



CURT

THE CONSTRUCTION USERS ROUNDTABLE

"THE OWNERS VOICE TO THE CONSTRUCTION INDUSTRY"



Tripartite Initiative Report: Executive Summary

*and Approved Recommendations for Action
by Owners, Contractors, and Trade Unions
Relative to Extended Overtime, Absenteeism,
and Work Disruption Issues in the U.S.
Construction Industry*

R-402
Executive Summary
June 2004

CURT Owner Member Companies

Abbott Laboratories
Air Products & Chemicals, Inc.
Alstom Power, Inc.
Ameren
American Electric Power
Baxter Healthcare Corporation
Boeing Company
Caterpillar Inc.
Citigroup
ConocoPhillips
DTE Energy
The Dow Chemical Company
E.I. Dupont De Nemours & Company
Eastman Kodak Company
Ernst & Young
Excelon Corporation
ExxonMobil Chemical Company
FMC Corporation
FirstEnergy Corporation
General Electric Company
General Mills, Inc.
General Motors Corporation
HCA Healthcare Corporation
Hercules, Inc.
Honda of America Mfg., Inc.
IBM
Intel Corporation
Johnson & Johnson
Kansas City Power & Light Company
The McGraw-Hill Companies
MeadWestvaco Corporation
Merck & Company, Inc.
MidAmerican Energy
Owens Corning
PSEG Power, LLC
Pfizer, Inc.
The Procter & Gamble Company
Rohm and Haas
Shell Global Solutions (U.S.), Inc.
Southern Companies
Sunoco, Inc.
TECO Tampa Electric Company

Toyota Motor Mfg. North America
Tyco International
U.S. Army Corps Of Engineers
U.S. General Services Administration
The University Of Cincinnati
Weyerhaeuser

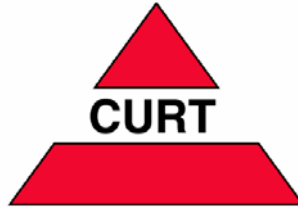
Associate Member Companies

Alberici Group, Inc.
BE&K
Bechtel
Egizii Electric, Inc.
Fluor Corporation
Gilbane, Inc.
Hunt Construction Group
Jacobs Engineering Group
Rudolph/Libbe Companies
The Shaw Group, Inc.
Tetra Tech FW Inc.
Turner Construction Company
Zachry Construction Corporation

Association Associate Members

American Institute of Architects
(AIA)
Associated Builders and Contractors
(ABC)
Associated General Contractors of
America (AGC)
Mechanical Contractors Association
of America (MCAA)
National Electrical Contractors
Association (NECA)
NEA – The Association of Union
Constructors
North American Contractors
Association (NACA)
Sheet Metal & Air Conditioning
Contractors' National
Association (SMACNA)

Note: Membership listing current at time of publication



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The Construction Users Roundtable would like to acknowledge the following organizations for their participation in The Construction Users Roundtable Tripartite Initiative.



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Notice:

The purpose of this publication is to make available to industry the results of research and common owner practices. The information is provided solely for the individual consideration and education of CURT members and the industry. The publication does not necessarily represent the views of every CURT member company on this topic. The booklet is offered as an informational publication only. CURT intends only to synthesize current thought and trends concerning the topic. Neither CURT nor its committees make any warranty as to the completeness regarding the materials. Readers are encouraged to further research the topic before relying exclusively on these materials. Each CURT member and other readers of these materials are free, acting in its own discretion and its own perception of business self-interest, to reject or adopt the recommendations in whole or in part. Adoption and/or reliance upon these recommendations is strictly voluntary.

The Mission of The Construction Users Roundtable (CURT) is to promote cost effectiveness for owners doing business in the United States by providing aggressive leadership on issues that will significantly improve project engineering, maintenance and construction processes, thereby creating value for the owners.

The mission of CTI is to improve the cost effectiveness of the organized construction industry through meaningful dialogue, collaboration, and mutual commitment to positive change for owners, contractors, and building trades unions.

1. Background

The Construction Users Roundtable (CURT) is an association of nearly 50 major owners in the construction industry who collectively spend over \$95 billion annually on construction and maintenance projects. CURT is widely recognized as “the voice of the owner to the construction industry.” While CURT continues to fulfill that prestigious role to others, it also spends considerable effort educating and promoting cost effectiveness to the entire U.S. owner community.

