



ORCHESTRATING THE INDUSTRY'S FUTURE

OCTOBER 2-5, 2019

MCAC 
Mechanical Contractors Association of Canada
BUILDING SMARTER TOGETHER

NASHVILLE, TENNESSEE



The Innovation Challenge



Panelists



Ross Welsman
Vice-President - Operations
Defense Construction CA



Tim Padfield
President
Pad-Car Mechanical



Armand Kilijiam
Owner
O'Brien Mechanical



Branden Kotyk
Regional Manager
Victaulic

Innovation
IS
BY PASSING
DISTRIBUTION



**“This is one of the best
business books I have read”**

**George Patee
Chairman & CEO
Parksite, Inc.**



innovate! for the future

with Dirk Beveridge



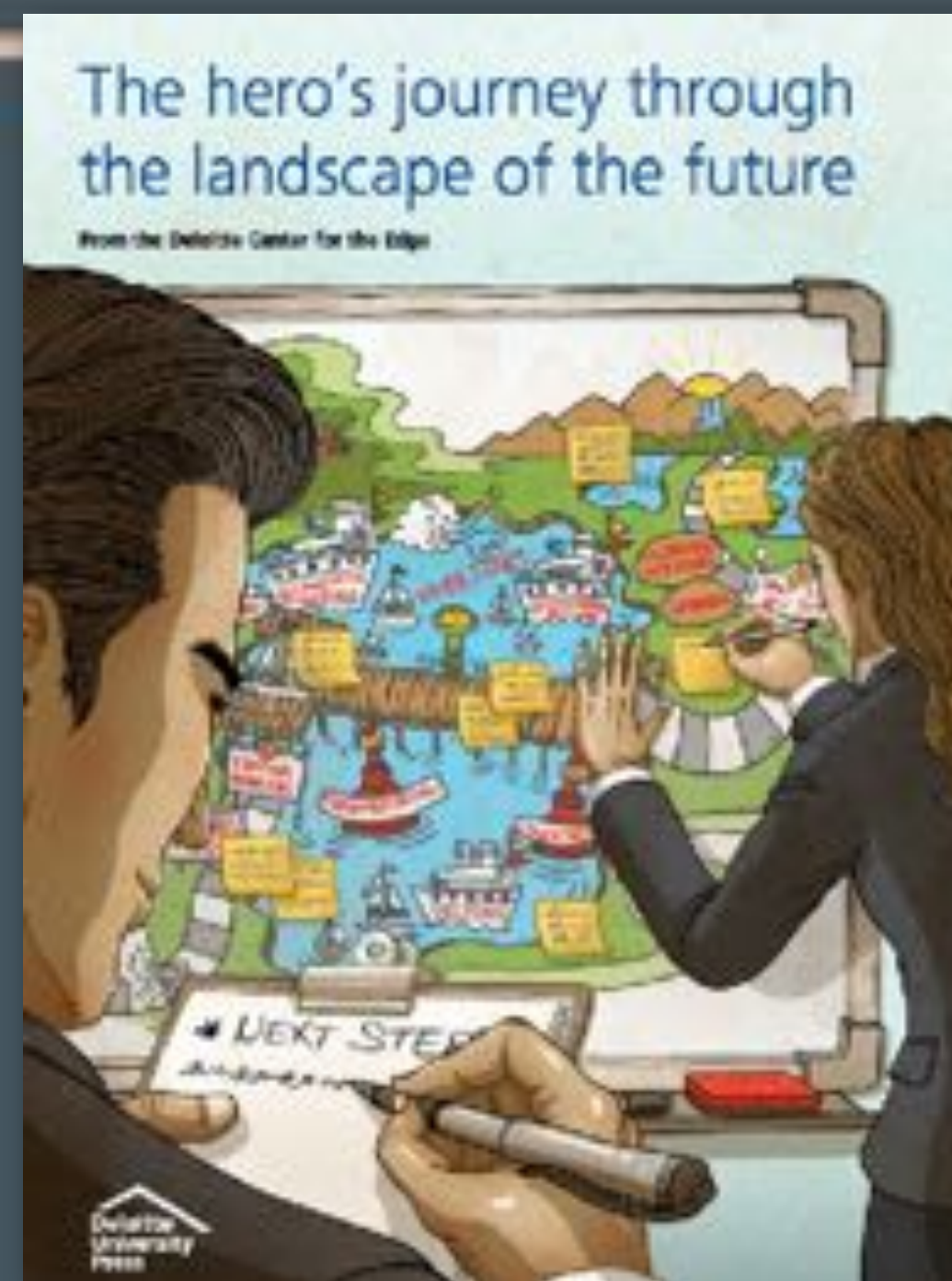


Majority Sense The Need To Change

**“We continue to do our job. We’re
adding value. Working hard.
Managing our piece of the channel and
then some. We have relationships up
and down the channel...
Yet something just doesn’t feel right.”**



THE AGE of DISRUPTION



Restructuring Of Economy

- Fundamental - **Structural Changes** In The Economy
- While economy grows - **fewer are taking part** in its growth
- **Growth will be harder** to generate and will likely remain

Seismic Waves

Rapid **advances in technology** and the **liberalization of public policy** have shaped a world in which companies face increasing performance pressure amidst sinking return on assets, **intense competition, and changing workforce dynamics.**

Merging of 3 Economies

Traditional Economy - inherited from the 20th century. Real economy producing goods & services. i.e. GE

Financial Capitalism - Financial instruments making money out of money

Creative Economy - Real economy producing goods & services thru inter-connected constellation of tech innovations & mass customization.



