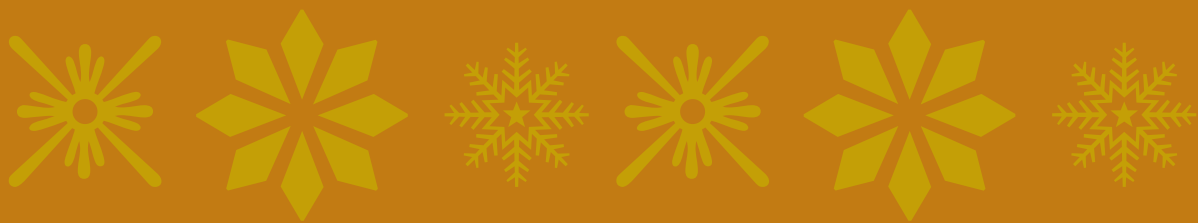


Construction Industry Institute



2005 Annual Report

About the cover...

The photograph on the cover was used for the CII 2005 “Leadership of Tomorrow Bridging the Gap” Annual Conference, which was held in Grapevine, Texas. During a total power outage at the conference, speaker Stan Schaffer of Anheuser-Busch took the opportunity to explain to the audience that the photograph in many ways symbolizes our industry. The horsemen appear to be in a tug of war, he said, but in reality are working together to stretch the rope that they will soon use in their work. Owners and contractors also are often perceived to be in a tug of war, he continued, but in reality must work together to get the job done.

We felt that the photograph and his explanation galvanized the crowd and helped them focus on the conference theme: bridging the leadership gap. The photograph immediately came to symbolize both that moment in Grapevine and the year of 2005. The Western images throughout this annual report expand on the work involved in engineering and construction: rugged, open to the elements, with teamwork and leadership that will hopefully bridge the gap to the leadership of tomorrow.



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MISSION STATEMENT



Add value for members by enhancing the business effectiveness and sustainability of the capital facility life cycle through CII research, related initiatives, and industry alliances. Increase the participation level within CII to expand the global competitive advantage realized through active involvement and the effective use of CII research findings, including CII Best Practices.





CHAIRMAN'S REMARKS



My year as CII Chairman reminds me of the famous line that President John F. Kennedy delivered in his inauguration in January 1961: "Ask not what your country can do for you; ask what you can do for your country." Of course, the world is radically different now. And at CII, the question that I'm often asked by members and prospects is, "What do you get out of CII?" But like the famous Kennedy quote, I turn the question around and ask, "What are you doing for CII?"

Our Institute is unique in the engineering and construction industry. The research being funded cannot be compared to anything else because no other organization is taking on the task of studying methods and techniques that are improving our businesses. Inflation, labor unrest, safety: these were the problems facing our industry that led to the creation of CII in 1983. Today, the problems are different, but they still must be solved. Since those formative years, we've taken giant strides in resolving the seminal issues. Now, we continue to look at how to improve. Technology brings us solutions to some problems, but are we really using technology effectively compared to other industries? Our employees are our most important asset, but will we be able to recruit and retain the leaders that we will need for the challenges that lie ahead?

Such fundamental questions cannot be answered in a year. The answers come over time. We can, however, work on the questions and help our industry by serving in CII. As I look back on more than 20 years of involvement in CII, I must emphasize that we need to commit our young leaders to this organization. We have much to learn from them. And I am proud to say that in 2005 we organized the CII Executive Leadership Course that commits us to "growing" our young people into leadership roles. This was a major initiative and my hope is that the course, conducted in association with The University of Texas at Austin McCombs School of Business, becomes a legacy for us all, a contribution that we all made in 2005 as a commitment to doing something to improve our organizations, CII, and our industry.

It has been a great honor for me to serve as your Chairman. I particularly enjoyed working with the CII staff, the Executive Committee, and the countless participants in the various activities in this truly wonderful organization. Our annual conference in Grapevine, Texas, was an unforgettable gathering with Ross Perot, ExxonMobil's Rex Tillerson, Steve Hanks of Washington Group, and U.S. Comptroller General David Walker hammering home the idea that, concerning the leadership of tomorrow, we can all work together and truly "bridge the gap."