To accomplish the objective of promoting cost effectiveness, CURT established a series of task forces to address issues such as safety, productivity, best practices, workforce development, and industrial relations. As a part of its industrial relations effort, in January of 2003, CURT organized an unprecedented forum of industry leaders from organized labor, national trade associations, and the owner community. The result was the development of the CURT Tripartite Initiative (CTI).

The mission of CTI is to improve the cost effectiveness of the organized construction industry through meaningful dialogue, collaboration, and mutual commitment to positive change for owners, contractors, and building trades unions. The intent of CTI is to identify those areas where improvement would result in lower project costs for owners, more jobs for the trades, and more profitable jobs for the contractors. The owner members of CURT firmly believe that enormous amounts of capital, talent, and effort expended on the construction of plants, facilities, and buildings are not being used effectively, and that changes must be made.

Although this is an owner-driven initiative, it is CURT's position that contractors and building trade leaders must be engaged as full partners in defining the fundamental problems and in finding solutions to challenges in the organized sector of the construction industry. The President of the Building and Construction Trades Department, AFL-CIO, and the General Presidents of their member-unions, along with the major contractor associations, have fully endorsed the Initiative and are actively participating. Contractors participating include: The Associated General Contractors of America (AGC), Mechanical Contractors Association of America (MCAA), North American Contractors Association (NACA), National Electrical Contractors Association (NECA), and Sheet Metal and Air Conditioning Contractors National Association (SMACNA).

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Only by working together can we create a win-win-win for all the parties involved.

2. Approach

The CTI began with a facilitated meeting of the participants to identify those areas where improvement would result in immediate positive change. Twenty-three different subjects were examined and prioritized. Four major areas were selected for improvement, resulting in the formation of four initial subcommittees. Three of the first topics for exploration were: the effective use overtime, reduction in absenteeism, and the elimination of work disruptions. A fourth subcommittee, dealing with productivity, was developed to measure the impact that implementing these recommendations would have on project cost.

Each subcommittee is populated with owners, contractors, and building trades union representatives. Their role is to study each problem area, using extensive surveys and existing data to develop recommendations that all three parties can implement to drive change. All recommendations must be unanimously approved by the entire 22-member plenary committee before being published in a report.

3. Compelling Reasons for Tripartite Cooperation

This is the first time in the history of the construction industry that leaders at the national level from all three major sectors have agreed to work together to effect change that benefits everyone. This is clearly an owner-driven initiative, and the compelling reasons for CURT to drive such an important process are becoming increasingly obvious.

First, owners are facing tremendous pressure to reduce capital cost as business becomes more competitive. Further, they are forced to build more advanced facilities in less time, often competing with other venues around the world.

Second, owners must function with reduced internal staffs. In addition to less staff, their responsibilities are now global as more and more construction projects emerge globally. One owner put it rather succinctly, “I have over 130 projects worldwide with a total value of nearly \$4 billion dollars. I no longer have the time or the staff to become a “rope” in contractor-labor tugs of war.”

Third, the construction business environment has become uncompromising, competitive, difficult, and unpredictable. What owners need from the industry is tripartite cooperation that achieves real and lasting change and a measurable return on investment. Only by working together can we create a win-win-win for all the parties involved.

This landmark project, if implemented, can have major cost savings implications for the industry, while improving the competitiveness of contractors.

4. Initial Results

Over the last year and a half, the CURT Tripartite Initiative (CTI) has taken a number of important steps to improve the efficiency of the industry, reduce costs, and improve the competitiveness of the U.S. construction industry. Participants of CTI will continue to look for other areas where efficiency can be improved and costs, in both money and time, can be reduced. This landmark project, if implemented, can have major cost savings implications for the industry, while improving the competitiveness of contractors.

CTI is pleased to announce the first set of recommendations on three major industry topics: Extended Overtime, Absenteeism, and Work Disruptions.

5. Extended Overtime Report

The Objective:

To reduce the use of extended overtime on U.S. construction projects, which will improve cost effectiveness and benefit all owners, contractors, and building trades. More cost-effective construction projects will be more competitive and result in increased market share.

The Status:

Extended overtime is using more than 40 hours per week for more than two consecutive weeks. Extended overtime is frequently used to meet tight project targets from owners, make up for late changes and project delays, and attract skilled labor to a project.

Some owners and contractors consider extended overtime as a standard approach, necessary and required to meet the demands for faster schedules or to staff their projects.

The Problem:

The use of extended overtime significantly increases the cost of construction projects, leading to reduced investment in capital projects in the U.S. and increased foreign competition.

