

CII Began Twenty-Five Years Ago

CII celebrated its twenty-fifth anniversary in October. In October 1983, the charter members established CII as an official research unit of The University of Texas at Austin. During 2008, CII has put on a year-long celebration. The highlight of the year was the Twenty-Fifth Anniversary Conference, which took place in August in Keystone, Colorado.

The Foundation

CII began in 1983 as a recommendation from a five-year study of the engineering and construction industry. In the late 1970s, The Business Roundtable – 250 CEOs of the largest corporations in the U.S. – witnessed the staggering inflation and labor disputes that were sending the nation's economy into a deep, downward spiral. Construction, while contributing some eight to ten percent of the gross domestic product at that time had positioned itself as the nation's top industry, but was at the forefront of cost overruns and in the center of nasty standoffs between management and labor over wage demands.

Given the economic crisis at hand and the overwhelming fragmentation of this top industry, the Roundtable commissioned a study in 1977 – the Construction Industry Cost Effectiveness (CICE) Project – and over the next five years garnered the wisdom of 200 industry practitioners from more than 125 companies. The result was that the construction industry needed massive improvements. The Roundtable published 33 reports from the CICE Project and provided more than 200 recommendations. One was especially meaningful: create a research institute.

Other industries at that time were pouring resources into R&D, averaging between three and seven percent of their sales volume. Practically no research in construction, however, could be identified and when industry leaders began to examine the situation, they found that the very survival of the industry was at stake.

As a result of the CICE Project, 29 charter members united to form the Construction Industry Institute in October 1983. The purpose of CII was to bring together the major participants in the construction process, the owners and the contractors, into a cooperative environment where academia would perform funded research. The benefits would be shared with the industry at large. The members had a singular mission: to improve the cost effectiveness of the industry.

Leadership would be paramount to the success of the venture, and the charter members chose two individuals to lead CII. To put the vision in place, they turned to Lt. Gen. Carroll H. Dunn (U.S. Army, Retired). Dunn had a stellar career with the Corps of Engineers and was working with Consolidated Edison in New York. As the CICE project director, he had immense respect and was the perfect choice to be at the helm of this exciting new endeavor for the construction industry. If the research institute were to be credible, academia had to be involved so that quantitative results could be generated. Again selecting from the CICE pool of talent, the charter members selected Dr. Richard L. Tucker, a tenured professor in the College of Engineering at The University of Texas at Austin, to be the institute's director. Tucker had previously investigated productivity improvements with Texaco and had made a huge contribution to the CICE Project from the academic perspective. The president of the University of Texas was asked to approve Tucker's participation, and agreed as long as the institute would be housed and administratively staffed at the Austin campus. CII became a reality with a two-fold mission: perform research and address the fragmentation of this important industry.

Now, 25 years later, we celebrate the establishment of CII, the knowledge leader for project success.