

Contractors Are Staying Competitive by Following Construction Planning Best Practices

Contents

Planning Best Practices for Smooth Sailing.....3

Analyze the Business Environment..... 4

Framework of the 4 Cs
(Climate, Customers, Competitors, Company)..... 5

External Impacts and Trends 6

The Opportunity.....7

Lean Project Management Process..... 8

Ideal Planning Process..... 9

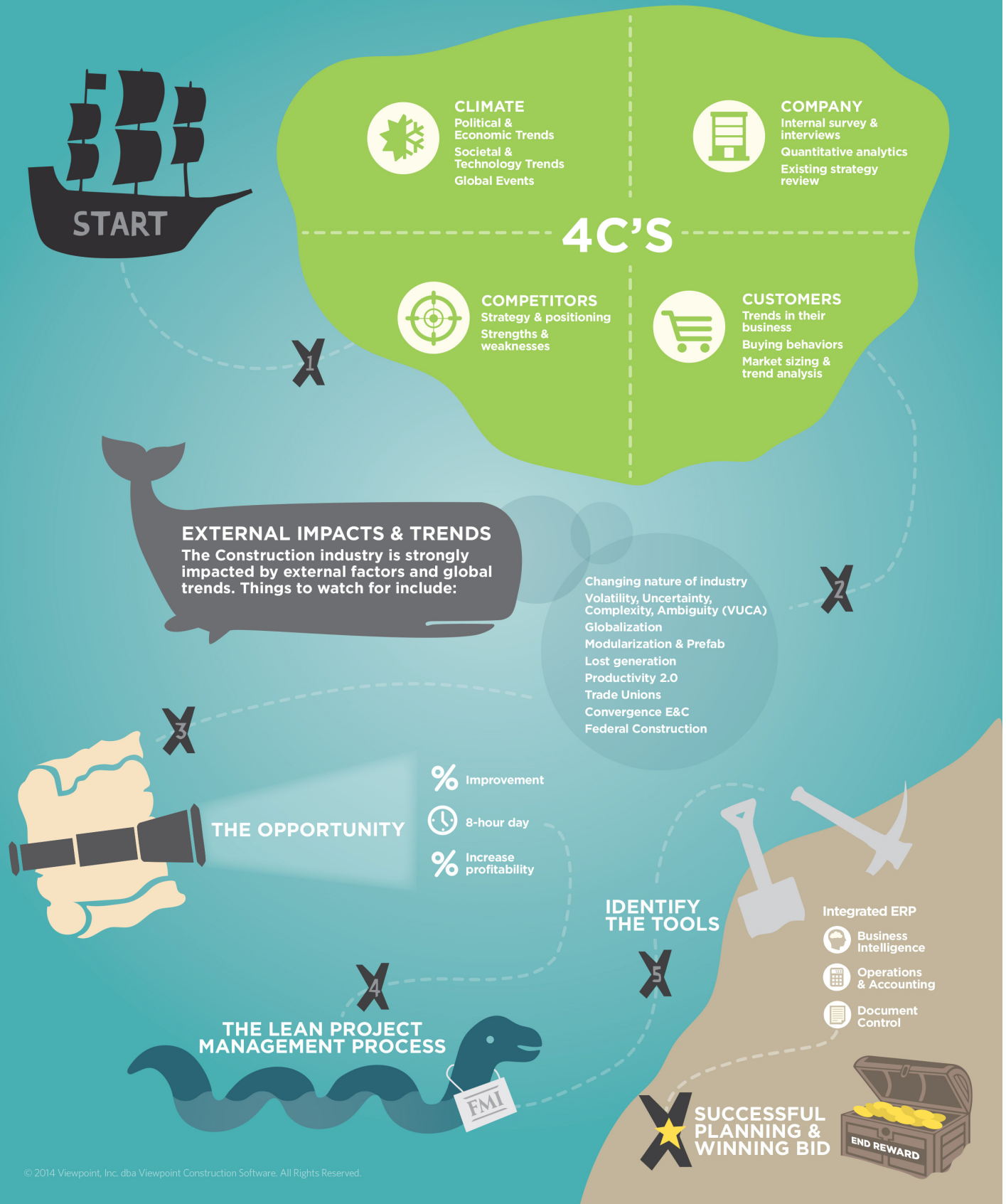
Identifying the Tools10

Why Is Technology Important?.....11

Data Mining, Business Intelligence, and Big Data12

SMOOTH SAILING PLANNING BEST PRACTICES

VIEWPOINT
CONSTRUCTION SOFTWARE®



Analyze the Business Environment

Key factors of business environments are analyzed based upon internal and external influences. FMI Consulting, a leading consultancy firm for contractors, has developed a framework to help contractors effectively analyze their business environment, taking into account the concept of the “4 Cs.”