Extended overtime on construction projects increases costs, reduces labor productivity, increases the risk of injuries and fatalities, and increases absenteeism and turnover. With premium wage rates and reduced productivity, the total cost impact of extended overtime can increase project labor costs by more than 80 percent.

In addition, using extended overtime on large projects creates disruption for the local labor market as it incurs higher costs to compete for skilled craft persons.

***Extended overtime should never be a “first choice” option.
The goal is to make extended overtime a “last resort.”***

How Extended Overtime Can Be Reduced:

Many projects are successfully completed without the use of extended overtime when owners and contractors require project teams to use better approaches to meet project objectives right from the start. (See the Resource Materials Kit for suggested alternate approaches to accelerate schedules.) Effective front-end planning combined with a “just say no” policy on extended overtime can be an effective method for limiting overtime and saving costs.

Extended overtime should never be a “first choice” option. The goal is to make extended overtime a “last resort.”

Recommendations

To reduce reliance on overtime on U.S. construction projects, CTI recommends that all owners, contractors, and building trade union leaders take a strong stand against the use of extended overtime.

Recommendations for all participants in this initiative:

- ▲ Establish a policy that restricts the use of extended overtime.
- ▲ Commit to improved front-end planning of projects, which will minimize problems such as late changes and will allow for more alternatives to using overtime.
- ▲ Require management approval before extended overtime is used. Use the approval process to limit the use of extended overtime.
- ▲ Require that alternative approaches be considered before agreeing to extended overtime.
- ▲ Track overtime usage, to provide data for measuring and controlling the practice.
- ▲ Remind others of the need to eliminate extended overtime. Owners, contractors, and unions need to work together to make significant change. Challenge unreasonable requirements and propose alternatives.

Recommendations for Owners:

- ▲ Have a clear corporate policy against the use of extended overtime for construction projects. Enforce it by requiring management approval before extended overtime can be used.
- ▲ Improve front-end planning of projects to optimize results.
 - Follow best practices for early project development to consistently meet project objectives and minimize late changes.
 - Study alternative approaches to meet objectives without overtime.
- ▲ Require contractors to include an estimate of overtime usage in their bids, including an explanation of the cause of the overtime. Consider the information in the bid evaluation.
- ▲ Report and track the use of overtime on your projects. Track overtime hours and costs. As with safety, performance measures and goals are important factors in control.
- ▲ Participate in Local User Councils to collaborate with other owners in the area, especially during times of high work load, when competition for limited skilled crafts is an issue.

Recommendations for Contractors:

- ▲ Have a clear Corporate Policy against the use of extended overtime for construction projects. Enforce it by requiring management approval before extended overtime can be used.
- ▲ Require that project managers investigate alternative approaches before recommending extended overtime.
- ▲ If owner schedules are unrealistic, provide information on the cost impact and suggest alternative approaches.
- ▲ Effectively manage projects to avoid delays and schedule slippages.
- ▲ Measure and track overtime usage on your projects.
- ▲ Collaborate with the building trade unions to staff all projects without using overtime to attract skilled trades. Communications and pre-job planning are essential.

Recommendations for Unions:

- ▲ Work with contractors to provide sufficient skilled crafts for all projects. If local shortages occur, develop alternatives.
- ▲ Measure and track overtime usage.

These techniques have been proven successful by many owners, contractors, and unions who have completed their projects without extended

overtime. While significant change may appear difficult or impossible, these methods have resulted in successful projects with limited overtime for special causes.

Unions and their members do not support the use of extended overtime. Their principle is "fair day's wage for a fair day's work." Most union members would prefer not to work on projects with extended overtime.

They prefer to have sufficient time allowed for family and other interests. Unions also recognize that extended overtime increases the risk of accidents.

For More Information on How to Eliminate Extended Overtime

The complete CTI report on overtime, with background research on the effects of extended overtime on construction projects, is available online at:

- ▲ The Building and Construction Trades Dept., AFL-CIO, at www.bctd.org
- ▲ The Construction Users Roundtable at www.curt.org
- ▲ The Associated General Contractors of America at www.agc.org (enter search term: “Construction Users Round Table Tripartite Initiative”)

A Resource Materials Kit, also available, includes:

- ▲ A one-page guideline on the use of overtime
- ▲ Best practices for owners, contractors, and unions for avoiding extended overtime
- ▲ Suggested alternate approaches to accelerate schedules without extended overtime
- ▲ Suggested alternate approaches to attract skilled crafts to projects without extended overtime
- ▲ Draft of Company policies and procedures for avoiding overtime usage
- ▲ Guidelines for effective use of overtime for short-term projects.