The opportunity to buy tickets to WWDC 2015 will be offered by random selection. Register by Friday, April 17, 10:00 a.m. PDT for your chance to attend. We will let you know your status by Monday, April 20, 5:00 p.m. PDT.

Simply sign in with your developer account and submit your information. You need to be a current member of the iOS Developer Program, iOS Developer Enterprise Program, or Mac Developer Program as of the announcement of WWDC (April 14, 2015 at 5:30 a.m. PDT). Developers between 13-17 years of age must have their submission completed by their parent or guardian who is an eligible member.

If you're randomly selected, the default credit/debit card associated with your Apple ID will be automatically charged by April 20, 5:00 p.m. PDT for 1599 USD, or in local currency where available.*

[Register now >](#)

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Yuma Soerianto | Melbourne, Australia | Age 10



Mask Wakamiya | Japan | Age 82

- **Augmented Reality**
- **Drones**
- **3D Scanning & Printing**
- **Building Information Modeling (BIM)**
- **Big Data**
- **(Semi) Autonomous Equipment**
- **Embedded Sensors**
- **Advanced Building Materials**





THE AGE of DISRUPTION

88%

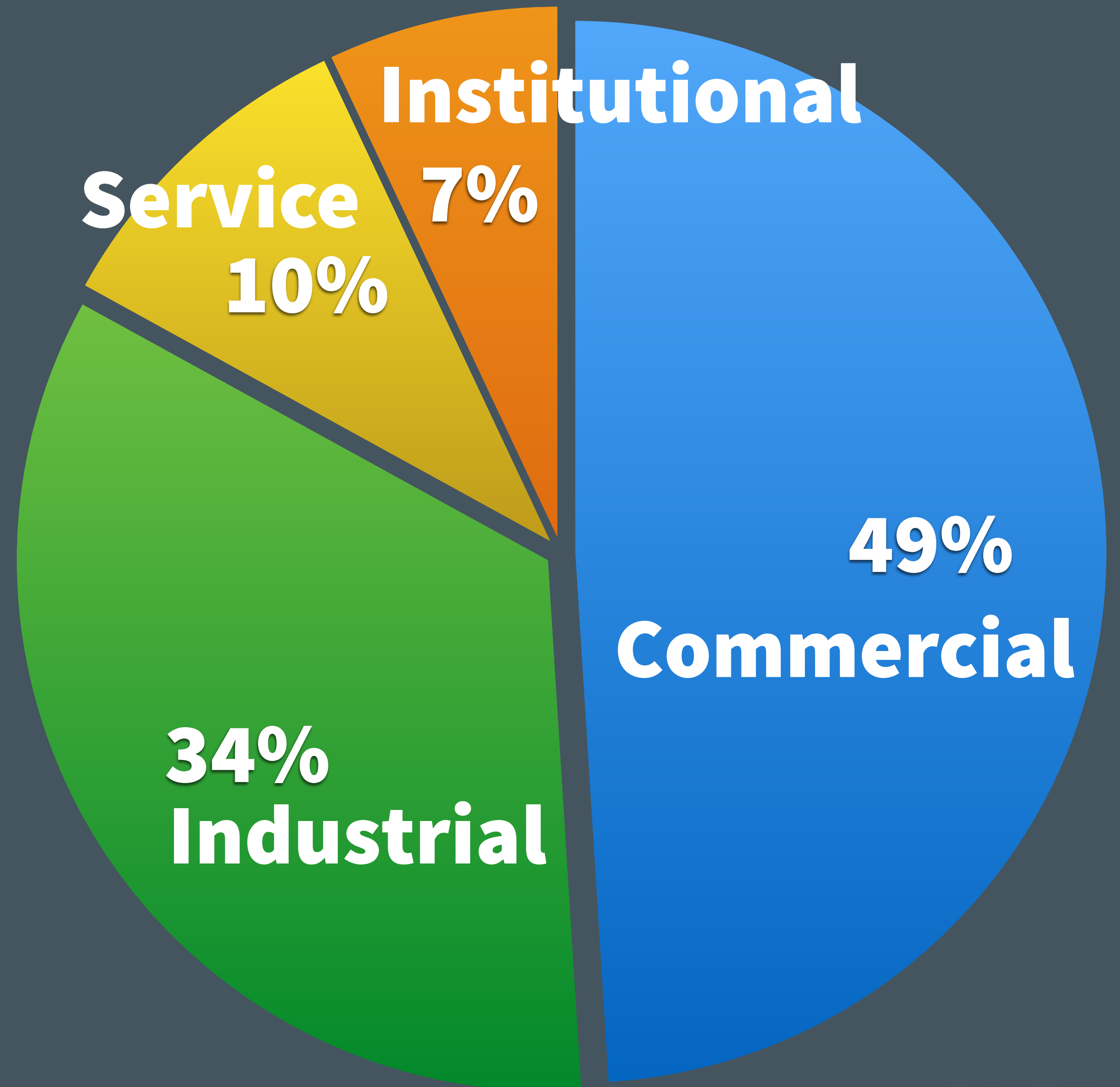
**Believe Their
Organization Is
Experiencing A
Disruption**



MCAC



Your Primary Business



84%



2018 Member Survey

**Believe we are
operating in an business
environment that we
could call the **age of
disruption****



“There is always something that is transpiring that is making it more and more difficult to complete business in a comfortable and healthy way.”