FMI’s Development Framework of the 4 Cs:

CLIMATE

- Political & economic trends
- Societal & technology trends
- Global events

COMPANY

- Internal survey and interviews
- Quantitative analytics
- Existing strategy review

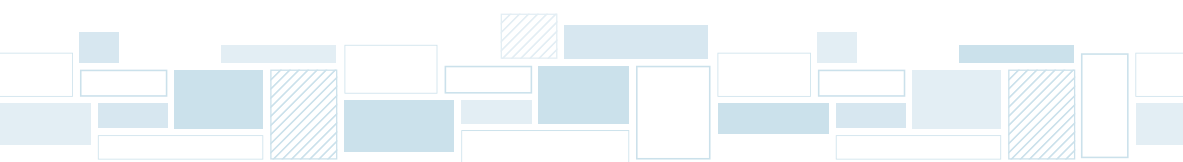
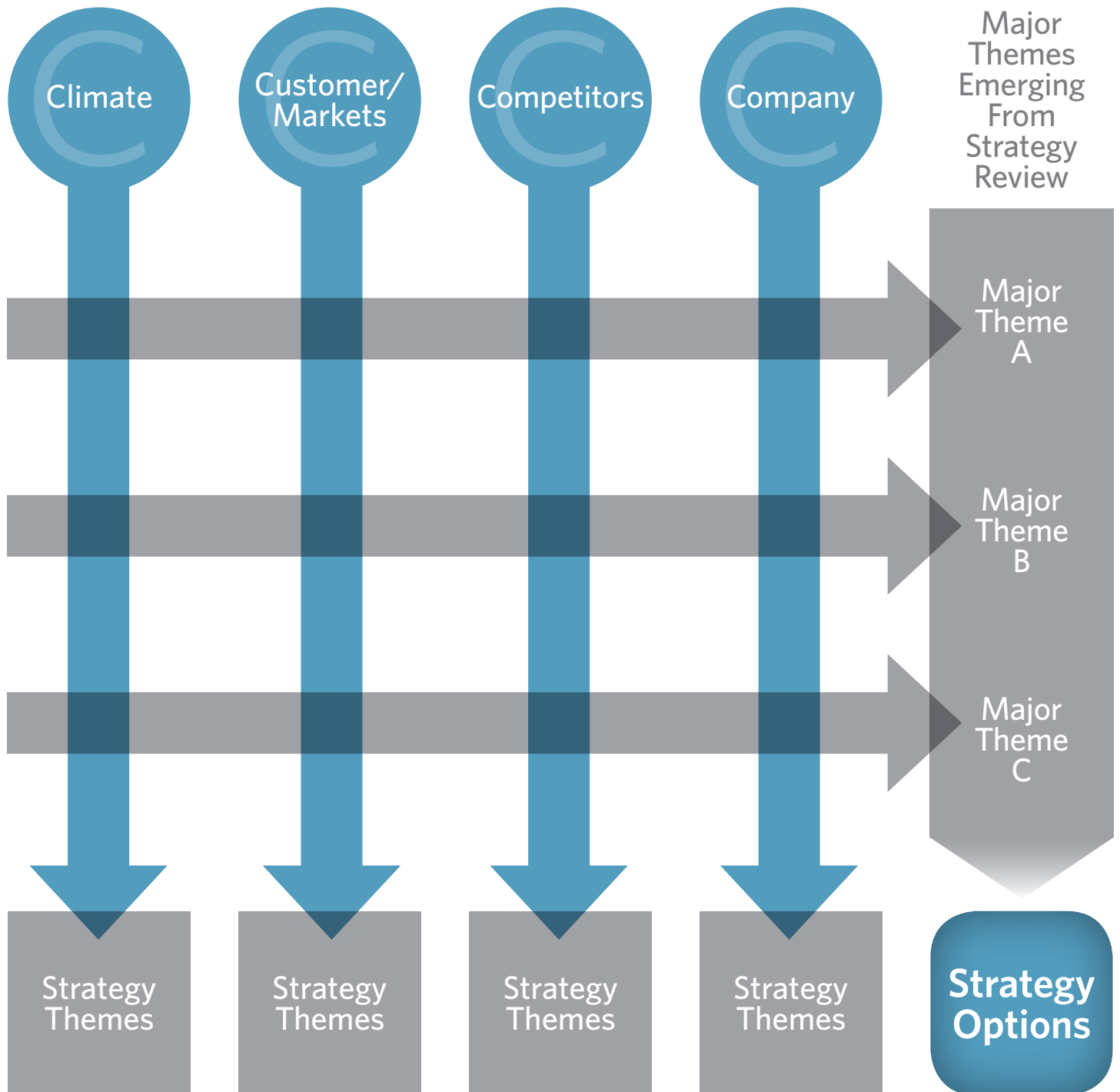
COMPETITORS