6. Reducing Absenteeism Report

The Objective:

To reduce the high levels of chronic, unexcused, and excessive absenteeism that adversely affects the construction industry. Owners, contractors, trade unions, and craft workers must share responsibility for accomplishing this goal.

CTI solicited and received feedback and recommendations from all stakeholders, including 43 owners, 76 contractors, and 278 local unions, on identifying and dealing with the root causes of absenteeism on multiple projects.

The Status:

Legitimate absences due to health and family well-being are recognized as unavoidable and excused. However, chronic, unexcused, and excessive absenteeism continues to be a serious problem in the construction industry and has a negative impact on owners, contractors, and trade unions. Absenteeism fluctuates from site to site and contractor to contractor, and is influenced by many variables: volume of work, overtime, location, proximity to weekend or holiday, attitude of craft worker, job conditions, and health and family needs.

Legitimate absences due to health and family well-being are recognized as unavoidable and excused. However, chronic, unexcused, and excessive absenteeism continues to be a serious problem in the construction industry and has a negative impact on owners, contractors, and trade unions.

The Problem:

The industry has struggled with the problem of absenteeism for many years with little progress. The CTI survey results confirm what studies conducted 20 years ago indicated: a small fraction of the work force is apparently responsible for most of the absenteeism.

Demographically, apprentices and younger workers have higher absenteeism on most projects; local residents are absent significantly more than “travelers”; those working day shift are absent slightly more than fellow workers on swing shift; and workers on projects in urban areas and on overtime have greater absenteeism than those on suburban projects and on regular time. Absenteeism also correlates to long weekends and long holiday breaks.

Owners and contractors indicate that absenteeism most negatively affects projects in the areas of cost, productivity, and schedule. Absenteeism can also affect turnover, employee morale, performance of critical tasks, and work-area density.

- ▲ A Business Roundtable report on absenteeism constructed a formula for determining the increased costs associated with absenteeism. It concluded that a movement in average absenteeism from 5 percent to 10 percent on a hypothetical 100-person project adds 7½ percent to labor costs. For each 1 percent increase in daily absenteeism, there is a corresponding 1½ percent increase in labor costs.
- ▲ Some contractors have used both attendance incentives (in the form of cash or other rewards) and/or disciplinary actions to curb absenteeism. Both strategies have demonstrated some success when applied with fairness and consistency. However, these strategies are not used industry-wide.

Unions and craft workers are most adversely affected by absenteeism on two fronts: health and welfare concerns and credibility.

- ▲ When a craft worker is absent, no health-and-welfare contributions are made on his or her behalf, but that worker can still make claims for medical coverage while absent from work. This situation has a negative impact on union health-and-welfare funds, which are already under financial strain.
- ▲ Absenteeism diminishes the craft worker's credibility with owners and contractors. This weakens a union's ability to maintain or expand its market share when its members have a record of chronic and excessive absenteeism.

Recommendations

To reduce the negative impacts of chronic, unexcused, and excessive absenteeism on U.S. construction projects, CTI recommends that all owners, contractors, and building trade union leaders adopt a "zero tolerance" for this behavior.

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Recommendations for Owners:

- ▲ Demonstrate serious commitment to the recommendations contained in this report.
- ▲ Distribute copies of this report on CD throughout the owner community.
- ▲ Insist that contractors, unions, and craft workers adhere to the recommendations in this report.
- ▲ Let the contractors and unions know your position on absenteeism issues.
- ▲ Treat absenteeism as a serious economic issue.
- ▲ Promote standard absenteeism language with the contractors in Project Labor Agreements and collective bargaining agreements.
- ▲ Insist that contractors minimize the use of excessive overtime, one of the many causes of chronic absences.

Recommendations for Contractors:

- ▲ Exhibit an unwavering commitment to the enforcement of absenteeism policies and programs.
- ▲ Develop standard language in Project Labor Agreements and collective bargaining agreements for dealing with absenteeism.
- ▲ Establish a project policy on absenteeism and consistently enforce it from the start of the project. [The most common disciplinary policy among CTI survey respondents included three steps: (1) verbal warning, (2) written warning, and (3) discharge.]
- ▲ If a craft worker is discharged for absenteeism, state that the reason for discharge is absenteeism. Do not use another reason, such as “layoff” on the record.

