



As featured in
The CEO Magazine
For more info visit
theceomagazine.com.au

Still Booming

As mining activity plateaus and the resources boom peters out, BGC Contracting remains robust in this challenging market through its thriving, longstanding reputation and civil construction and mining contracting expertise.

Images courtesy of BGC Contracting

Greg Heylen, CEO of BGC Contracting, has been in his position for three years and has worked with the organisation for 14 years. He has seen the company grow since joining, particularly benefiting from the mining and resources boom.

However, growth has been a key challenge for the business, particularly since the contracting industry supporting mining and resources has been quite volatile. “One of the early challenges for our business, because we were quite a small organisation 15 years ago, was to grow our business to a credible size. I think smaller organisations face issues when trying to grow their business, but we got through that okay.”

“The mining boom arrived about eight years ago, and the challenges there were developing strategies and implementing those to grow profitably in that boom, which was

around getting the right people working for us and getting enough capital to be able to do the work that clients wanted us to do for them. Fundamentally, it has changed over the past two years where now the challenge is strategy around still growing our business in a profitable and sustainable way, but within a market that is largely shrinking for mining and civil contractors.”

Greg notes that BGC Contracting must develop and execute the right strategy to remain competitive in the coming years. “One of our key drivers is to continually grow the business in a sustainable and profitable way, which is really our overarching strategy, and we’ve been able to do that. I think if you get your strategy right, you can survive. I would say that for some organisations, like ours, there are probably opportunities that will arise in the next two years because some of the other entities, our competitors, are really struggling.”

Strategy and culture are well linked within BGC Contracting as they help define the company and its direction. “What we’ve identified is that in our business we have a charter that contains our vision, our five corporate values, and our brand pillars. The corporate values that drive our culture and our brand pillars are important in these difficult times, and it means that both our clients and our employees are all clear on what our brand is about.

“Our three brand pillars are project delivery, strong relationships, and great people. I firmly believe that as long as we keep on delivering on those three brand pillars, then our brand remains credible and strong. As one of those brand pillars is about strong relationships, we have been able to find ways of leveraging off those strong relationships with our clients to change our contracting model so there’s a win-win for both the client and the contractor in these difficult times.” >

“One of our key drivers is to continually grow the business in a sustainable and profitable way, which is really our overarching strategy, and we’ve been able to do that.”

- Greg Heylen



Building the Foundations of Australia



Building the Foundations of Australia pilingcontractors.com.au

With mining activity slowing down, BGC Contracting has been focusing more on civil works and infrastructure to remain diverse and competitive. "If you look at the amount of work available to civil and mining contractors, yes, the mining boom is largely over. The civil construction part of our business was around resource infrastructure: LNG plants, greenfield minesites, and the like. That is clearly now drying up, and I think everyone understands that. Of course, there's now a bulk of work in the public infrastructure space, so our business needs to swing across to focus on public works as opposed to resources sector works."

"I think there's opportunity in that because there is a lot of that work to be done in the next five years. It's challenging making the transition, but I think if you have the right strategic intent and the right strategies in place, you can do it. While it is challenging, it can be

done. I think it's just a fairly typical shift away from one service delivery, such as the resources sector, to a similar service delivery, such as public works."

Greg notes that one of the main strengths of BGC Contracting is the company's strong culture. "That is derived from the five values that we have within the charter for our business, and we ask our people to always operate with these in mind; their behaviour needs to stem from these values. The values are teamwork, enjoyable workplace, always deliver, mutual respect, and safety."

"I think one of the challenges for businesses in today's world is to first off define the culture it wants and to have in place a charter, like our five values, and then work really hard at maintaining that strong culture. When things get difficult, if there are varying cultures within the business, your clients and employees will get

mixed messages. We work really hard in this business at maintaining that strong culture and continue delivering on those brand pillars so that when we do deliver, people are clear on what has to be done and what our clients are looking for."

As CEO, Greg makes a conscious effort to ensure all his conversations can be linked back to the company's values, often purposefully using the same language. "There's a good example: where the guys work well as a team, you can talk about the company's 'we' statements and the individual 'I' statements around that value of teamwork. So sometimes you're quite explicit about it; other times I'm mindful about weaving those key words into any conversation I have at any level within the business, and that starts at the board level and goes right through to the guys on the shop floor. I think that's a challenge for all leaders in our business—to make sure that the

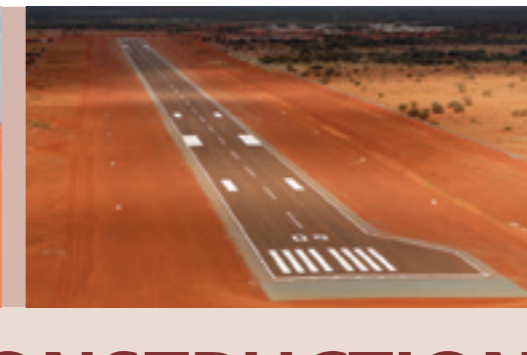
conversations that they are having can't be done separately from our values."

Though it seems challenging, Greg is hopeful for the future of BCC Contracting. "We've just had record high revenue, record high profits, and business is going along pretty well. We also have great financial strength, and we also have a very high ratio of work in hand. This business has revenue of about \$1 billion per year, and we now have about \$3 billion of work in hand, which means we have about three years of work in front of us in a market where winning new work at reasonable profit levels is going to be a real challenge."

"There's a lot more competition around traditional tendering, and we're seeing some cheap prices that I don't think are sustainable; but since we have good work-in-hand volumes, we don't have to lower ourselves to those standards." •

"I think one of the challenges for businesses in today's world is to first off define the culture it wants and to have in place a charter, like our five values, and then work really hard at maintaining that strong culture."

- Greg Heylen



WOODSTOCK CIVIL AND DRAINAGE (WSCD) SPECIALISES IN ALL TYPES OF CIVIL CONSTRUCTION AND DRAINAGE WORKS



WSCD is a family owned business that values mutual respect, integrity, and commitment. Our company directors pride themselves in delivering what we promise in a timely and cost-effective manner.

We understand that our people are our greatest assets, and we place a high importance on the health and safety of our people and others. We are committed to environmental management within the mining and construction industry.

With our own fleet of agitator trucks and mobile batch plants, we are able to travel to your site location with full set up and production being available within hours of gaining access to your site, limiting costly and timely delays.

For general enquiries:

A: 23 Furniss Rd, Lansdale, WA 6065
P: (+61) 08 9302 5111
E: info@wscd.com.au

W: www.woodstockcivil.com.au

For project enquiries:

contact our general manager, Phil Clarke:
E: phil.clarke@wscd.com.au

QUALITY CONSTRUCTION SINCE 1955

RJV MINING SERVICES

RJV has developed an enviable reputation over 60 years as a leading civil construction contractor in the Perth metropolitan region. In recent years, RJV's mining services division has carried out numerous large scale projects associated with the mining and resources sector, including the Bulk Earthworks Package for BGC Contracting at Roy Hill Port Landside Project in Port Hedland. RJV were contracted to carry out this package, which includes 10 million cubic metres of Cut and Fill, along with full trim works for the rail embankment and the road subgrade network.

RJV also offers civil infrastructure and marine infrastructure services.

For more information on our capabilities, please contact Tony Lynch on 08 9345 3999 or email tony@rjv.com.au www.rjv.com.au