Member Response

87%



2018 Member Survey

**Believe we must
reinvent our business
before someone else
does**



“Reinventing ourselves is the only thing that will eliminate bad practices and re-build on best practices.”

Member Response

91%



2018 Member Survey

**Believe that mechanical
contractors are
operating from **dated
business models****

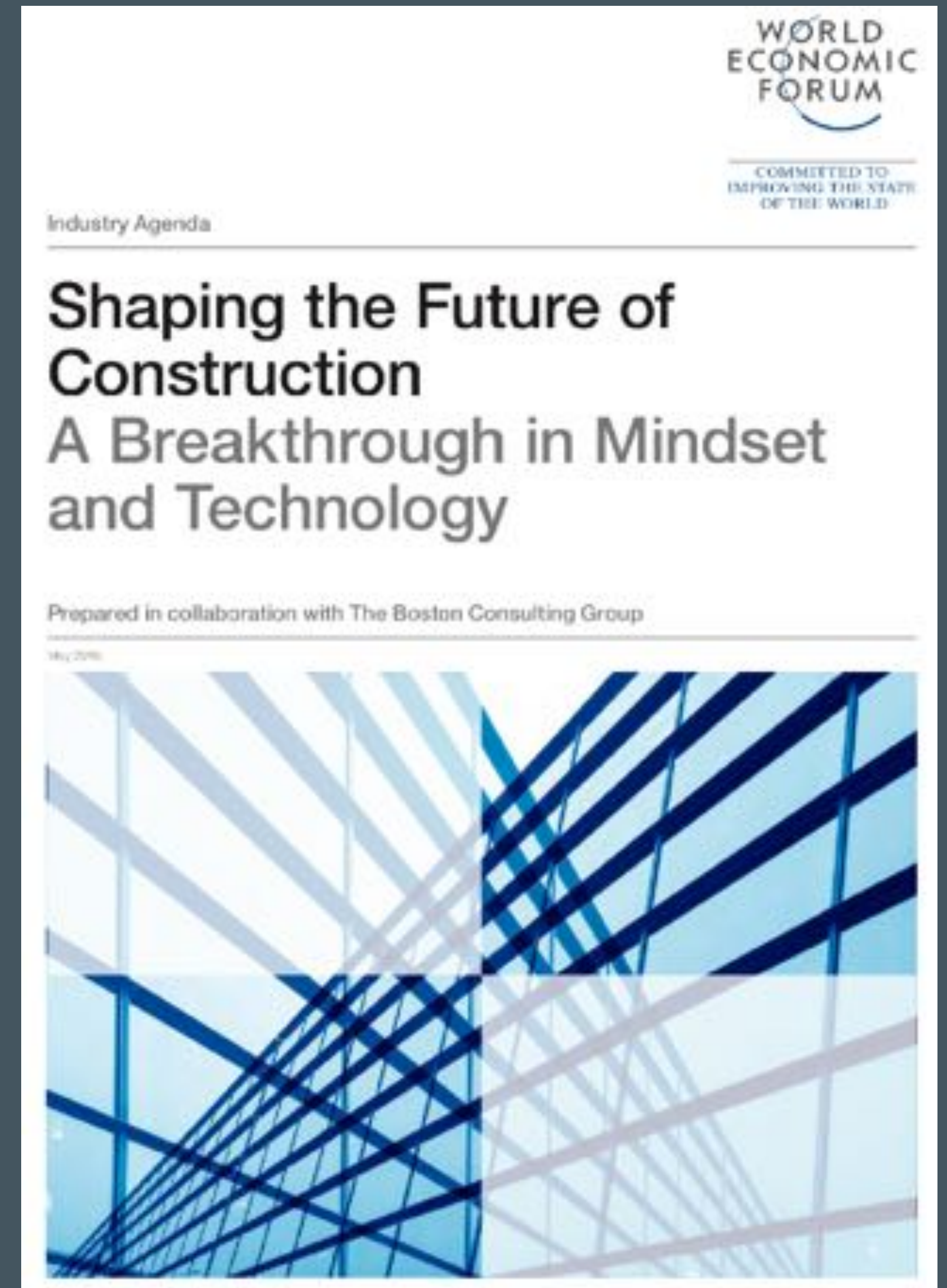


“Most are! The OLD boys don’t like change, they will be left behind. The saying ‘If you don’t change, the outcome will be the same’ will be very true to the ones that don’t adapt.”

Member Response

**Despite This Awareness Of
And Need For CHANGE ...**

“Many construction firms are still characterized by a conservative company culture and mindset, and are hampered by organizational inertia.”



Inherent Inertia

**Lack of movement or activity especially
when movement or activity is wanted
or needed**

**“90 of the world’s
infrastructure projects are
either late or over-budget.”**

Bent Flyvbjerg

BT Professor and Chair of Major Programme Management



“Construction has suffered for decades from remarkably poor productivity relative to other sectors. While other sectors have transformed themselves, boosting productivity ... much of construction has evolved at a glacial pace.”