- ▲ State the project absenteeism policy at multiple opportunities: craft employment orientation, pre-job conference, craft toolbox meetings, and other craft briefings. Ensure that each craft has signed an acknowledgment of the site absentee policy.
- ▲ Train the craft supervision (superintendents, general foremen, and foremen) on the policy and on the company's expectation of consistent enforcement.
- ▲ Hold the craft foreman responsible for enforcing the absentee policy with the crew(s) under his or her purview, and for motivating his or her crew with regard to fulfilling their employment and safety obligations to their fellow workers and to the contractor. The foreman is the key person to positively influence the crew.
- ▲ If incentives are used, tailor them for crew recognition as opposed to individual employee recognition. Use the positive impact of group enforcement.
- ▲ Have an overtime policy tied to absenteeism: if crafts have unexcused absences during scheduled working hours, they will not be allowed to work overtime.
- ▲ Ensure that the unions are thoroughly involved in the enforcement of a contractor's absentee policies.

Contractor associations should encourage their member companies to adapt the recommendations of this report.

Recommendation for Unions:

- ▲ Do not condone or support members who habitually violate absentee policies and negatively affect their union.
- ▲ When recruiting candidates for apprenticeship and journey person openings, stress the importance of professionalism and taking responsibility for one's actions, and explain how an individual's action affects a union's competitiveness.
- ▲ Develop training modules on work ethics, professionalism, and attendance at work for use in apprenticeship training and union leadership training.
- ▲ Adopt a "three strikes, you're out" absenteeism policy for union-wide adaptation. A three-strikes policy would severely sanction a union member after the third violation, up to and including removal from the referral procedure pending action by the Appeals Committee.
- ▲ Support the position that absenteeism violates the collective bargaining agreement (CBA). If a craft is expected to work eight hours a day, 40 hours a week, and does not due to chronic, unexcused absenteeism, then he or she has violated the CBA and is subject to internal union discipline.
- ▲ Educate union membership on the adverse effects of absenteeism on health and welfare funds and on a union's ability to maintain or increase market share.
- ▲ Discuss absenteeism problems at union membership meetings and with individual union members, and share with them any messages of concern from owners and/or contractors.

For Craft Workers:

- ▲ Take ownership of their behavior and positively influence the behavior of fellow workers.
- ▲ Take responsibility for their individual actions.
- ▲ Bring professionalism and a work-ready attitude to the work site.
- ▲ Understand and acknowledge that there will be consequences for any craft workers who violate the working hours proviso in the CBA or the project policies on absenteeism.
- ▲ Take pride in contributing to the owner and the contractor's project, in contributing to the financial stability of the union's health-and-welfare fund and the union's market share, and in improving his or her employment record and opportunity for future employment.
- ▲ Take a "zero tolerance" attitude toward fellow workers' negative behavior.

For More Information on How to Reduce Absenteeism

The complete CTI report on absenteeism, with background research on the effects of absenteeism and sample absenteeism policy text, is available online at:

- ▲ The Building and Construction Trades Dept., AFL-CIO, at www.bctd.org
- ▲ The Construction Users Roundtable at www.curt.org
- ▲ The Associated General Contractors of America at www.agc.org (enter search term: "Construction Users Round Table Tripartite Initiative")

7. Eliminating Work Disruptions Report

The Objective:

All owners, contractors, unions, and craft workers must take responsibility and ownership for preventing work disruptions. The construction industry must develop a culture in which work disruptions are not acceptable, except when there is imminent danger to the safety or health of those at the site. All parties must commit to using education and communication among owners, contractors, and trade unions to foster increased respect for the interests of the other parties involved in a project.

The Status:

The causes of jobsite work disruptions are varied and require a collaborative effort by owners, contractors, trade unions and craft workers to address the issue. Jurisdictional disputes contribute to only a portion of the work disruptions in the industry. Many more disruptions are caused by a general lack of respect for the interest of the other parties involved in the project.

The Problem:

Work disruptions for any reason cause financial loss, schedule disruption, and decreased productivity. Work stoppages and disruptions cause tension and stress at the jobsite and contribute to rising costs.

Jurisdictional disputes contribute to only a portion of the work disruptions in the industry. Many more disruptions are caused by a general lack of respect for the interest of the other parties involved in the project.

Recommendations

The CTI recommends that the following sets of responsibilities be adopted and practiced by members of the construction industry team.