Thanks to each of you for your service to CII and for your contribution during the past year. I hope that this Annual Report reminds you of the challenges that we took on in 2005, and inspires you to commit to meeting the ones that lie ahead.

Dennis Schroeder

BE&K

CII Chairman 2005



DIRECTOR'S REMARKS



This past year has been a significant one in CII for many reasons. First, we took on the responsibility for providing leadership within our organization and within our industry. To that end, we assembled a stellar lineup of speakers for our Annual Conference in Grapevine, Texas. Beginning with Ross Perot, who opened the event with a memorable speech on the impact of leadership, the conference featured not only this well known patriot, but others from different industry and government sectors who delivered similar high-impact presentations. Rex Tillerson, Chairman and CEO of ExxonMobil, David Walker, Comptroller General of the U.S. and Director of the Government Accountability Office, and Steve Hanks, President, CEO, and Director of Washington Group International, treated the conference audience to a wide array of leadership attributes. The theme of the conference, Leadership of Tomorrow Bridging the Gap, provided our research teams and case study presenters with opportunities as well, and they too demonstrated how leadership at the most critical moment can mean project success.

Another significant measure for CII this year in the leadership arena was the preparation of our Executive Leadership Course that will take place in 2006, and beyond, on the campus of CII's headquarters – The University of Texas at Austin. Dennis Schroeder and the CII Executive Committee committed to develop shape the future of our industry. The McCombs School of Business at UT Austin was selected as a partner in this venture and we hope that this initial course will be the foundation that we can use to establish this one-of-a-kind experience for those who are selected to attend.

Perhaps most significantly, we came to the realization that our legacy will not be the achievements that we mark as milestones or the personal advancements that we each make. Our legacy will be the people who are influenced by our acts and our deeds, the young engineer or project manager who needs encouragement, the new architect who needs a mentor to open up new ideas. Will we guide our young people, and direct them along the path that will help them achieve their goals and dreams? If we fail to do so, we have failed ourselves and the industry that we love. I believe that we will provide the leadership for them and we will, in turn, provide the legacy that is so necessary for all of us to have: successful people working towards successful projects.

I hope this annual report captures the spirit that we all felt during the past year as we worked together toward a common goal. My thanks to all of the hundreds of participants in CII: the teams, the committees, the staff. The year of 2005 has taken us in the right direction. It is up to us to continue the journey toward helping the leadership of tomorrow. Together, we can bridge the gap.

Hans VanWinkle

Director



MEMBERSHIP



Owners

3M
Abbott Laboratories
Air Products and Chemicals, Inc.
Amgen Inc.
Anheuser-Busch, Inc.
Aramco Services Company
BP America, Inc.
CITGO Petroleum Corporation
Cargill, Inc.
Celanese
Chevron Corporation
ConocoPhillips
Dofasco, Inc.
The Dow Chemical Company
DuPont
Eastman Chemical Company
ExxonMobil Corporation
General Motors Corporation
GlaxoSmithKline
Intel Corporation
International Paper
Kraft Foods
Eli Lilly and Company
Marathon Oil Company
NOVA Chemicals Corporation
National Aeronautics & Space Administration
Naval Facilities Engineering Command
Ontario Power Generation
Petroleo Brasileiro S/A-Petrobras
Praxair, Inc.
The Procter & Gamble Company
Rohm and Haas Company
Shell Oil Company
Smithsonian Institution
Solutia Inc.
Southern Company
Sunoco, Inc.
Tennessee Valley Authority
U.S. Army Corps of Engineers
U.S. Bureau of Reclamation
U.S. Department of Commerce/NIST/
Building and Fire Research Laboratory
U.S. Department of Energy
U.S. Department of Health and Human Services
U.S. Department of State
U.S. General Services Administration
U.S. Steel
Weyerhaeuser Company

