



# Make it or break it

Canadian edition



## Focus: “Maintaining the human touch”

**If there’s one thing that distinguishes Canadian players in construction and engineering, it’s that they have a very strong track record for developing great teams.**

Indeed, it should come as little surprise that 75 percent of Canadian respondents to our *Global Construction Survey 2017* say that the “human element” influences project delivery very significantly, while the remaining 25 percent say it is “somewhat” significant (see Figure 1). Meanwhile, Canadian construction firms rank highly on their use of standardized promotion processes, and score as well as anyone in terms of the diversity of their talent and teams.

**Figure 1.** How important is the “human element” influence on project delivery?



However, according to KPMG in Canada’s Lorne Burns, National Industry Leader, Building Construction and Real Estate: “You can have all the talent in the world, but if you aren’t focused on innovation and leveraging the most cutting-edge technologies as much and as quickly as possible, the valuable talent you have today might be wholly redundant tomorrow.”

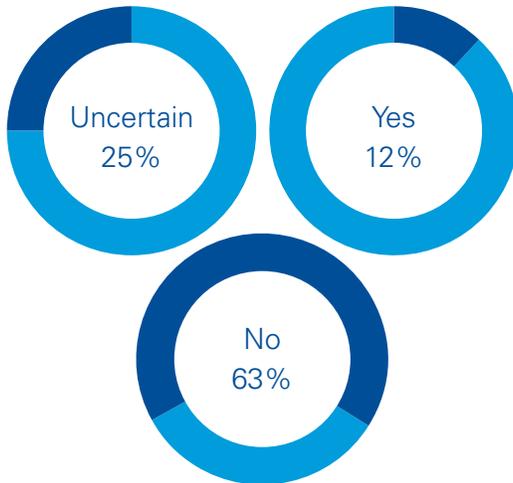
Put another way, great talent is only part of the equation every company must solve if they are to grow and thrive going forward. It’s both a challenge and an opportunity, especially in a global business climate characterized by constant change and disruption and in which “good enough” increasingly isn’t.

### **How, then, are we going to get there?**

First should come the understanding that tomorrow’s talent will be different than today’s – just as valuable as ever, but different. Considering that more than 60 percent of Canadian survey respondents are concerned that Millennials – soon to be the single largest identifiable segment of the overall workforce – aren’t up to speed on the fundamentals of project delivery (see Figure 2), it’s clear that developing younger employees’ skills, experience and confidence is of great importance. “The key equation-balancing opportunity here,” says Larry Toste, KPMG in Canada’s Leader of Funds, Insurance, Real Estate and Construction, “will be to link innovative technology use with talent development by investing in more fully digital workplaces that have already been shown to both attract and engage Millennials in particular.”

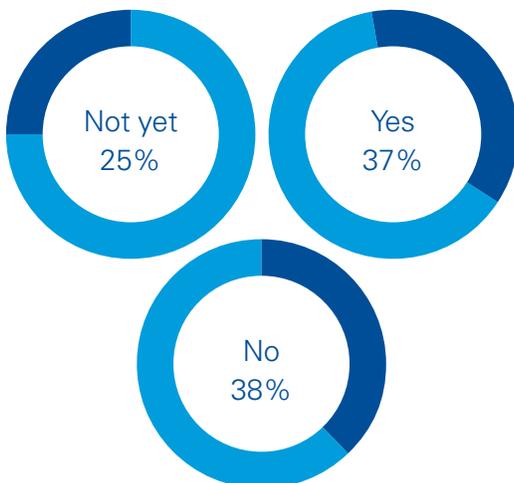
A clear majority of the Canadian firms we talked to said they expect technology investment is more likely to drive benefits in cost, scheduling, safety and security than enhance their ability to attract the next generation of workers. Even so, we mustn't let this opportunity pass us by.

**Figure 2.** Are Millennials up to speed on the fundamentals of project delivery?



When it comes to integrating and retaining those younger workers, a key next step will be in striking an appropriate balance between “hard” and “soft” controls that both promotes high performance and reflects new ways of working. This means ensuring that everyone on the team not only secures all the proper authorizations, approvals and so on but is also clear about their roles, are empowered to raise issues or concerns with the confidence that they will be listened to, and embody the right values. Canadian firms are fairly evenly split between using soft controls, not using them and planning to use them (see Figure 3), but considering the degree to which they believe in the importance of the human touch,

**Figure 3.** Are formalized soft controls part of your project delivery framework?



we expect fairly quick progress to be made in this area. After all, if companies fail to encourage the right behavior, their workforces will be less likely to have the awareness, the confidence or the motivation to apply the harder, technical controls consistently and accurately.

**“The time is now. Technology disruption isn’t something to be concerned about tomorrow, it’s happening all around us in the Engineering & Construction industry, with the larger players improving profitability by embedding data and analytics solutions, drones, or augmented reality technologies to improve project planning, design and construction performance.”**

– **Augusto Patmore**, KPMG in Canada’s Head of Capital Projects for Eastern Canada

And because companies often employ as many as four different generations of workers, not only do they have to invest in these new technologies, they also need to create a dynamic employment environment where exciting professional opportunities arise and new roles are created around the effective deployment and maintenance of such technologies, if they are to remain competitive in the marketplace.

We believe that begins, and ends, with a thorough and persistent emphasis on innovation in all areas of the business, especially around governance, technology and people.

Companies that solve this equation the quickest will be the ones best positioned to win the future.

For more details and information, please see our *Global Construction Survey 2017*.

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