Recommendations for Owners:

- ▲ Identify potential project issues that may result in work disruptions before the project begins.
 - Conduct required pre-bid conferences with potential bidders to identify challenges of a particular project (jurisdictional assignments, jobsite issues, working conditions, sequence of work, schedules, etc.) that contractors believe might lead to work disruptions.
 - Request proposed recommendations from potential bidders for avoiding or resolving each issue identified.
 - Include model language set forth in the CTI report as part of the owner's pre-bid conference notice [available in CTI Resource Materials Kit].
- ▲ Ensure that jurisdictional assignments are made prior to the commencement of work, thereby allowing disputes over the assignment to be resolved before work begins.
 - Require in project specifications that general contractors and construction managers hold pre-job conferences. This requirement will ensure, through subcontract agreements, that written jurisdictional assignments are made prior to the commencement of work. [Model language for owner's specifications regarding jurisdictional assignments is available in CTI Resource Materials Kit.]

- ▲ Communicate to contractors, unions, and union members the owner's views on the impact of work disruptions on the construction process.
 - Engage on the national level with The Building and Construction Trades Department, AFL-CIO (BCTD) and the national contractor associations to present the owner's perspective on work disruptions.
 - Continue meetings between CURT, the BCTD, and national contractor associations to discuss areas of mutual concern.
 - Develop seminars and specific agenda items to discuss ways to ensure that the views of owners are considered integral to the construction process.

- ▲ Deliver owner's message on the importance of avoiding work disruptions.
 - Provide education on the importance of avoiding work disruptions in construction project management training and in-plant training. [Materials to use are available in the CTI Resource Materials Kit.]
 - Ensure that the same consistent message is presented by owners, construction managers, contractors, subcontractors and labor unions on the importance of avoiding work disruptions. [Appropriate messages from each party to the identified audiences are included in the CTI Resource Materials Kit.]

Recommendations for Contractors:

- ▲ Encourage individual workers to take responsibility for abiding by prohibitions of work disruptions, and effectively enforce such prohibitions.
 - Require employees to sign a statement prior to working on site acknowledging that work disruptions on the project are prohibited and that violators will not be eligible for re-employment on the project or other projects by the respective employer. (An expedited grievance procedure should be available to an employee who feels aggrieved or discriminated against.) [Model language for Employee Work Disruption Prohibition Acknowledgment Form is available in CTI Resource Materials Kit.]
- ▲ Emphasize to new employees the importance of avoiding work disruptions.
 - Include in employee jobsite orientation programs education on the importance of avoiding work disruptions.
 - Implement the recommendation of the CTI to create communications materials such as videos and/or pamphlets to emphasize the negative impact of work disruptions and the importance to workers of avoiding disruptions.

- ▲ Ensure that contractor's jobsite representatives avoid jurisdictional disputes by making proper initial assignments.
 - Conduct orientation programs and educational seminars pertaining to initial assignments and the avoidance of jurisdictional disputes for contractor's jobsite representatives.
 - Conduct education and orientation programs for contractors' jobsite representatives on making proper initial assignments, avoiding jurisdictional disputes, acknowledging trade agreements between crafts, and understanding the rules and procedures of the Plan for the Settlement of Jurisdictional Disputes. Include subcontractor representatives in such programs.
 - Identify primary crafts to be utilized on a project and where the greatest potential for disagreement exists. Convene a meeting of these crafts prior to the general pre-job meeting to discuss potential problems and possible solutions.
- ▲ Ensure that subcontractors adopt procedures to avoid workplace disruptions.
 - Require general contractors and construction managers to ensure, through subcontract agreements, that their subcontractors hold pre-job "mark-up" meetings. These meetings are designed to avoid workplace disruptions by identifying manpower requirements and trade assignments for equipment setting and similar product-specific work. [Model language for Subcontractor Contracts Regarding Mandatory Pre-Job Conferences is available in CTI Resource Materials Kit.]

- ▲ Ensure uniformity among subcontractors on practices to avoid workplace disruptions over manpower requirements and jurisdictional assignments.
 - Pre-job conference responsibility should be added to contractor and subcontractor responsibilities. Mark-up meetings serve to inform crafts of manpower requirements and proposed jurisdictional assignments.
 - Adopt uniform pre-job procedures for all contractors and subcontractors on a project that require them to identify manpower requirements and proposed jurisdictional assignments. If two crafts claim the same specific work, contractor gives them time to resolve or justify claim. If they cannot resolve it, the contractor makes the decision regarding which craft is assigned work at a later meeting. [Model procedures for Pre-Job Conference Format and Jurisdictional Assignments are available in CTI Resource Materials Kit.]

