

Service

Safety

Quality

OCTOBER, 2009

the **Block**

C O N N E C T I O N

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“There is a wave of change coming to the construction industry.”

PRESIDENT'S MESSAGE

- JACK BLOCK

Well, I sometimes have to ask myself: Can it get any uglier out there?

It seems we have spent the last two years getting our butts kicked. Forget about growth, we have just been trying to control the slide. We will wait for the turn around. Our strategy has not changed. We will continue to delight our customers through continued improvement. This strategy requires patience. We will not shoot ourselves in the foot and intentionally try to do work for less than the cost. Delighted customers will pull us through this recession just as they have in the past.

We cannot really afford to rest. Times like these force us to review our operations from top to bottom and streamline. We are cutting costs, innovating, and proposing new ideas. We are bidding as aggressively as we feel we can. The market place has changed and is evolving. There are the same number of contractors chasing less work. The problem is over-capacity in the construction industry. Customers aren't getting 3 or 4 bids anymore, they are getting 30 or more. It doesn't matter if the contractors are qualified, dollars are driving this market. We are in a construction buyers market.

The only way to compete today is to do everything in our power to control costs. We have to work efficiently, safely, and with an eye on overall costs without sacrificing quality. It sounds difficult but we can do it. Some contractors may not survive this recession. I want to assure you that we will be here when the economy turns. Things will get better and we will soon be hiring again.

Efficiency, safety, quality, and cost control are the things that will keep us in the game. We must continue to show our customers what **Customer Delight** means to them. There is a wave of change coming to the construction industry. Lean has been the buzzword for manufacturing for the past 30 years. Now it is coming to the construction industry. The theme of lean construction is continuous improvement, engaging people, working smarter, increasing productivity, and eliminating waste. This will be a major change that will benefit customers, workers, and companies creating a more productive and safer job site. If you have ideas or see ways we can improve our processes please share them. Everything we stand for deserves to gain from these changes. The market, the industry, and the workforce are changing. We are also changing, building new construction methods and forging new client relationships.

TIME FOR GOOD NEWS

- MIKE DEGER

It's been hard to find positive things to write about lately. I was speaking to one of the larger General Contractors we work with this week and he stated that things seem to be picking up. Now that would be good news. Mayor Daley was on the radio discussing that Chicago is in the best position to host the 2016 Olympics. The last summer games were in Asia, Madrid has hosted games before, and Brazil hosts the World Soccer Tournaments in 2014. Therefore, according to the Mayor, Chicago is the only choice. I sure hope he is correct.

We have some great news to report. We were awarded the Silver Cross Hospital project in September. The Shorewood office has been working with Mortenson Construction for over a year budgeting, bidding, and providing value engineering ideas. The concrete and steel have been going up all summer and the job is ready for us to start. This project will be our single largest contract to date. It is for a 600,000 square foot replacement hospital. Silver Cross has been a customer since 1972. This project is the result of many years of *Customer Delight*.

The other bit of good news is we were awarded two projects at Skokie Hospital (formally Rush North Shore). The Oxygen Tank Farm and Infrastructure Projects are preparation for future expansion of the hospital. We will be working with Power Construction. Some of the other new work is:

- Alcan New MDF Room
- Holy Cross Hospital Imaging Renovation
- Little Company of Mary Hospital Linear Accelerator
- Rush University Medical Center Atrium PET Scan
- Shedd Wireless Access
- Holy Cross Hospital OR Lasers

We also continue to be working at many of our regular customer sites. Work Safe!

CUSTOMER DELIGHT

A letter sent to Mike Deger from Brian Loerzel - Senior Project Manager, and Scott Stalcup - Vice President of Babco Construction on the University of Chicago Ratner Pool Lighting Replacement project.

We would like to take this opportunity to say thank you for a job well done and for being part of our successful project team on the Ratner Pool Lighting Replacement Project. Jeff Keltz, Ryan McAilly, and the rest of your field personnel were very professional and played a key role in helping our team deliver the project on time for the owner.

Thanks again and we look forward to working together in the future.

ECA IIT INTERPROFESSIONAL PROGRAM

A letter sent to Michael Block from Tim Taylor, Electrical Contractors' Association

On behalf of the Electrical Contractors' Association of the City of Chicago (ECA) Student Committee, I wish to thank you for your time and efforts with the current ECA Illinois Institute of Technology Interprofessional Program (IIT IPRO).

The students appreciated your expertise, as well as your patience with the many questions they had regarding the ECA IIT Fall 2009 IPRO at the class held on Thursday, September 17, 2009.

The Fall IPRO has advanced to a new level thanks to your input. Thanks again.

WHAT TO DO ABOUT “NEAR MISSES”

- DREW BOYCE

Unlike television, real accidents can cause suffering so real and vivid that those persons involved or witnessing rarely forget the flow of blood, broken limbs, crushed bodies, or screams of pain. An accident without injury though is more like the bloodless, painless Hollywood version and therefore easy to forget. In 1931, H.W. Heinrich theorized that for every major accident there are 29 minor accidents and 300 near misses. Commonly referred to as the safety pyramid, this theory has been reevaluated several times including Conoco Phillips in 2003; where it was determined that for every fatality there are 30 lost day injuries, 300 recordable injuries, 3,000 near misses, and 300,000 unsafe acts.

What all the studies indicate is that minor accidents or “near misses” precede serious accidents. In real life, there is a danger in brushing off accidents that do not hurt, harm, or damage. When these accidents happen, we should immediately run the red warning flag up the pole, because a non-injury accident, like a 104-degree fever, is a positive sign or symptom that something is wrong.

Sometimes we misdiagnose or completely fail to diagnose the symptoms of near misses, because luck or blind chance saved us from injury. We may tend to shrug it off and forget the near miss with a casual kind of ignorance. Hopefully everyone agrees it is not a good practice to rely on luck for effective accident prevention.

One of the best ways to eliminate the likelihood of future accidents is through effective root cause analysis and effective corrective action taken on near misses. A list of near misses can be almost endless: lack of proper machine guarding; improper maintenance or grounding of equipment; missing handrails or guardrails; poor housekeeping; improperly stored material; stubbing a toe on a protruding floor object; bumping up against a sharp object; or tripping over clutter and almost falling down. It is best to learn the real lessons from these near misses, since they are very likely to continue to occur repeatedly until an injury occurs.

How can you help? Report every near miss incident to your supervisor immediately in order to help prompt investigation and follow up actions that will reduce the potential for future near misses. Supervisors must partially rely upon you and your fellow workers to report these to them, as they just cannot see everything. If you see a hazard that you can safely correct, do so, but do not forget to tell your supervisor about the hazard and your corrective actions.

If you are involved with or witness a near miss incident, remember that you or your co-worker may not get a second injury free chance to hoist that red warning flag up the pole. Do your part to help make the workplace safe for everyone involved.

Report those near misses to your supervisor immediately!

NEW JOURNEYMAN

Congratulations to Nicholas Lenzion and Joseph Sambucaro who recently completed the on-the-job training and related instructions qualifying them as journeymen.

CONGRATULATIONS

Congratulations to Michael Block who completed the Chicago Triathlon Sprint on August 30, 2009. Michael finished the .75K Swim, 22K Bike, and 5K Run with a finish time of 1:45:62.