A medium shot of Dan Blaylock, a man with brown hair, wearing a dark suit, white shirt, and a striped tie. He is looking slightly to the right of the camera with a serious expression. The background is a blurred view of greenery and a building through a window.

“With the disruptive and constant pressure from all directions, how do we create a sustainable and relevant business?”

Dan Blaylock
CEO • Adams Burch

Innovation

**Leading Customers To A
Better Future For Which
They Are Willing And
Able To Reward You**

Who Innovates?



Vision Drives Change and Innovation





Without **vision** there
is no **innovation**



Future Reality You Really Believe Is
Possible ... With **Committed Effort**

**In disruptive
times** it's easy to
get lost in the
fog of
uncertainty



A photograph of a two-lane asphalt road stretching into the distance, shrouded in a thick, white fog. The road is flanked by green trees and grass. A yellow diamond-shaped road sign is visible on the right side of the road. The overall atmosphere is misty and uncertain.

**“And the sad
thing is, I
have no
vision for the
future.”**

Distribution CEO

A close-up, slightly angled portrait of Sam Walton. He is wearing a white Wal-Mart cap with a brown band. The cap has "WAL-MART" in blue letters and "Always" in red script. He has a serious expression. The background is a blurred blue wall with the word "WAL" and a star visible.

**“Capital
isn’t scarce,
vision is.”**

Sam Walton

Tyranny of the urgent





KATERRA

JAN 24, 2018 @ 07:00 AM

7,160

2 Free Issues of Forbes

SoftBank Leads \$865M Investment In Katerra, Which Aims To Upend The Construction Industry

✉ f t in G+



Biz Carson, FORBES STAFF

[FULL BIO](#)



Katerra

A pre-assembled wall of a Katerra construction project is brought in.

Sixteen years ago, Michael Marks posed for the cover of Wired magazine, an Xbox

SoftBank-backed construction startup Katerra acquires two more firms

The SoftBank-backed startup brought on Paal Kibsgaard as its new COO in August

TRD NATIONAL / By Sylvia Varnham O'Regan

September 05, 2019

10:06 AM



From left: Katerra COO Paal Kibsgaard, Softbank CEO Masayoshi Son, and Katerra CEO Michael Marks (Credit: Katerra, Getty Images, and iStock)

Construction startup Katerra has announced the acquisition of UEB Builders and Fortune-Johnson General Contractors, just one month

Katerra Vision

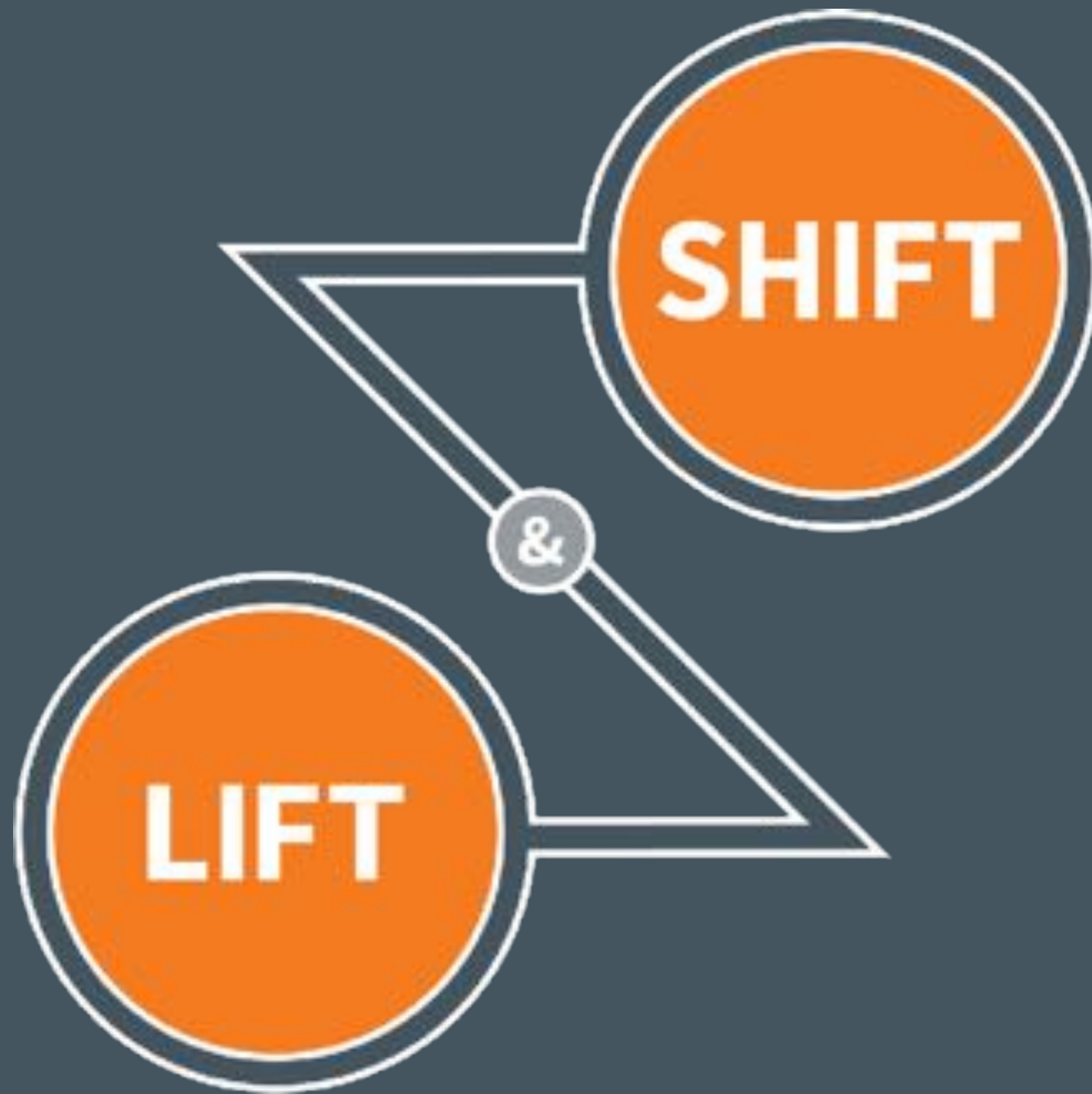
**“It comes down to trying to
expose yourself to **the best
humans have done.** And then
try to bring those things in to
what you are doing.”**