Contractors / Suppliers

ABB Lummus Global Inc.
ALSTOM Power Inc.
AMEC, Inc.
AZCO INC.
Aker Kværner
BE&K, Inc.
Baker Concrete Construction Inc.
Bechtel Group, Inc.
Black & Veatch
Bovis Lend Lease, Inc.
Burns & McDonnell
CB&I
CCC Group, Inc.
CDI Engineering Solutions
CH2M HILL
CSA Group, Inc.
Day & Zimmermann International, Inc.
Dick Corporation
Dresser-Rand Corporation
Emerson Process Management
Fluor Corporation
Fru-Con Construction Corporation
Gilbane Building Company
Grinaker-LTA
Hatch
Hilti Corporation
Honeywell International
Jacobs
Kellogg Brown & Root
Kiewit Construction Group, Inc.
J. Ray McDermott, Inc.
M. A. Mortenson Company
Mustang Engineering, L.P.
Perot Systems Corporation
Primavera Systems, Inc.
S&B Engineers and Constructors Ltd.
The Shaw Group Inc.
Technip
Turner Construction Company
Victaulic
Walbridge Aldinger Company
Washington Group International, Inc.
WorleyParsons Limited
Yates Construction
Zachry Construction Corporation
Zurich



RESEARCH



Five research teams reported their findings at the Annual Conference in Grapevine, Texas: Achieving Learning Organizations in the EPC Industry (University of Colorado-Boulder), Do It Right the First Time (North Dakota State University), Owners' Role in Project Success (Polytechnic University-New York), Commodity vs. Value-Added Contractor Services (Arizona State University and San Diego State University), and Effective Use of the Global Engineering Work Force (Pennsylvania State University)

Also at the conference, CII recognized Dr. James T. O'Connor, professor at The University of Texas at Austin, as the Outstanding Researcher for his many contributions to CII, including his research on value management and constructability.

CII initiated five research projects and combined two active research teams into one, which resulted in the following 14 active research teams at year's end:

Optimizing the Project Team's Contribution to Business Results (Clemson University) – combined with Information Flow to Support Pre-Project Planning (Clemson University)

Contracting to Appropriately Allocate Risk (University of Wisconsin-Madison)

Support for Pre-Project Planning (The University of Texas at Austin)

Trade-off between Cost and Schedule (Vanderbilt University and Purdue University)

Work Force View of Construction Productivity (University of Kentucky)

Target Safety: Preventing Specific Injuries (University of Florida)

Leading Indicators to Project Outcomes (Texas A&M University)

Information Flow to Support Pre-Project Planning (Clemson University)

Best Practices for Design in Fast-Track Projects (University of Cincinnati)

Effective Management Practice & Technologies for Lessons Learned (The University of Texas at Austin)

Construction Industry Craft Training (University of Kentucky/University of Waterloo)

Examination of the Shipbuilding Industry (San Diego State University/Arizona State University/University of Washington)

Planning for, Facilitating and Evaluating Design Effectiveness (The University of Texas at Austin)

Implementation Road Map for Lean Construction at the Project Level (University of California-Berkeley/State University of New York)

CII member Zurich provided \$24,000 in funding the Target Safety research project. The Construction Users Roundtable and National Center for Construction Education and Research (NCCER) committed \$25,000 each to support the Construction Industry Craft Training research project launched in the fall of 2005.

Total funds expended on research in 2005 totaled \$826,811. CII commitments for research in 2006 and 2007 will amount to \$918,097 and \$277,710, respectively.



IMPLEMENTATION



During 2005, the Implementation Strategy Committee (ISC) sponsored two Product Implementation Workshops (PIWs). The PIW series continues to experience growth in attendance and is a good opportunity for CII members to sharpen Best Practice implementation skills. The two-day workshops promote new CII products, present tools and skills to improve job performance, and provide networking opportunities.

The Implementation Champion (IC) Program, which started in 1998, provides valuable assistance to CII member organizations. The ICs, member organization representatives, are responsible for implementing and promoting the use of CII practices and processes within their organizations. ICs are encouraged to attend the Product Implementation Workshops to assist with in overall implementation efforts.

The committee supports the Implementation Champions with mentoring and facilitates the web-based IC Tool Box. The Tool Box details the CII Implementation Model, has contact information for CII knowledge experts, and provides website links to CII products and conference presentations. CII registered users are allowed access to the IC Tool Box.

