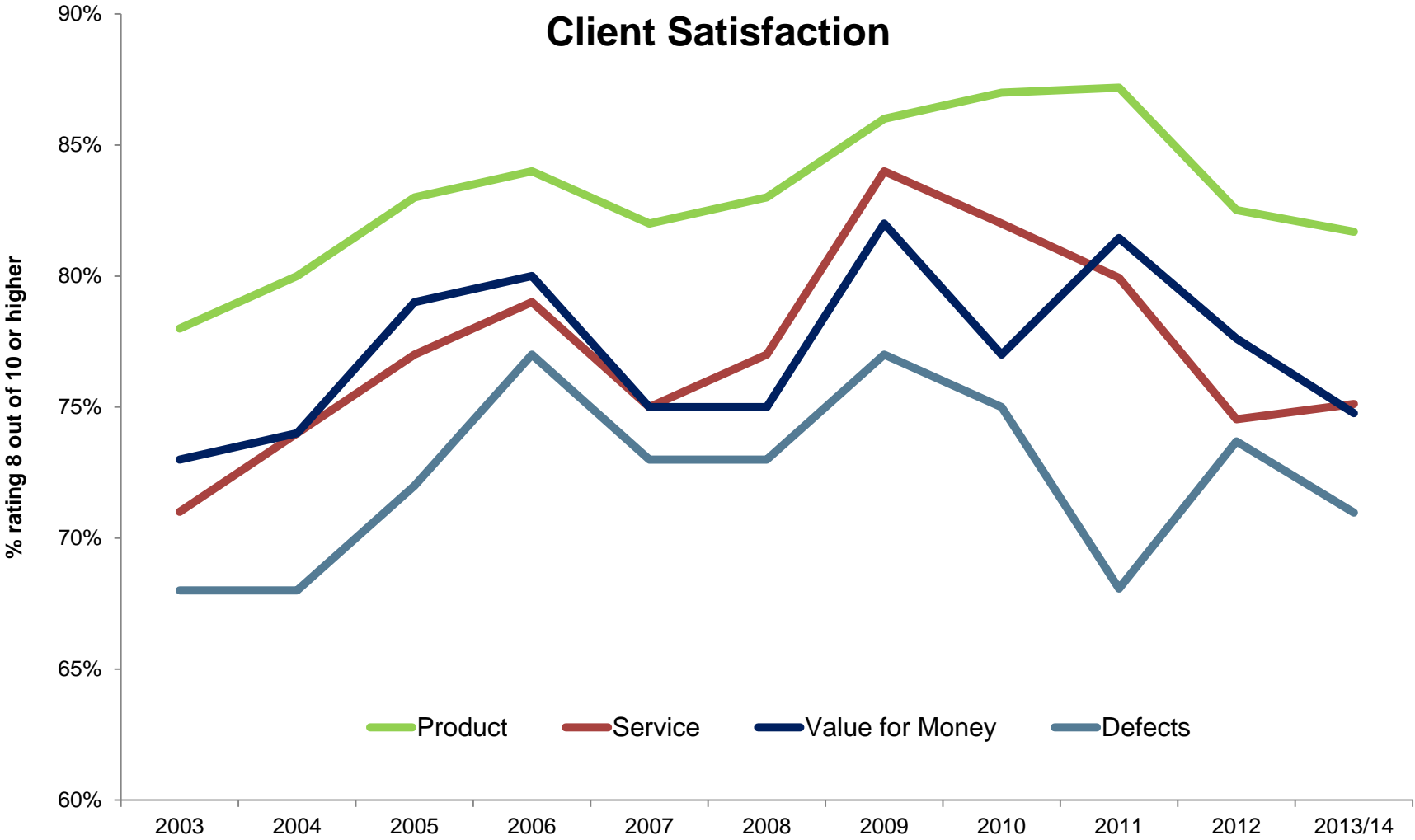
# Respect for people

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- Low staff turnover...
- ...as departing staff are not replaced
- Staff loss begins to fall
- Rise in skills base