Recommendations for Unions:

- ▲ Address any outdated jurisdictional agreements that may contribute to work disruptions.
 - Review, revise, and update existing jurisdictional agreements between crafts to reflect current conditions. Enter into new jurisdictional agreements to resolve jurisdictional disputes between trade unions. Adhere to the priority and schedule mutually established by CTI. Report progress to CTI on a regular basis and publish new agreements with appropriate industry publications.
 - List Trade Agreements. Identify any additional agreements that may exist.
 - Require that crafts review and update trade agreements. The crafts will provide updates to CTI on their progress on a quarterly basis.

[See CTI Report: Work Disruption, Tab 3A for Index of Agreements and Decisions of Record Recognized by the Plan for the Settlement of Jurisdictional Disputes in the Construction Industry.]

- ▲ Convey, through national union leaders, a commitment to eliminate work disruptions.
 - Obtain commitments from each International Union President that work disruptions on construction sites will not be tolerated, and that mandatory penalties will be imposed on members who engage in work disruptions.

Examples of adopted provisions:

- The Constitution of the International Association of Heat and Frost Insulators and Asbestos Workers imposes a minimum \$1,000 fine if a member engages in an unauthorized work disruption.
- The referral rules of the Boilermakers suspend individuals from the out-of-work list and make them ineligible to be referred for employment for a ninety-day period if they engage in a work disruption in violation of a collective bargaining agreement.
- Obtain commitments from other International union Presidents that procedures will be adopted to emphasize “zero tolerance” for unlawful work disruptions.

- ▲ Ensure that local union representatives and agents are committed to “zero tolerance” of work disruptions.
 - Require at each pre-job meeting a firm, written commitment from the local business manager/representative of each craft not to engage in work disruptions on the project. [See CTI Report: Work Disruption, Tab 3C for Model language for Union Representatives Work Disruption Prohibition Acknowledgment Form]
- ▲ Ensure collaboration with contractors to identify issues on a project that may cause work disruptions.
 - Seek General Contractor and Construction Manager input on problematic manpower requirements, jurisdictional issues, and other issues that may arise on the project in order to provide problem-free service to the project.
 - Promote joint labor-management meetings at the project level, local level, and national level to identify issues that interfere with progress of jobs and seek resolution prior to escalation of the problem.
 - Endorse, implement, and publicize programs that exemplify best practices in achieving goals regarding eliminating work disruption.

Examples: Philadelphia Area Labor-Management Committee Built-Rite Construction Industry Program; Alberta Helping Hands Program; and, IBEW Code of Excellence Program.

- ▲ Conduct member education efforts to ensure that all union members understand the importance of “zero tolerance” for work disruption.
 - Include the importance of no work disruptions or job disruptions in the curricula of apprenticeship programs, Comet training, and other training programs provided to union members.
 - Emphasize zero-tolerance of work disruptions at union meetings, in magazine articles, and in other union publications.
 - Provide training to job stewards and other union representatives on how to defuse typical situations that lead workers to engage in work disruptions.
 - Participate in all orientation programs to emphasize that work disruptions are prohibited and that the grievance procedure or Plan for the Settlement of Jurisdictional Disputes are the proper mechanisms for resolving disputes.
 - Reemphasize “zero tolerance” for work disruptions at toolbox meetings.
 - Include owner perspectives in all training programs for members and apprentices.
- ▲ Effectively disseminate the “zero tolerance” for work disruptions messages to union members.
 - Participate in CTI efforts to create communication materials such as video and/or pamphlet to emphasize the negative impact of work disruptions and the importance to workers of avoiding work disruptions.
 - Distribute materials as widely as possible.

[See CTI Report : Work Disruption, Tab 3DD for Joint Resolution of the Construction Users Roundtable Tripartite Initiative]

For More Information About Reducing Work Disruptions

The complete CTI report on work disruptions, with background research on the effects of work disruption on the construction industry, and model language for documents are available online at:

- ▲ The Building and Construction Trades Dept., AFL-CIO, at www.bctd.org
- ▲ The Construction Users Roundtable at www.curt.org
- ▲ The Associated General Contractors of America at www.agc.org. (enter search term: “Construction Users Round Table Tripartite Initiative”)

We encourage each local owner, user council, union, and contractor association to use these recommendations to drive change in its own local construction industry.