At the Annual Conference in Grapevine, CII presented the Implementer of the Year Award to Brett Phillips, S&B Engineers. Phillips was the dinner speaker during the Fall Product Implementation Workshop. Also in Grapevine, the ISC, the Education Committee, and the Knowledge Management Committee participated in a successful presentation, "Leadership Drives Successful Implementation." That presentation was also given at the Construction Project Improvement Conference in Austin.

The ISC worked on the revision of the Best Practices Guide (IR 166-3) to incorporate the three new Best Practices (Benchmarking and Metrics, Implementation of Products, and Planning for Startup). Committee members also wrote introductory articles on CII Practices in the monthly CII e-news to increase member awareness. ISC members also continued to assist in the validation of emerging industry practices through the Pilot Program for Early Implementation. The committee initiated a funded study on best ways to breach the status quo and introduce new practices into organizations. Results will be reported out in 2007.

The ISC worked on two important strategic objectives during 2005 in preparation for reporting at the 2006 CII Leadership Meeting: 1) An assessment plan and report on the goals and performance to date of the IC Program and 2) recommendations on the how the ISC could promote the CII Benchmarking & Metrics Program.



EDUCATION



During 2005, the Education Committee provided leadership in the new CII-UT Austin McCombs School of Business initiative to establish an Executive Leadership Program for the engineering and construction industry. This unique program, which will launch its first offering in 2006, is being designed as an intense, three-week course for senior executive candidates. The intent is to broaden the students' knowledge and enhance their skills as potential leaders of tomorrow's industry. Course instructors will include well-established industry executives, CEOs, engineering managers, and financial experts who will combine with the renowned McCombs School of Business faculty to provide a world class instruction environment for this one-of-a-kind training. Major topics will include: leadership expectations; risks and mitigating strategies; business ethics; construction law; labor relations; construction finance; negotiating skills; managing change; and many others.

The Education Committee implemented its new CII Registered Education Provider Program in 2005. The purpose of this program is to provide members of CII and the general public with instructors who are familiar with CII publications and are available to teach at CII member organizations and other venues.

The Education Committee also added to its line-up of education modules that are built around CII Best Practices. The new titles include Making Zero Accidents A Reality and International Project Risk Assessment. The CII Continuing Education Courses use the education modules extensively in a classroom setting to develop capital project management skills.

Online Education

Online Education at CII also has a special focus on CII Best Practices. During 2005, CII launched five more Online Education courses, all concerning the best practice of Pre-Project Planning. The curriculum now includes: Course 1: Implementing A Pre-Project Planning Program; Course 2: Organizing for Pre-Project Planning, Course 3: Selecting Among Project Alternatives; Course 4: Developing the Project Scope Definition Package; and Course 5: Deciding Whether to Proceed with Project Execution.

The current Online Education curriculum consists of 12 hours of instruction on Development and Alignment of Project Objectives, Constructability, Construction Safety, Pre-Project Planning and Scope Control and Change Management. Full course descriptions and pricing are available at the CII website. Topics now being constructed for online access include Developing, Implementing, and Managing a Partnering Relationship and Planning for Start-Up.

Members and the general public can access the CII curriculum and benefit from fully interactive and professionally developed courses based on CII research findings. An advanced learning management system features assignment of courses and tracking of course participants, pre-testing and course bypass capabilities, self-grading on learning topics, final testing, and various course performance reports.



KNOWLEDGE MANAGEMENT



The Knowledge Management Committee adds value to the membership by furthering the ability of CII membership to leverage collective industry wisdom and facilitating access to CII's body of knowledge. CII knowledge is housed in the Knowledge Structure, which divides concepts among 14 Knowledge Areas and then further subdivides them into Best Practices, other CII Practices, and Information Topics. At the CII website, a search engine enables users to find information. Within each product grouping, the most recently published material is listed first, followed by material organized by date of publication.

The Knowledge Management Committee develops policy to manage, maintain, and add value to the CII Knowledge Structure. It is responsible for approving all changes to the structure, including placing new products into the structure. It seeks to identify Best Practices from within the CII research products as well as from other sources. Additionally, the committee recommends areas of research to the Board of Advisors.

In 2005, the committee continued its review of CII publications and made specific recommendations to the Board of Advisors. A number of CII publications are under review, including Early Estimating. Best Practices under review include Constructability, Design Effectiveness, Pre-Project Planning, Alignment, Planning for Start-Up, and Materials Management.