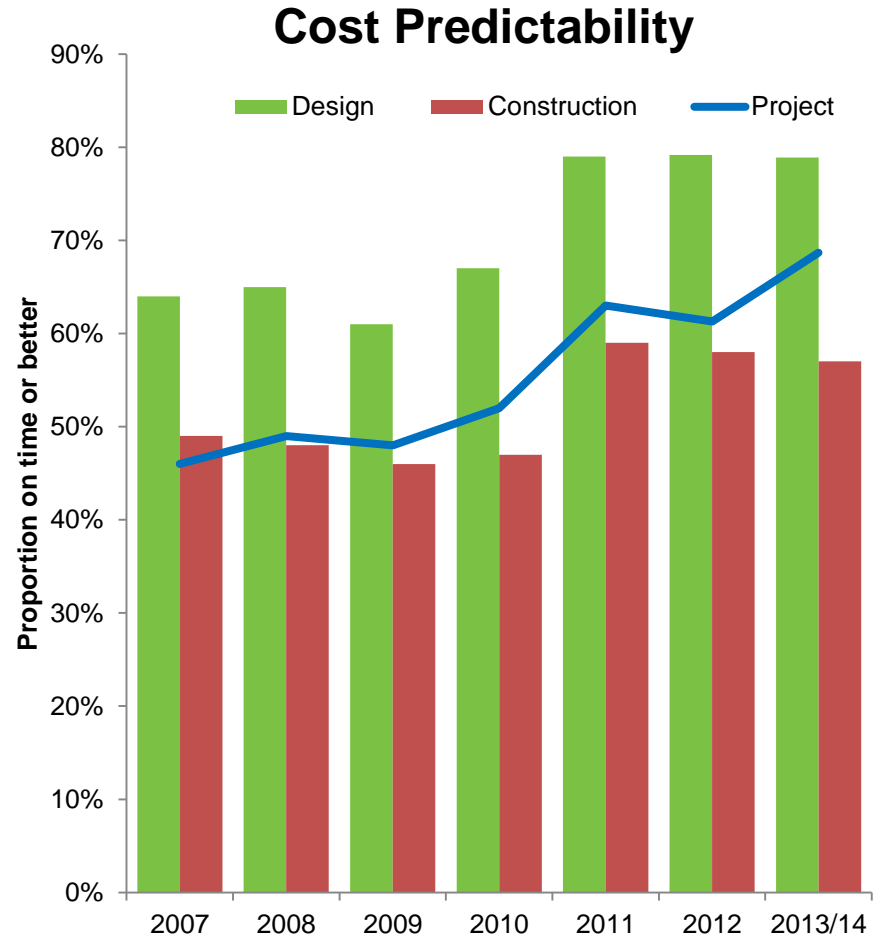
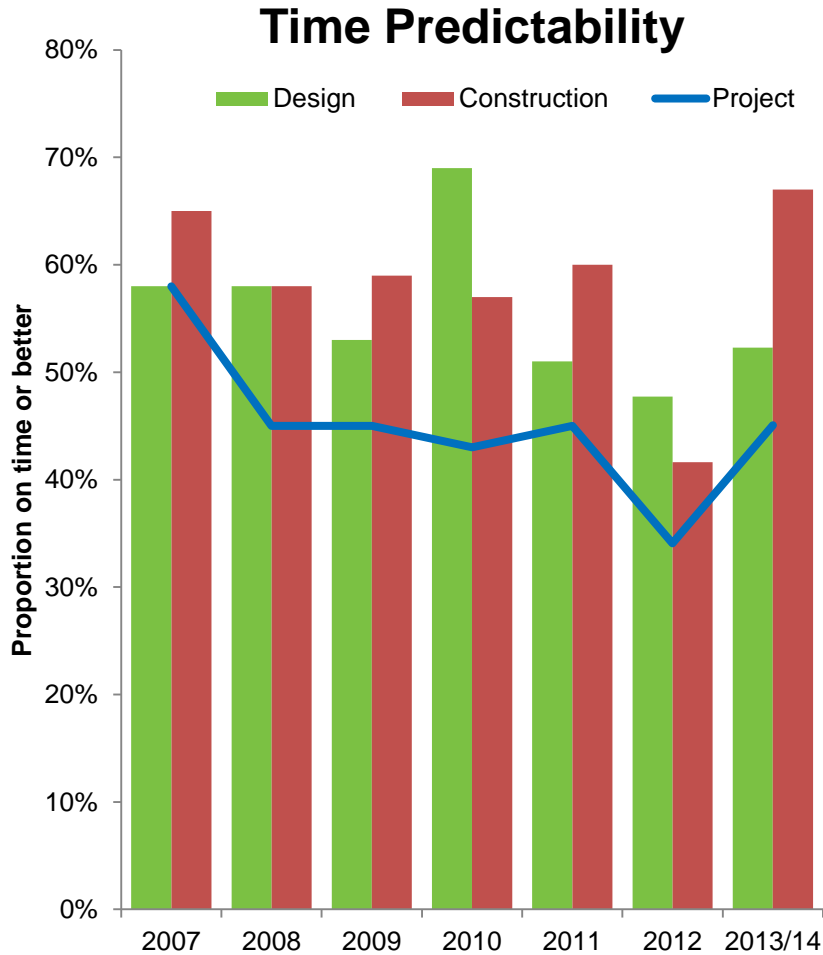


