

General Session

Tuesday, October 30, 9:00 a.m. - noon

***FORECASTS AND CHALLENGES FOR THE
CONSTRUCTION INDUSTRY***

Presented by



**Don Greenland
President and
Chief Operating Officer
Nabholz Construction Corporation**

The Conference will have keynote presentations by two construction company CEOs. They will share their perspectives on the importance of risk management, lessons they have learned, and best practices their companies have implemented.

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SOME SAY THE BRIDGE WILL TAKE TOO LONG TO FINISH.
SOME SAY THE BRIDGE COULD JOIN TWO CULTURES.
WE SAY POUR THE CONCRETE.

We don't back down from risk, we embrace it. We insure vision. We insure Construction. Contact Fred Lapointe at 972-465-7854 or visit us at www.ace-ina.com for more information on the ACE USA Construction Industry Practice.



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INSURING PROGRESS™

Don Greenland
President and Chief Operating Officer
Nabholz Construction Corporation


Mr. Greenland is President and Chief Operating Officer of Nabholz Construction Corporation based in Conway, Arkansas. Nabholz is an open shop company providing a variety of general contracting, construction management, design-build, and other construction services through its 25 business units and approximately 1,000 employees. Mr. Greenland joined Nabholz in 1984 as a Project Manager and served in a variety of positions including Business Unit Manager, Executive Vice President of Operations, and Division President before being named President/COO in 2000. He is a Nabholz stockholder and member of the board of directors. He is also a Certified Professional Estimator and Fellow of the American Society of Professional Estimators and a past National President of ASPE. Mr. Greenland plays an active role on various steering committees of American Contractors Insurance Group.

Notes

This file is set up for duplexed printing. Therefore, there are pages that are intentionally left blank. If you print this file, we suggest that you set your printer to duplex.



**Where Contractors, Owners,
and Insurance Professionals
Learn and Exchange Risk
Management Strategies!**



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**IRMI
CONSTRUCTION
RISK
CONFERENCE**

Lessons in Risk Management Leadership

Presented By:
Don Greenland
President & COO
Nabholz Construction Corp.
Conway, Arkansas

General Session

Presentation Objectives



- Share the Nabholz journey (so far)
- Offer some lessons learned
- Inspire and challenge you

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Overview



- A little about Don Greenland
- A little about Nabholz
- Nabholz Safety/RM Revolution
- The Plateau
- What we have learned
- Nabholz Leadership Revolution
- What we are learning
- “Take home” lessons

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Our Mission & Values



Nabholz creates superior value for employees, clients and stockholders by maintaining an impeccable reputation and providing innovative solutions.

Nabholz Values:

- **Safety**
- **People**
- **Integrity**
- **Teamwork**
- **Fun**
- **Service**



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Nabholz Service Groups



- Nabholz Construction (6): **General Contractor/CM**
- Conark Builders (1): **Pre-engineered Structures**
- Nabholz Client Service (8): **Small & Special Projects**
- Nabholz Industrial Services (2): **Millwright & Process**
- Diamond Millwork (2): **Custom Casework**
- Northwest Excavation (1): **Earthwork & Utilities**
- Matrix Concrete Structures (1): **Concrete Services**
- Progressive Solutions (1): **Industrial Equipment Sales**
- Nabholz Cranes & Rigging (3): **Equipment Rental**

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Nabholz Factoids



- Established in 1949
- 25 business units based in AR, OK, MO, KS
- 1,000+ Employees (600 craftsmen)
- Merit Shop
- Licensed in 30+ states
- \$450,000,000+ Annual Sales
- Over 8,500 projects per year
- 80%+ negotiated services
- Long-term repeat business with “Blue Chip” clients

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Nabholz Challenges



- Over 8,500 projects at risk
- Thousands of subcontracts
- Employee turnover and growth
- New locations every day
- Niche service group RM

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Nabholz Safety Revolution



From “Good” to “Better”

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Baseline 1999



- Considered one of the safest in our market
- Full-time Safety Director
- OSHA compliant, minimal citations
- Winner of various safety awards
- Policy driven, Incident “Reduction” goal
- Our performance that year:
 - 54 Total Employee Incidents
 - 19 Lost-Time Employee Incidents
 - \$2,000,000 + in GL/AL/BR Claims