In response to a request to provide a feedback mechanism on CII product performance, CIIProductFeedback@austin.utexas.edu was established at the CII website. The Knowledge Management Committee continues to monitor this feedback mechanism and urges members to utilize it so that CII publications are both current as well as responsive to member needs.





BENCHMARKING



The Benchmarking & Metrics Program provides a project-level benchmarking service for participating organizations and supports the CII research program. Currently, the benchmarking database contains more than 1,400 projects and represents approximately \$66 billion in total installed costs. During 2005, Benchmarking published its Safety Report, which summarizes aggregated safety data for owners and contractors. The report presents results with breakouts by industry type, incident rates, direct hires vs. contractors/sub-contractors, and international vs. domestic project locations.

Productivity Benchmarking

The CII productivity benchmarking program continues to help organizations measure and better manage labor productivity for engineering and construction. The cornerstone of this effort is a set of common definitions for direct and indirects and measurement of actual productivity in terms of hours per quantity. This paradigm is utilized for both engineering and construction for a variety of metrics covering most disciplines.

Pharmaceutical Benchmarking

The CII pharmaceutical metrics team, which marked its second year of work in 2005, developed absolute metrics for cost, schedule, and dimension. Absolute metrics make it possible to measure pharmaceutical project performances in terms of hard dollars, time, and gross square footage. Pharmaceutical program participants include: Abbott, Amgen, Eli Lilly and Company, GlaxoSmithKline, Merck, Genentech, Wyeth-Ayerst Laboratories, and Biogen Idec. The Pharmaceutical Benchmarking Summary Report describes this initiative to date.

Benchmarking Awards

At the Annual Conference in Grapevine, Benchmarking presented its Outstanding User Awards for 2005 to 3M and to BE&K. 3M submitted data on more than 50 projects, which stands as a single-year record for a company contributing to the CII database. BE&K has been active in several areas of benchmarking since the program's inception a decade ago.



BREAKTHROUGH AND GLOBALIZATION



Breakthrough

In 2005, the Breakthrough Strategy Committee developed five white papers, including: (1) real-time access for all project data (sent to FIATECH for consideration); (2) shared learning (sent to the Knowledge Management, Implementation, and Education Committees for consideration); (3) the industry's public image (sent to the Strategic Planning Committee for consideration); (4) intelligent devices (which was archived); and (5) national strategic goals for the construction industry (sent to the Executive and Strategic Planning Committees for consideration).

The committee also surveyed the membership on sustainability and received feedback in two areas. In the first area, almost half of the respondents said that their companies have an agreed-to definition of sustainability. In the second area, overwhelming support was voiced in support of CII chartering a research project in the area of sustainability. However, the membership expressed that the research project must add value to CII member organizations and should not duplicate existing research efforts. The research should, the membership noted, focus on metrics, best practices, and return on investment.

Globalization

In 2005, the Globalization Committee, which is an important component of CII, put forth research topic nominations, collaborated with other industry organizations to sponsor a globalization forum, and provided input on Best Practices in the area of addressing international challenges.

Positive discussions were held with both the AIChE Engineering Construction Contracting Conference and the Rice Forum on a joint sponsorship of a workshop. Foreign memberships also were targeted as a committee initiative. Discussions with ENR magazine also proved fruitful, as CII will participate in a China global construction summit in 2006. The committee also recommended that the recently released International Project Risk Assessment tool be updated for international or global projects.





ANNUAL CONFERENCE



The 2005 Annual Conference theme, Leadership of Tomorrow Bridging the Gap, pointed to a need to develop our industry's leaders of tomorrow now. It is a particularly tough challenge because today's young people are looking for interesting work, career paths that are clearly marked, and technology that they can immediately use to advance. However, gaps in leadership are evident. Providing young people with mentors, new tools from computer science, and the skills to lead is a huge task.