“The real challenge for companies is to **identify which innovation are relevant** for them and, most importantly, how they can integrate these innovation into their existing day-today operations **and transform their organization and business model.**”



Vision



- 1. Do you understand the disruptive forces that will change the way business is done?**
- 2. Do you have a well articulated vision?**
- 3. Is it bold? Will it require excellence? Will it catalyze innovation?**
- 4. Review companies you admire with bold visions - What inspires you about them?**
- 5. Then answer the question... what is our future reality?**

A portrait of Jeff Weiner, a man with dark hair and a beard, wearing a light blue button-down shirt. He is looking directly at the camera with a neutral expression. The background is dark and out of focus, featuring large, light-colored circular patterns.

“Leadership is the ability to inspire others to achieve shared objectives. **It starts with vision, and the clarity of vision that the leader has, and the ability to think about where they ultimately want to take the business, the team, or a particular product.”**



Jeff Weiner
CEO



**Culture Drives
Change and
Innovation**

Culture Before Strategy

Harvard Business Review

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NILOFER MERCHANT
Nilofer Merchant is a corporate director at a NASDAQ-traded firm and a lecturer at Stanford. Formerly the founder and CEO of Rubicon. After working at Apple and Autodesk and with many other Fortune 500 firms, she wrote *The New How* to share the secrets of unlocking collaborative innovation. Follow her on Twitter @nilofer.

Culture Trumps Strategy, Every Time

1:43 PM Tuesday March 22, 2011
by Nilofer Merchant | [Comments \(58\)](#)

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Trust, fights, and child care. When I'm advising start-up teams nowadays, I ask a lot of questions around those three areas. Which makes it sound more like a marriage counselor's office, rather than a boardroom, right?

Quite often, the teams I'm talking with think culture is some woo-woo stuff that doesn't make any difference in the end, or even if they think it does matter, they have an excruciatingly hard time describing what theirs is.

Which begs the question: does culture matter?

Culture's all that invisible stuff that glues organizations together, as [David Caldwell](#), my management professor at Santa Clara University, taught me many years ago. It

FEATURED PRODUCTS

CASE STUDY
What is an Organization's Culture?
by Clayton Christensen, Kirstin Silu
\$4.95
[Buy it now >](#)

Creating and Sustaining a Winning Culture
by Daniel Righy, Paul Meehan, Paul Rogers
\$4.50
[Buy it now >](#)

