

# IMPROVING PRODUCTIVITY

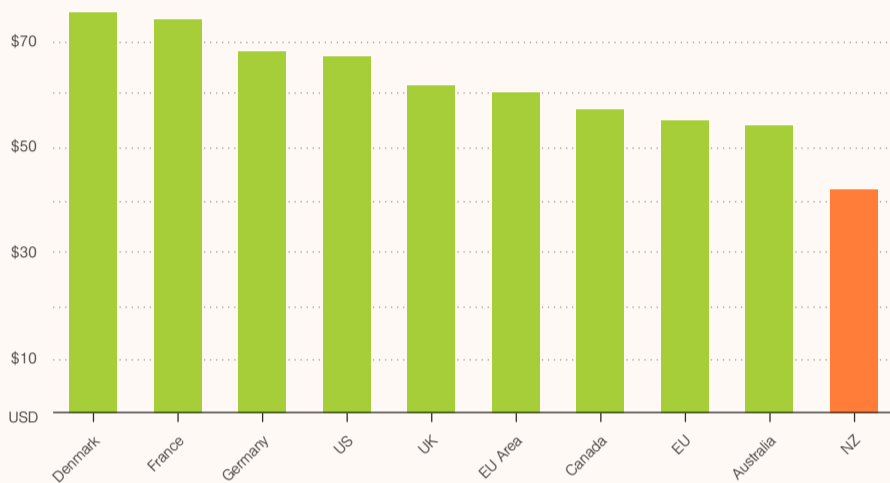
Historically, the focus of Aotearoa New Zealand’s construction workforce has been on increasing the number of people on the tools.

Our future efforts must switch to working smarter and we must look at ways to achieve more with fewer people so we can get the maximum benefit from our available resources.

## HOW DO WE COMPARE?

### HOURLY PRODUCTIVITY

for detail, see report fig. 17



Denmark (highest productivity above) is recognised as a SAE (Small Advanced Economy) along with New Zealand – size need not hold us back.

### NEW ZEALAND IS IN THE BOTTOM 25% OF GDP PER HOUR WORKED.

Compared to the next lowest scoring OECD country (Australia):



### THE GAP IS WIDENING.

### PRODUCTIVITY DEFINITION

for detail, see report fig. 16

Measured by rate of output (Construction GDP) per unit of input (Construction Workforce), productivity is a key component in determining workforce numbers.

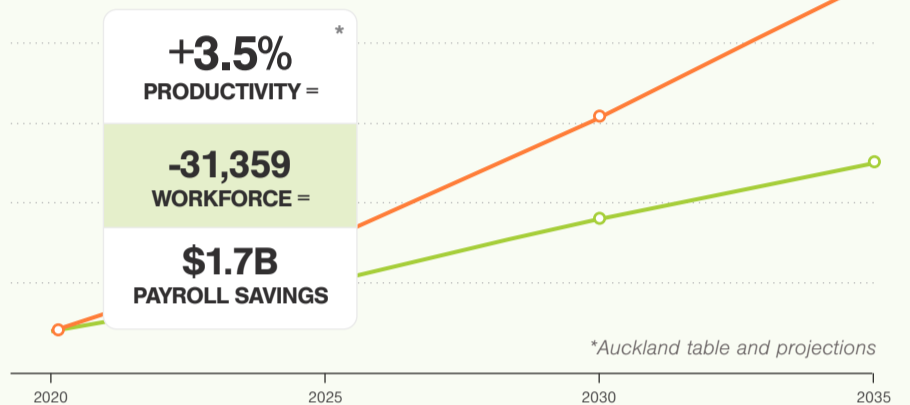
$$\text{CONSTRUCTION WORKFORCE PRODUCTIVITY} = \left( \frac{\text{GDP}^*}{\text{WORKFORCE}^*} \right)$$

\*construction

## WHAT WE CAN DO

### SMALL CHANGES, BIG RESULTS

for detail, see report fig. 6

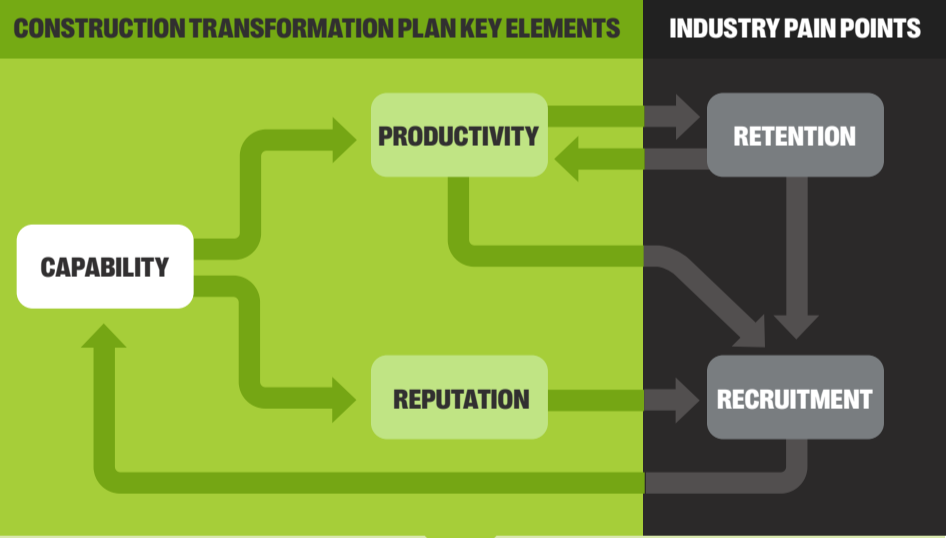


The results of a modest annual productivity improvement of 3.5% per annum, instead of the previous average of 2.1%.

### HOW?

for detail, see report fig. 19

We have adopted the goals of the Construction Transformation Plan as our framework to optimise our workforce capacity:



**BUILDING CAPABILITY IMPROVES PRODUCTIVITY. IMPROVED PRODUCTIVITY LEADS TO BETTER:**

- + RETENTION + RECRUITMENT + REPUTATION
- + CAPABILITY + VALUE + QUALITY + SUSTAINABILITY
- + WELLBEING + HEALTH AND SAFETY OUTCOMES

**MORE CUSTOMERS, EMPLOYEES, INVESTMENT**