The Annual Conference site was the Texan Resort in Grapevine, Texas. CII gathered leaders from inside and outside engineering to provide several perspectives. The keynote speakers in particular Ross Perot, Rex Tillerson of ExxonMobil, Steve Hanks of Washington Group International, and David M. Walker, the Comptroller General of the U.S. and Director of the Government Accountability Office were outstanding. The case studies from member organizations all touched on the ability to communicate, to have vision, and to follow through on construction projects from the amazingly complex Walt Disney Concert Hall in Los Angeles to the efforts to establish safety standards at a project site on a small island in the Caribbean. Our goal was to inspire everyone to help CII in "bridging the gap."

At the Annual Conference, CII recognized Dr. Ed Back, Clemson University, as the Outstanding CII Instructor. Dr. Back is the only person to receive this award twice, having been recognized also in 2001. The Richard L. Tucker Leadership and Service Award went to Gerry H. Greene, now retired from Procter & Gamble and the Chair of CII in the transition year of 1998. It was Greene who guided CII from the retirement of Dr. Tucker, the original CII Director, to the identifying of the second CII Director, Lt. Gen. Kenneth E. Eickmann, U.S. Air Force (Retired), who served from 1998-2003.





PROCESS INDUSTRY PRACTICES



The mission of Process Industry Practices (PIP) is to harmonize member companies' internal standards into PIP Practices. Those practices are then used voluntarily by industry for engineering, procurement, and construction of process industry facilities. As PIP (www.pip.org; e-mail info@pip.org) enters its fourteenth year, PIP membership, subscriber, and licensee growth continues with over 70 companies now accessing PIP Practices.

In 2005, PIP added four members and six subscribers. The Implementation Resource Center for members on the PIP website provides information on practices adoption and implementation metrics, and includes success stories, lessons learned, member company addenda, and a section for design tools and reference information.

The participation of numerous process industry volunteers in the work of PIP is key to increasing awareness, acceptance, and use of PIP Practices. In 2005, significant progress was made in updating and revising Practices and further developing of electronic entry data sheets. PIP has published over 450 Practices, representing over 87 percent of the total identified for publication.

In addition to potential cost savings through using PIP Practices, members continue to report considerable savings in development and maintenance of internal standards and in the application of new initiatives related to piping, valve, and other practices. Savings come in the form of less redesign and rework, less in-house training on specifications, and more efficient interfacing between owners, contractors, suppliers, and constructors.





PIP MEMBERS



Owners

3M Company
Aramco Services
Arkema
BP
Celanese
Chevron
CITGO
ConocoPhillips
CYTEC
Degussa
DuPont
Eastman Chemical
Flint Hills Resources
FMC
Great Lakes Chemical
Honeywell
Hovensa LLC
Huntsman
Monsanto
PPG
REC Silicons
Rohm and Haas
Shell Oil
Solutia
Sunoco
UOP

Contractors

Aker Kvaerner
BE&K
Bechtel
Burns & McDonnell
Chemtex International
Fluor
Jacobs
KBR
S&B E&C
TECHNIP
WorleyParsons

Subscribers

Agrium
Ambitech Engineering
Arrington Companies
Canadian Natural Resources
Limited
Carboline
Coffeyville Resource Refining and
Marketing LLC
Emerson Process Management
GE Energy
GE Silicones - OSi Specialites
INVISTA S.à r.l.
Kraton Polymers
Petroleum Company of
Trinidad & Tobago
Phoenix Park Gas
Processors Ltd.
Saudi Basic Industries Corp.
(SABIC)
Saudi International Petrochemicals
Co. (SIPCHEM)
Sherwin Williams
Southern Company Services
Stone & Webster Ltd.
Suncor Energy Services
The Williams Companies
WMC Resources Ltd.

Licensees

API
ASME
Aspentech
Aveva Inc.
Bentley Systems
Codeware
Conestoga College
IEEE
IHS
Intergraph
ISA
National Insulation Association
Pi/FlexPlant
St. Paul Technical College
Universidad Nacional
Autonoma de Mexico
University of South Dakota



FINANCIAL

Sources and Uses of CII Resources (\$000)