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Start the Revolution



- 2000: Safety Conference, Peter Vigue w/Cianbro
- 2000: First Battles of the Revolution:
 - Executive/Management Commitment
 - New Employee Orientation
 - Daily Crew Huddles
 - Expanded Employee Training
- 2001: Nabholz joins a captive (we were ready)
- 2002-today: Ongoing comprehensive RM overhaul
 - Zero incident philosophy, See it...Say it...Fix it
 - Best practices, peer groups, benchmarking
 - Contracts, vehicles, recognition, RM skill development
 - Employee development, expectations & accountability

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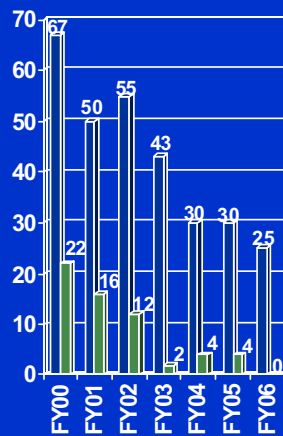
Change in Approach



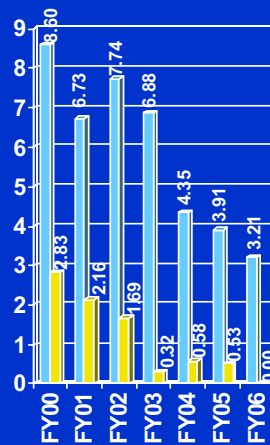
- Incidents: preventable & unacceptable
- Elimination of incidents vs. “compliance”
- Prevention vs. investigation:
 - Plan, plan, plan
 - Training
 - “Near Miss” identification & sharing
- Reward behavior vs. “luck”
- External groups can help us:
 - Insurance representatives
 - OSHA, local agencies

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Revolution Results



□ All Incidents
■ LT Incidents



■ Incident Rate
■ LT Inc. Rate

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The 2007 Plateau



- 8,490 +/- projects completed incident free
- 25 employee incidents (same as last year)
- 2 lost-time incidents (zero last year)
- Broke streak of 778 days without lost-time accident
- Numerous minor “at fault” claims
- Subcontractor incidents (one death)
- Consistency & complacency

What do we do now?

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2007 Leadership Revolution



“Better” to “Great” strategy

- Visible Leader Participation
- Focus on “Hearts & Heads”
- Elevating Specialty Contractors

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Visible Leader Participation



- **Definitions of a model Leader**
- **Visible & Active Leaders:**
 - Personal involvement
 - Commitment & Accountability
 - Engaging all team members
 - Support the troops
 - Teachers and coaches

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Focus on Hearts & Heads



- Think about your last incident/mistake
- Everyone focus on safety & RM 24/7
- Hearts (caring) & Heads (thinking)
 - Safety/RM coaches
 - “I’m a Believer” recognition
 - Behavior-Based safety/RM approach
 - “Near Miss” sharing & learning
 - Improving wellness

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Elevating Spec. Contractors



- Minimum performance standards to play
- Measuring firm & supervisor performance
- Opportunity to improve over time
- Share best practices, assist & consult
- Resistant firms will not be accepted

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Our Journey Continues...



- Continuous improvement of everything
- Keep getting help from outside
- 100% visible/active management team
- 100% team of engaged “believers”
- Achieve Zero incidents
- Repeat, Threeppeat...

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“Take Home” Lesson Learned



- For Construction-related Companies:
 - Zero incidents is the moral thing to do
 - Training, processes, procedures is not enough
 - Visible leadership by “action” is critical
 - Size does not matter
- For the Insurance Industry:
 - Be a teammate with your clients
 - Bring best practices & fresh ideas
- For Everyone:
 - Focus on “hearts and heads”

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Your Challenge



- Did anything resonate with you?
- Examine your visible/active leadership
- What do you need to change?
- When will you start?
- What obstacles are in your way?
- Don't wait, everyone wins if you succeed

Thank you for listening!

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