# Customer Satisfaction



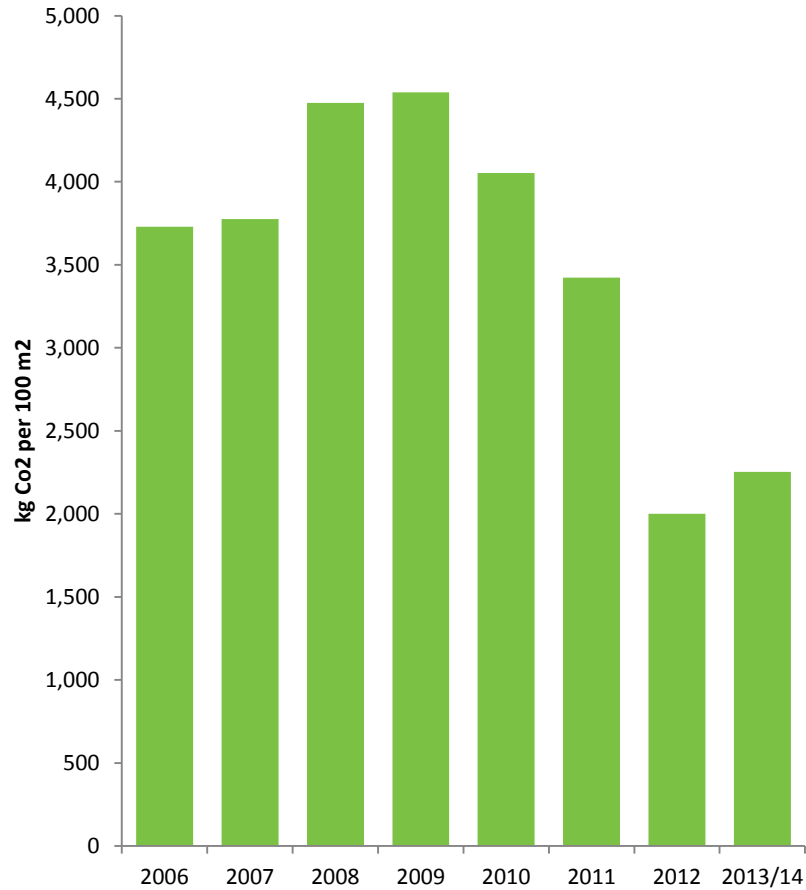


# On time & to budget

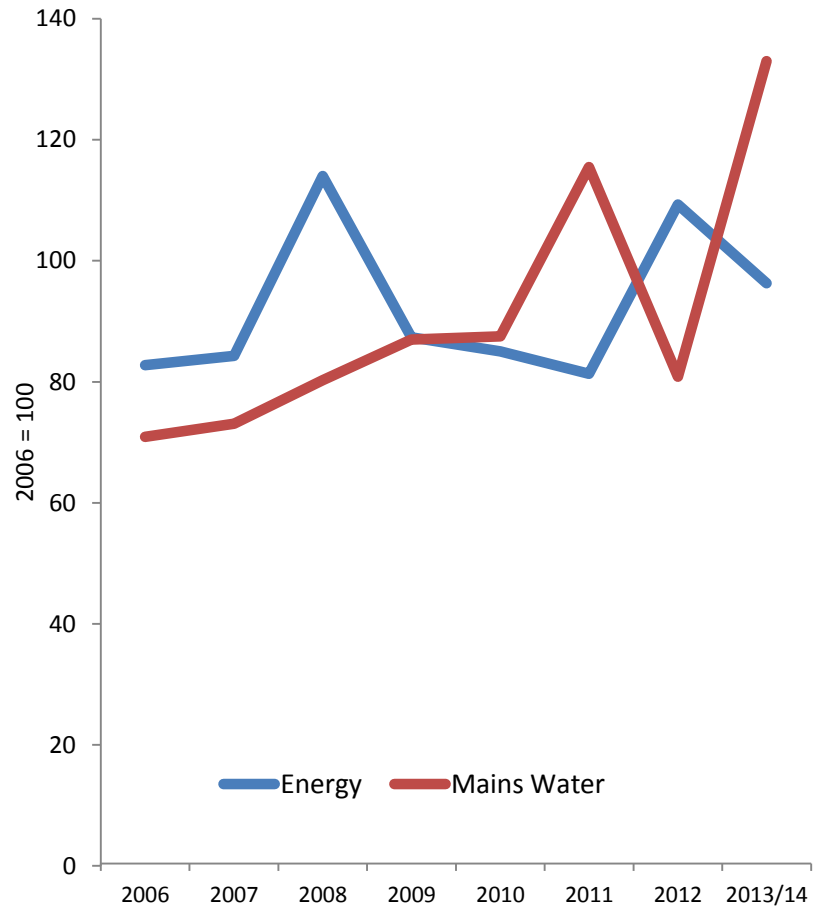


# Environmental Performance

## Designed Energy Consumption



## Construction Process



# Summary

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- Industry retrenchment
  - Profit squeeze, reduced workforce
- Pressure to meet rising client expectations
  - More projects delivered to budget
  - Projects delivered on time
  - Drop in client satisfaction with product, service, defects & VfM
- Rising to environmental performances challenge
- Increased investment required to develop skills base to meet rising demand and expectations

# 2015 Construction KPIs

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- Surveying all projects completed in 2014
- Client, contractor and consultant on 7,000 completed projects, over 25,000 surveys in total.
- Centrally collecting company employment, environmental and project data
- Look out for your survey!