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Expert Blog

Culture Eats Strategy For Lunch

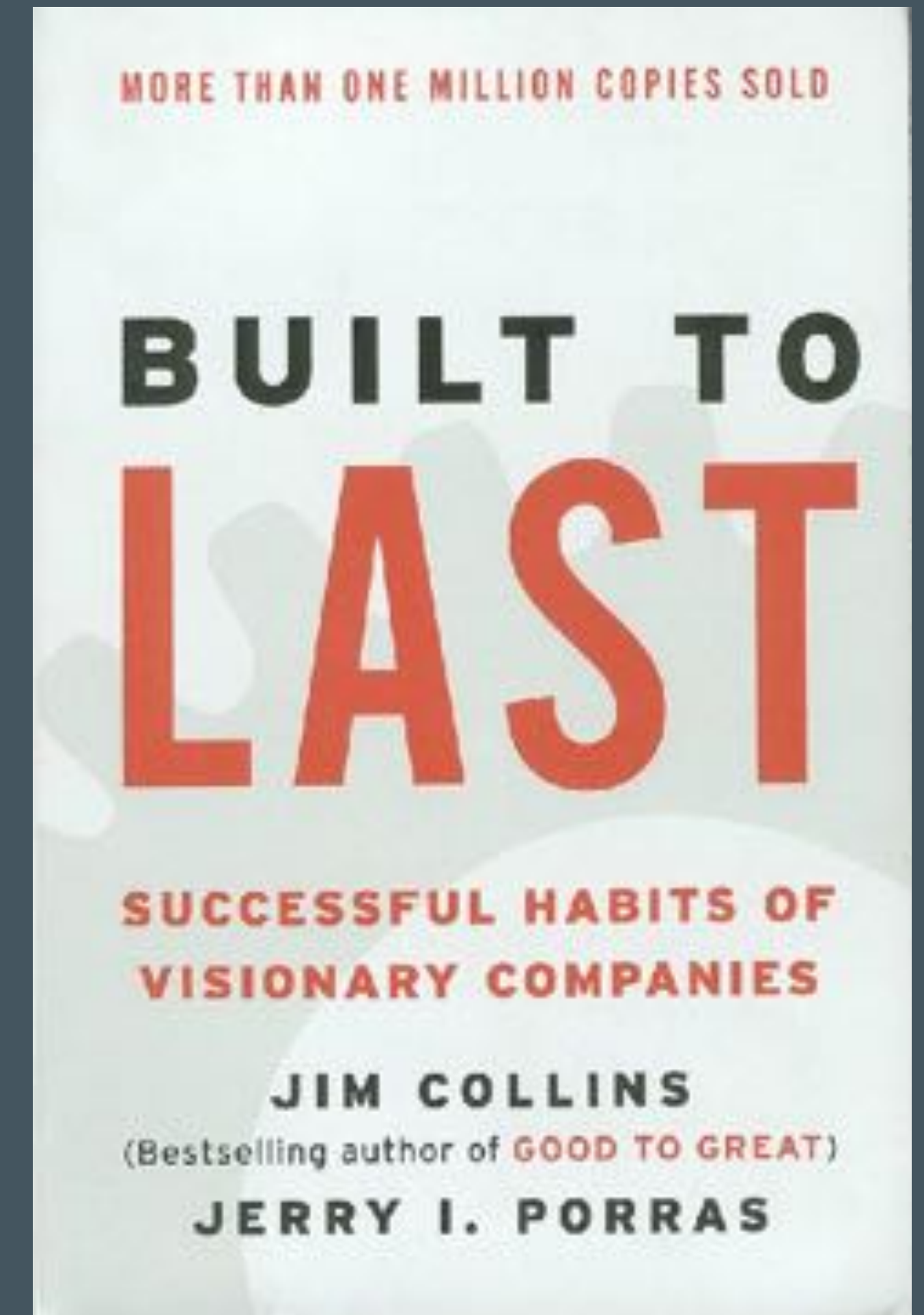
BY EXPERT BLOGGER SHAWN PARR | 01-24-2012 | 7:30 AM

This blog is written by a member of our expert blogging community and expresses that expert's views alone.



Get on a Southwest flight to anywhere, buy shoes from Zappos.com, pants from Nordstrom, groceries from Whole Foods, anything from Costco, a Starbucks espresso, or a Double-Double from In N' Out, and you'll get a taste of these brands' vibrant cultures.

**Organizations driven
by purpose and values
outperformed the
general market 15 to 1**



Culture

Beliefs + Behaviors + Commitment

The logo for VALIN, featuring the word "VALIN" in a bold, dark blue, sans-serif font. The letter "V" is stylized with a white diagonal slash. The logo is set against a white rectangular background, which is itself centered on a dark blue slide. Below the white background is a thin, horizontal grey bar.