8. Path Forward: Next Step and Beyond

The guiding principles in the CTI are simple. Whatever results and recommendations emerge, they must be mutual, measurable, meaningful, and doable. Further, when implemented, they must have positive results—results that provide more construction for the money for owners, create more work for the building trades, and enhance contractor competitiveness and profitability. The participants of CTI feel that with the implementation of this first series of recommendations, millions of dollars will be saved on construction projects.

This important effort, while coordinated by the Construction Users Roundtable in cooperation with major national contractor associations and leaders in the building trades unions, will certainly fail if the industry at large fails to respond. Therefore, members of the Construction Users Roundtable, along with participants of the CURT Tripartite Initiative, strongly support and encourage the implementation of the recommendations.

A major effort is now underway to publicize the recommendations. But awareness alone is not enough. The industry requires action to make a difference—individual, collective, and organizational action.

The next few years will be critical to the ongoing health and well-being of the U.S. construction industry. Everyone—owner, contractor, journeyperson, and apprentice—must play a key role in implementation. CTI urges everyone in the industry to do everything possible to maintain competitiveness in this ever-changing economy.

This first series of recommendations is just the starting point for change. The participants of CTI have committed to continue this initiative. Already, additional task forces are being organized to explore other areas where improvements can be made.

We encourage each local owner, user council, union, and contractor association to use these recommendations to drive change in its own local construction industry. CTI will continue its work and will monitor progress made toward the greater goal of construction industry cost effectiveness.

9. Resources

The complete CURT Tripartite Initiative Report with background research on the effects of work disruption, absenteeism and extended overtime on the construction industry and model language for implementation documents will be available online to copy or download at:

- ▲ Construction Users Roundtable Web site at www.curt.org
- ▲ The Building and Construction Trades Dept., AFL-CIO Web site at www.bctd.org
- ▲ The Associated General Contractors of America Web site at www.agc.org. (Enter search: “Construction Users Round Table Tripartite Initiative”.)

For additional information on the CURT Tripartite Initiative, or to receive a printed copy of the complete report, contact:

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**THE BUILDING & CONSTRUCTION TRADES DEPARTMENT,
AFL-CIO**

Phone: 202-347-1461
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815 16th St NW, Suite 600
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Web site: www.bctd.org

**NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION
(NECA)**

Phone: 301-657-3110
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Web site: www.necanet.org

**SHEET METAL AND AIR CONDITIONING CONTRACTORS
NATIONAL ASSOCIATION**

Phone: 703-803-2980
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Chantilly, VA 20151-1209
Web site: www.smacna.org

**THE ASSOCIATED GENERAL CONTRACTORS of AMERICA
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Web site: Website: www.agc.org

MECHANICAL CONTRACTORS ASSOCIATION OF AMERICA

Phone: 301-869-5800
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1385 Piccard Drive
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IBEW

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International Association of Heat and Frost Insulators and
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Lanham, MD 20706

BOILERMAKERS

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Mail: Newton B. Jones, International President
International Brotherhood of Boilermakers, Iron Ship
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753 State Avenue, Suite 565
Kansas City, KS 66101

BAC

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UBC

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UA

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Construction User Roundtable Publications

The purpose of developing Construction User Roundtable (CURT) publications is to disseminate recommendations, guidelines, and reports developed by the Construction Users Roundtable. CURT is focused on improving the cost effectiveness of the U.S. construction industry. These publications have been developed from the point of view of owners or users of construction services. Efforts by all segments of the industry, however, are vital if major improvement is to be the result.

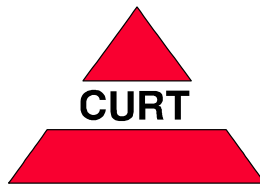
This publication is one of a series from committees or study teams addressing a problem area.

Findings and recommendations of The Construction Users Roundtable are included in publication series classified as White Papers (WP), Reports (R), or User Practices (UP). In addition to these classifications, CURT publications are numbered based on the category of the topic:

Category	Number Code
Constructability	001 to 099
Contractor Management	101 to 199
Cost	201 to 299
Interface Management	301 to 399
Workforce/Industrial Relations	401 to 499
Material Control	501 to 599
Purchasing	601 to 699
Quality	701 to 799
Safety	801 to 899
Security	901 to 999
Strategy	1001 to 1009
Work Planning and Scheduling	1101 to 1199
Technology/E-Sourcing	1201 to 1299
Special Projects	2001 to 2099

Examples:

- WP-1201: A CURT White Paper on Reverse Auction
- R-402: A CURT Report on Tripartite Initiatives
- UP -801: A CURT User Practice on Construction Safety in Contractor Prequalification



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