- Strategy & positioning
- Strengths & weaknesses

CUSTOMERS & MARKETS

- Trends in their businesses
- Buying behaviors
- Market sizing & trend analysis

Framework of the 4 Cs



External Impacts and Trends

The construction industry is strongly impacted by external factors and global trends. One of the biggest trends the industry faces is a strategy for surviving a VUCA. According the Harvard Business Review, "VUCA is an acronym for Volatility, Uncertainty, Complexity, and Ambiguity and is commonly used in business as a catchall to say 'it's crazy out there.' "

The Harvard Business Review has put together a guide to help organizations thrive in a VUCA world.

- » Changing Nature of the Industry
- » Rethinking OTMS
- » Strategy for a VUCA World
- » Globalization
- » Modularization and Prefabrication
- » Lost Generation
- » Productivity 2.0
- » Trade Unions
- » Convergence E&C
- » Federal Construction



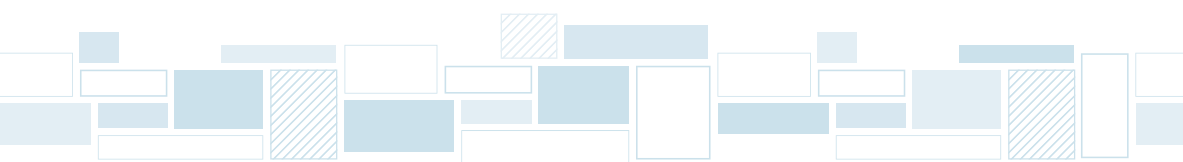
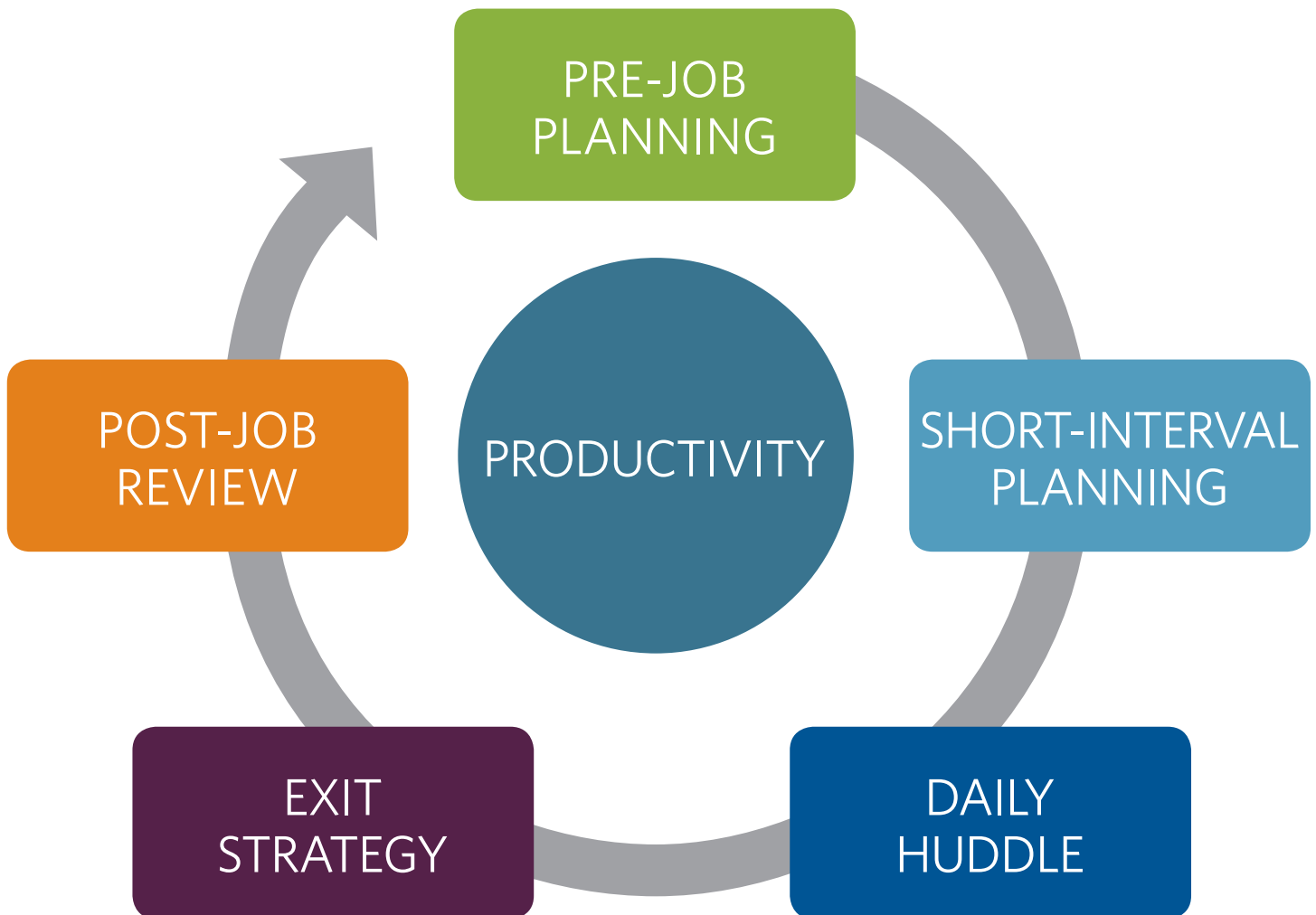
The Opportunity

Once construction firms have identified external factors and trends that will directly impact the organization, they can then begin identifying the opportunity. The opportunity is generally categorized by percent improvement, the 8-hour day, and the percent increase of profitability.