VALIN

**Digital Transformation
Dependent On Culture
Of Organization**



DIGITAL TRANSFORMATION REQUIRES AN **INNOVATIVE CULTURE**

**Learning
Organization**

**Like Minded
Individuals**

Inject Youth

**Pass The
Baton**





DIGITAL TRANSFORMATION REQUIRES AN **INNOVATIVE CULTURE**

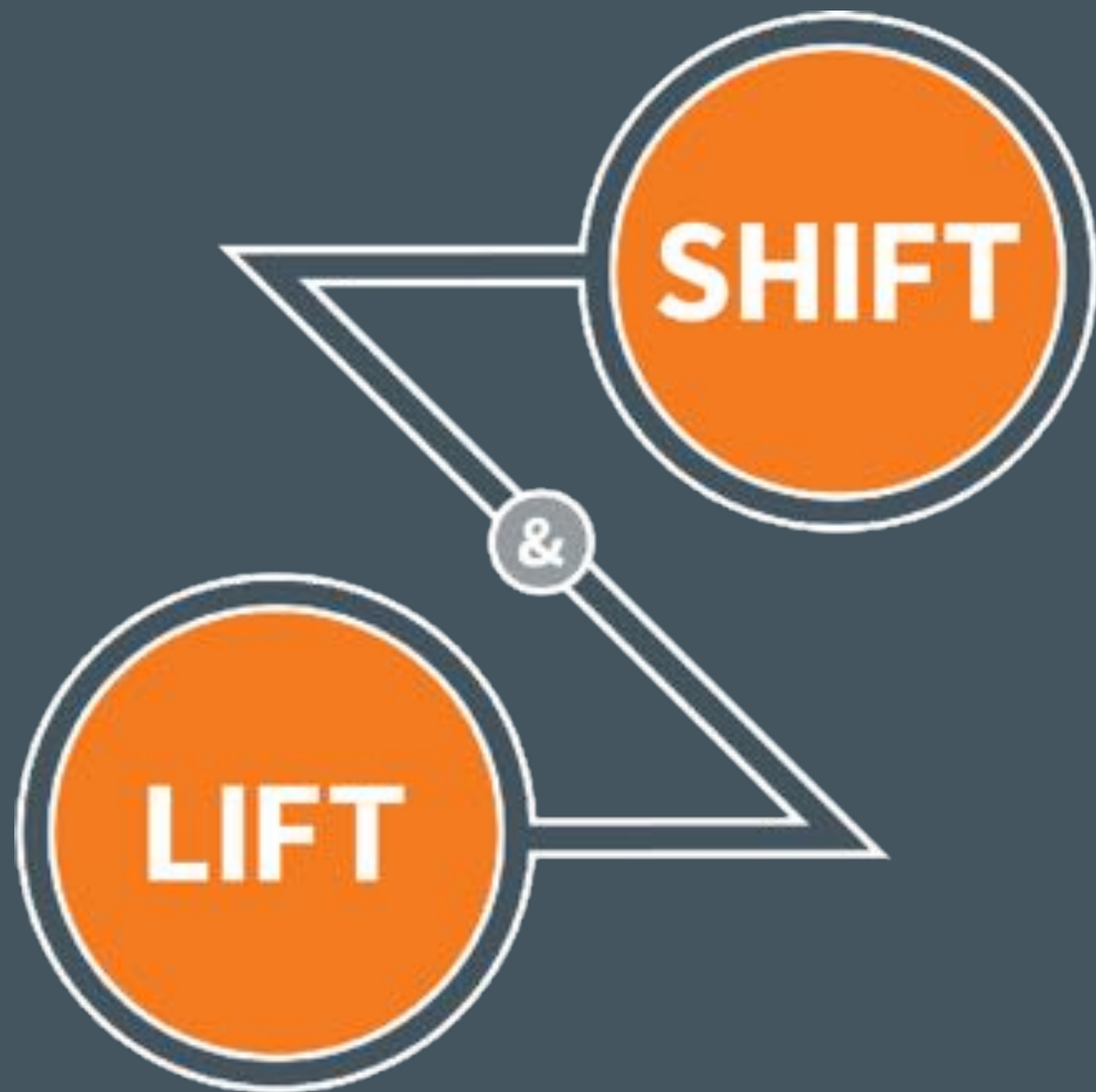
**Learning
Organization**

**Like Minded
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Inject Youth

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Baton**

Culture



- Have we been intentional about the culture we desire?
- What are the beliefs that make up the foundation of your culture?
- Have you defined the behaviors and commitment these beliefs require for each role in your company?

Transformative Leaders Drive Change and Innovation



Transformative Leaders

Define Their NEXT



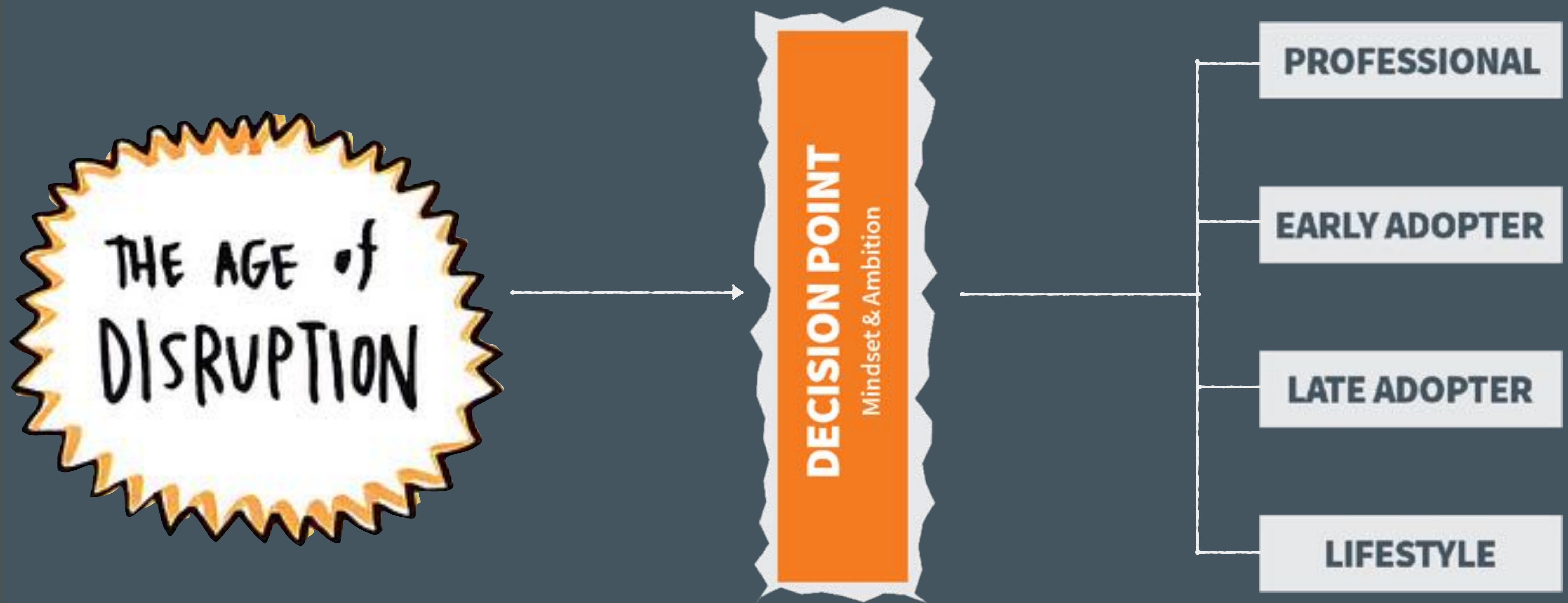
WHAT IS YOUR
NEXT?

