Unlocking the key to sustainable buildings

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Whatever the technology…
Whatever the process…
Whatever the rating system…

Sustainability relies on people making favourable decisions
The key for companies:

*Build sustainability into your decision-making culture*
Organisational culture

“The way we do things around here”

Ouchi & Johnson (1978)
Organisational culture

Observable behaviour & artefacts
Visible organisation structures, processes and symbols

Espoused values
Strategies, goals, philosophies (espoused justifications)

Basic underlying assumptions
Unconscious, taken-for-granted beliefs, perceptions, thoughts, and feelings

Schein (1992)
Today …

- Changing our culture – why and how
- What has happened?
- What does the future hold?
Why a sustainability culture is important to Leighton

- Imperative for eco-efficiency - increasing cost of resources, materials and waste
- Legislation – safety, energy, environmental, NGERS, ETS
- Social & stakeholder demand for triple bottom line reporting
- Our people want it
- Our reputation
- Changing market expectations
How Leighton defines sustainability

- Long lasting
- Consistently profitable
- Corporately responsible
The Leighton Contractors sustainability formula

Living our values through what we do and how we do it → sustainability

We transform ideas to enhance people’s everyday lives

Safety & health above all else

Our people are the foundation of our success

Respect for the community & environment

Enduring business relationships

Achievement through teamwork

Our actions & behaviours

A sustainable company
- Long lasting
- Consistently profitable
- Corporately responsible
Our implementation streams

1. **Culture change**
   Our values (and so sustainability) a consideration in everyday decision making

2. **Business integration**
   The values integrated into projects and operations

3. **Strategic planning**
   Sustainability used to drive breakthrough thinking for innovation and business improvement

4. **Stakeholder engagement**
   Engagement with clients, partners, suppliers, and the company to improve the business
1. Culture change
Leighton Contractors

- 8,500 employees and growing
- Diverse businesses
  - Construction, building, contract mining, telecommunications, industrial services, infrastructure development
  - Australia and NZ
Why employees are critical

- Skills/people shortage
- Gen X, Y attitudes to work/life, environment
- Engagement levels are related to profit performance
- They make the decisions

- Performance = Results x Behaviours
Opportunities to talk, coach, recognise …

- Recruitment
- Induction
- Training
- Leadership programs
- Personal development reviews
- On-the-job – toolbox talks, processes, leadership
- In-house publications
- Communities of Practice
2. Business integration
It is not about reinventing the wheel or creating new structures.

It is about *taking the best* of what is already happening and *applying it consistently* across the company.
What we are doing

Project initiatives

- Multi-criteria analysis
- Performance framework with KRAs around values
- Innovations and research
- Knowledge sharing
- Project sustainability reports

Northern Gateway Alliance sustainability report (2007)
What we are doing

Corporate initiatives

▪ Active membership of GBCA, AGIC, CRC for Construction Innovation
▪ Carbon strategy; sustainability strategy
▪ Contributing to debate, policy development, research
▪ Development of tools and processes
▪ Corporate sustainability reporting
▪ Excellence Awards
3. Strategic planning
We are now looking 15+ years ahead as well as the conventional 3-5 years.

- www.leightonfuturethinking.com
- Preparedness for carbon trading
- New business opportunities
- Efficiencies
- New skills for new sustainability challenges
Where do we aim?

- Environmental and social initiatives that simultaneously deliver financial benefit
- It is about **added** value

After The Tebo Group, 2005
4. Stakeholder engagement
▪ Dialogue with our clients and communities
▪ Joint research opportunities
▪ Greater focus on collaborative approaches to contracting, social benefit and community relations
Achievements so far …
What we have achieved so far …

- Growing awareness of sustainability
- Sustainability rating and reporting
- Continuous improvement in sustainability performance
- Eco-efficiency (& ETS) driving alternative materials and processes, more prefabrication, research
- New types of business
What we can expect

- More legislation
- New types of projects, services and jobs
- More client and community demands for improved sustainability performance
- Increased client and community sophistication
- Scrutinised sustainability reporting
In summary

1. Define sustainability meaningfully
2. Involve your people
3. Interact with key stakeholders
4. Merge into existing systems, processes & tools
5. Set cascading performance indicators
6. Report transparently
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Leadership at all levels
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