Sources		<u>Net</u>	<u>Est. Vounteer Participation</u>
BEGINNING BALANCE:			
Carried Forward from 2000	334		
Reserve	<u>750</u>	<u>1084</u>	
Membership Dues		<u>\$3,240</u>	
Product Sales:			
Revenue	101		
Production & Sales	<u>(133)</u>	<u>(32)</u>	
Other Sources (PSP, etc.)		<u>188</u>	<u>25000</u>
Total Sources		<u><u>3,396</u></u>	<u><u>25000</u></u>
USES			
Programs:			
Research	1,250		10000
Implementation	131		1000
Education	131		1000
Knowledge	39		500
Benchmarking & Metrics	397		3000
Breakthrough	<u>57</u>		<u>500</u>
	<u><u>2,005</u></u>		
Benchmarking & Metrics Revenue	<u>(115)</u>		
Other Program Revenue	<u>(67)</u>	<u>1,823</u>	
Conferences			
Annual Conference	639		4000
CPI Conference	<u>131</u>		<u>1000</u>
	<u><u>770</u></u>		
Attendance Fees	<u>(602)</u>	<u>168</u>	
Supporting Activities			
Support of Members & Director's Groups	574		3000
Globalization	25		500
Other Activities	<u>43</u>		<u>500</u>
	<u><u>642</u></u>		
Revenue	<u>(66)</u>	<u>576</u>	
Information Systems	<u>157</u>	<u>157</u>	
General Expenses			
Administration	362		
Other Activities	<u>290</u>		
	<u><u>652</u></u>	<u>652</u>	
Total Uses		<u><u>3,376</u></u>	<u><u>25000</u></u>
Net		<u>(20)</u>	<u>0</u>
ENDING BALANCE		<u><u>\$1,104</u></u>	<u><u>0</u></u>



DUNN AWARD

The Carroll H. Dunn Award of Excellence



The Carroll H. Dunn Award of Excellence is the highest recognition bestowed by the Construction Industry Institute. The award, established in 1985, bears the name of the original recipient, the late Lt. Gen. Carroll H. Dunn, U.S. Army. The purpose of the award is to recognize an individual who has had singular and notable responsibility for significant advancements in improving the construction industry.

Alan L. Boeckmann

Alan L. Boeckmann, Chairman of the Board and CEO of Fluor Corporation, is the nineteenth recipient of the Institute's highest honor, the Carroll H. Dunn Award of Excellence.

Boeckmann was born on June 15, 1948, in Bisbee, Arizona. His father, Albert, was an electrician for a mining company and his mother, MaryLu, was the manager of a title and escrow company. The couple also had two daughters. At an early age, he was influenced by the engineering world that his father worked in, often going with him late at night to a flooded mine that was experiencing a total loss of power. The responsibility that his father had to restore power to the mines and the excitement of the work below the earth's surface fueled his dreams of one day becoming an engineer. Perhaps, he thought, he too could have an impact on people's lives for the greater good.

He earned an electrical engineering degree at the University of Arizona and joined Fluor immediately. His first assignment was with an Exxon fuels expansion project in Baytown, Texas. It was an important beginning because the work in the engineering office in California and then the move to the jobsite in Texas allowed him to witness the project from conception to completion. Within a few years, he was traveling to South Africa and then Venezuela for other projects, and gaining experience. Later he and others initiated the company's use of 3-D plant design, increasing the company's global effectiveness. He then led Fluor's global engineering function and later its alliance with DuPont. He later became president and CEO of Fluor Daniel Energy & Chemicals.

Now as Chairman of the Board and CEO of Fluor Corporation, he represents 30,000 employees and a nine billion dollar company. In a nominating letter for Boeckmann, a past Dunn Award recipient wrote, "He is a leader, both personally and professionally, in developing and deploying best practices in the construction industry. Those best practices are centered on work processes and cultural and behavioral areas. Alan is in the business of making money, but not at the expense of others, and this is extremely admirable."

Alan Boeckmann has made tremendous contributions to the engineering and construction industry. He truly has had an impact on people's lives for the greater good. CII is pleased to recognize him with its highest honor, the Carroll H. Dunn Award of Excellence.



2005 CII STAFF



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Hans Van Winkle, *Globalization, Membership*

Associate Directors

Wayne Crew, *Research, Breakthrough, Academic Council*

Manny Garcia, *Implementation, Education, Knowledge Management*

Bob Ryan, *Strategic Planning, Executive Leadership Program*

Steve Thomas, *Benchmarking and Metrics, Research Assistant Professor*

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