Dirk Beveridge
/Founder UnleashWD

INNOVATION

ted
the electrical distributor
magazine

Lead Into The Disruptive Future



Lifestyle

Late Adopters

Early Adopters

Progressive & Entrepreneurial Professionally Run

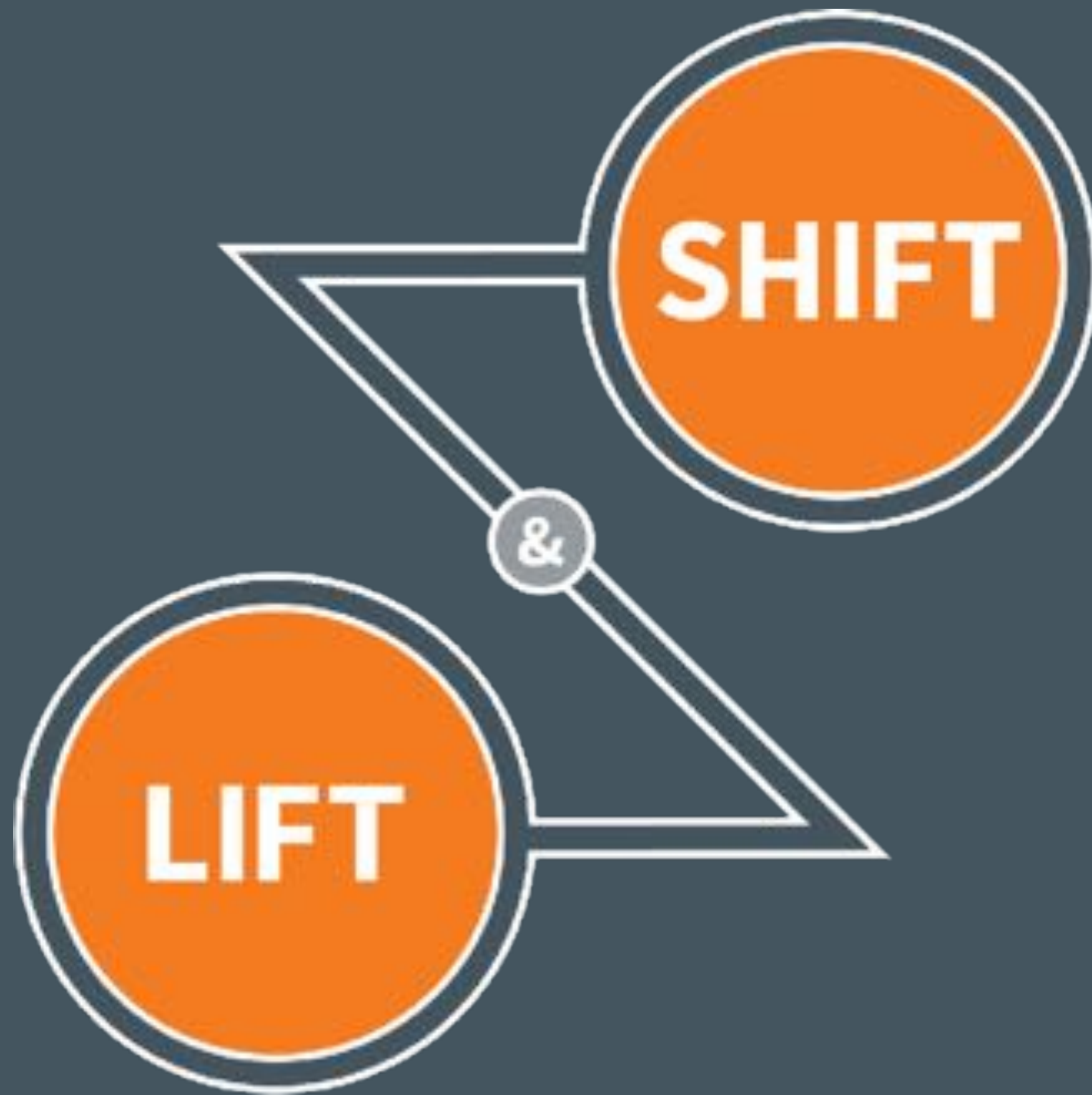
- Content with - have a level of comfort with where they and the business is at
- **Not investing in the future**
- Slow to react to market changes
- **Limited succession planning**

- **Limited financial budgeting and planning**
- Short term thinking
- **Late in adopting technology**
- Geographically defined
- **Ownership might be semi retired**

- Long term vision and plans
- **Focus on execution**
- Capital investments for future endeavors
- **Invest in their people**
- Long term thinking (ROI)
- **Unique - differentiating idea implementation**
- Innovative culture
- **Open to sharing info internally and externally**

- **Students of business**
- Accountability to more than the owner
- **Go to market strategy - to lead in something**
- Strategic relationships
- **Perpetually prepared to seize market opportunities**
- In tune with their customers
- **Willingness to take risk**
- Technology and digitally enabled

Leadership



- **Have a discussion with your team around the three Innovation Catalysts**
- **Identify a component where it's time to change the rules**
- **Define your next**
- **Articulate your strategic plan**



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IT'S TIME TO **CHANGE** THE RULES