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EXECUTIVE LEADERSHIP SUMMIT BUILDS ON PHILADELPHIA CONSTRUCTION INDUSTRY'S STRONG FOUNDATIONS

With 60 years of experience providing construction insurance and comprehensive safety counsel, we're proud to have developed risk management solutions for some of the largest, most complex projects in the country - and in our own backyard. Recently, we had the opportunity to bring together over 50 construction leaders in the Philadelphia region for an Executive Leadership Summit held at the Brandywine Realty Trust headquarters in the FMC Tower at 29th and Walnut Streets. Our Summit was an interactive discussion that reflected a shared pursuit of excellence in the industry.

A morning of insightful discussion helped us identify trending themes in today's construction landscape:

Partnership and collaboration drive efficiency.

Kevin Mahoney, CEO, University of Pennsylvania Health System, and Jerry Sweeney, president and CEO, Brandywine Realty Trust, agreed that partnership and collaboration among all stakeholders - from owners to general contractors and subcontractors - creates an environment in which everyone involved is motivated to produce the best results at an efficient cost. For Sweeney, this approach allows the construction project to form a "great symphony," with every disparate part coming together to create something amazing.



In many “traditional” construction projects, each party works – to a degree – in separate silos. And if the project suffers from a design defect or other error/omission of a professional nature, the project owner, architect, engineer and contractor may be forced to “point fingers” in order to get the issue resolved – sometimes to the point of litigation. This can tie up significant resources and prevent the project from meeting key budgets and timelines. This also potentially leads to “friction” on the jobsite, which can further exacerbate the issues and get the job off the rails.

No local project has demonstrated a solution to this concept better than Penn Medicine’s new 16-story, \$1.5 billion Pavilion at the Hospital of the University of Pennsylvania (Pavilion), one of the most high-profile construction projects in Philadelphia today. We’ve had the privilege to work with Penn Medicine and its key design, architecture, engineering and construction management partners (collectively the PennFIRST team) to collaborate and develop comprehensive and cost-effective programs that set the project up for success under a truly unique method of construction called Integrated Project Delivery (IPD).

Ben Evans, associate vice president for risk management and insurance at the University of Pennsylvania, moderated our discussion at the summit. For him, the IPD philosophy is what brings the 10,000 puzzle pieces of a construction project together to create a complete picture. He’s hopeful that the principles behind Penn Medicine’s Pavilion project will follow contractors and their employees to their next jobsite and produce a ripple effect that will change the culture of construction in Philadelphia.

Culture makes the difference.

Regardless of the business competition among those attending the Executive Leadership Summit, one thing they can all agree on is the significance of creating a strong safety culture within their companies and projects. We were privileged to



hear this message reiterated by many of our presenters, including Mack Stulb, president of LF Driscoll; Bob Herbein, executive vice president of Allan Myers; Jim Dolente, Jr., president of Madison Concrete Construction; Craig Melograno, president of Philadelphia D&M; and Don Swasing, chief operating officer of Schlouch, Inc. These construction leaders represent companies that are recognized as “best in class” with strong safety cultures.

Prioritizing safety too often comes after a “pivotal moment” – typically a serious injury or a tragic fatality – that serves as a wake-up call for leaders at the company. An incident like this spurs the management team to make safety a core value – but our panelists urged construction leaders not to wait until an incident happens to build safety into every aspect of the project.

Establishing a company culture centered on safety is the key, starting with the actions of senior management and field leaders. Field leaders need to be able to adapt to changing situations daily without compromising safety. From that point, safety must be ingrained into operations – like automatically putting on your seatbelt when you get in a car. It’s critically important that ownership and management teams authentically convey to employees that their safety is imperative to the success of the project and the organization.

Another growing trend improving safety in the construction industry is the implementation of modular construction and prefabrication. Using these concepts, contractors and subcontractors can build major portions of a project in a controlled environment. When you take factors like weather or a crowded job site out of the equation, the benefits of this approach are exponential in terms of minimizing risk and increasing quality. To expand the application of modular construction, safety must be part of the conversation starting in every planning stage of the project.

At Graham Company, we believe nothing is more important for our clients in the construction industry than creating a genuine culture of safety among all



employees. This not only keeps employees safe while they're on a jobsite, but helps organizations reduce risk exposures and improve their bottom lines.

Thank you to all who participated in the Executive Leadership Summit. We are fortunate to be a part of a construction community pushing the boundaries of what is possible – in innovation, efficiency, quality, profitability, and, most importantly, operational and personal safety.

Partnership builds success. Safety brings us home.



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