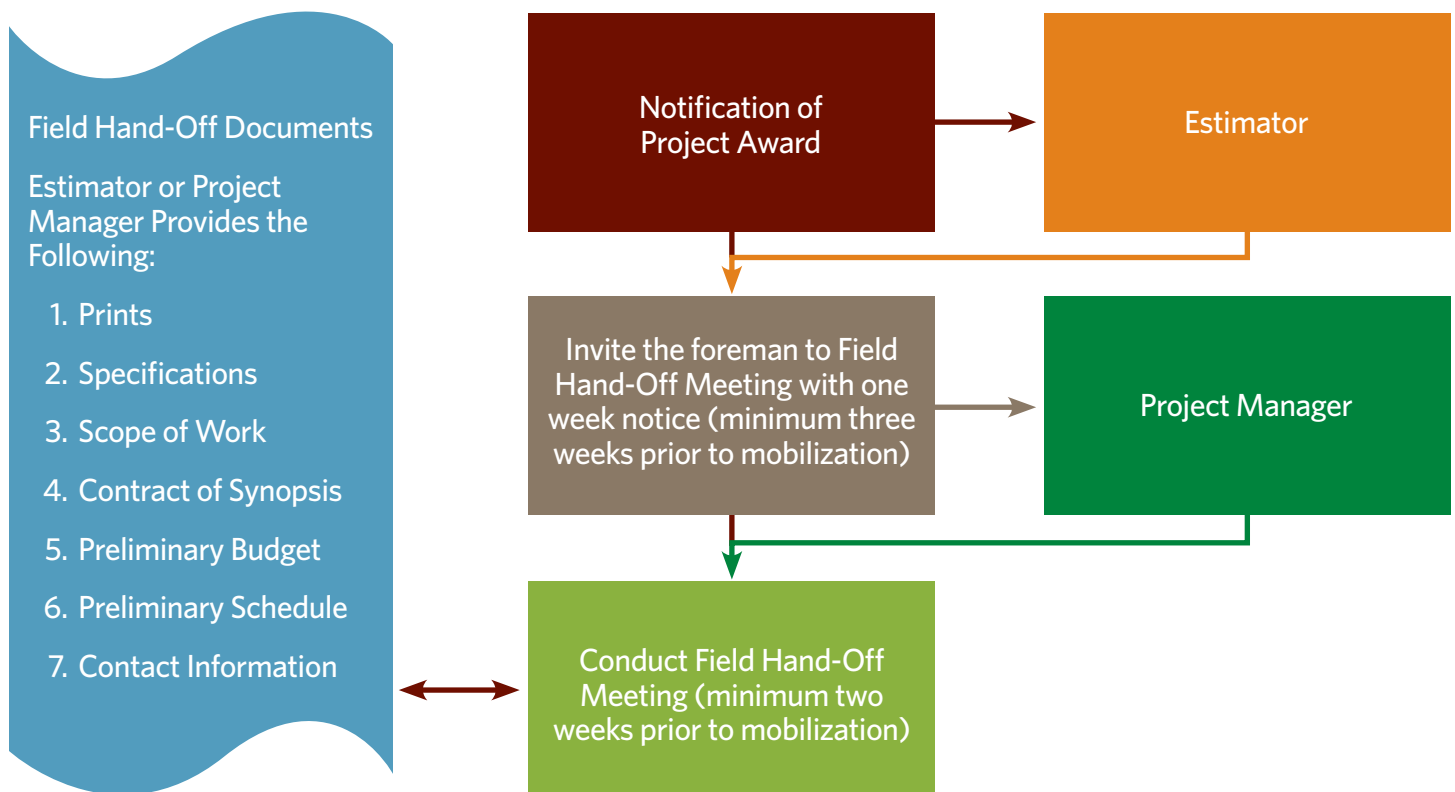
FMI's philosophy and approach is to look at the well-rounded opportunity, which means looking at all of the information that can impact crew productivity and ultimately project profitability. Those factors include crew support, materials, adequate training, tools, manpower, constructive feedback, equipment, removal of obstacles, and adequate information exchange. Once organizations have pinpointed these critical factors, they can begin to build out a process that will work for the company.



The Lean Project Management Process



What Does the Ideal Planning Process Look Like?



Identify the Tools

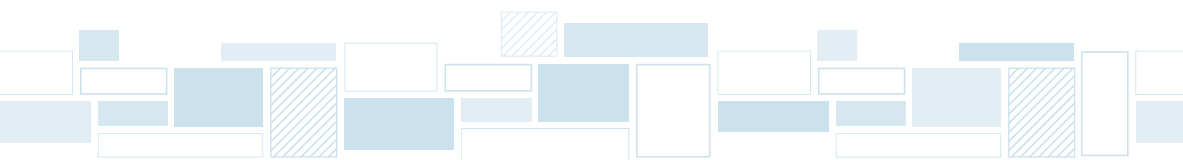
TECHNOLOGY IS THE DIFFERENTIATOR

It's the foreman's job to identify the tools needed to complete the projects. It's the organization and ultimately the C-Suite's job to identify the tools that will make the project manager and the organization successful. Technology plays a critical role in the success. Integrated Enterprise Resource Planning (ERP) systems enable project managers, executives, and the accounting department to accurately track projects. Having effective tools to track job progress and project profitability will help the organization better identify their opportunity for success.



So Why Is Technology Important?

Construction is a game of inches. Margins are tight and bids are competitive. The risk of being a commodity and/or easily outsourced is high. Companies need to differentiate their departments to ensure they can win bids in the future — with margins that make it worth the effort. That's right, it's not just about winning the bid, it's about understanding if the margins will create profits at the end of the day when the project is complete.

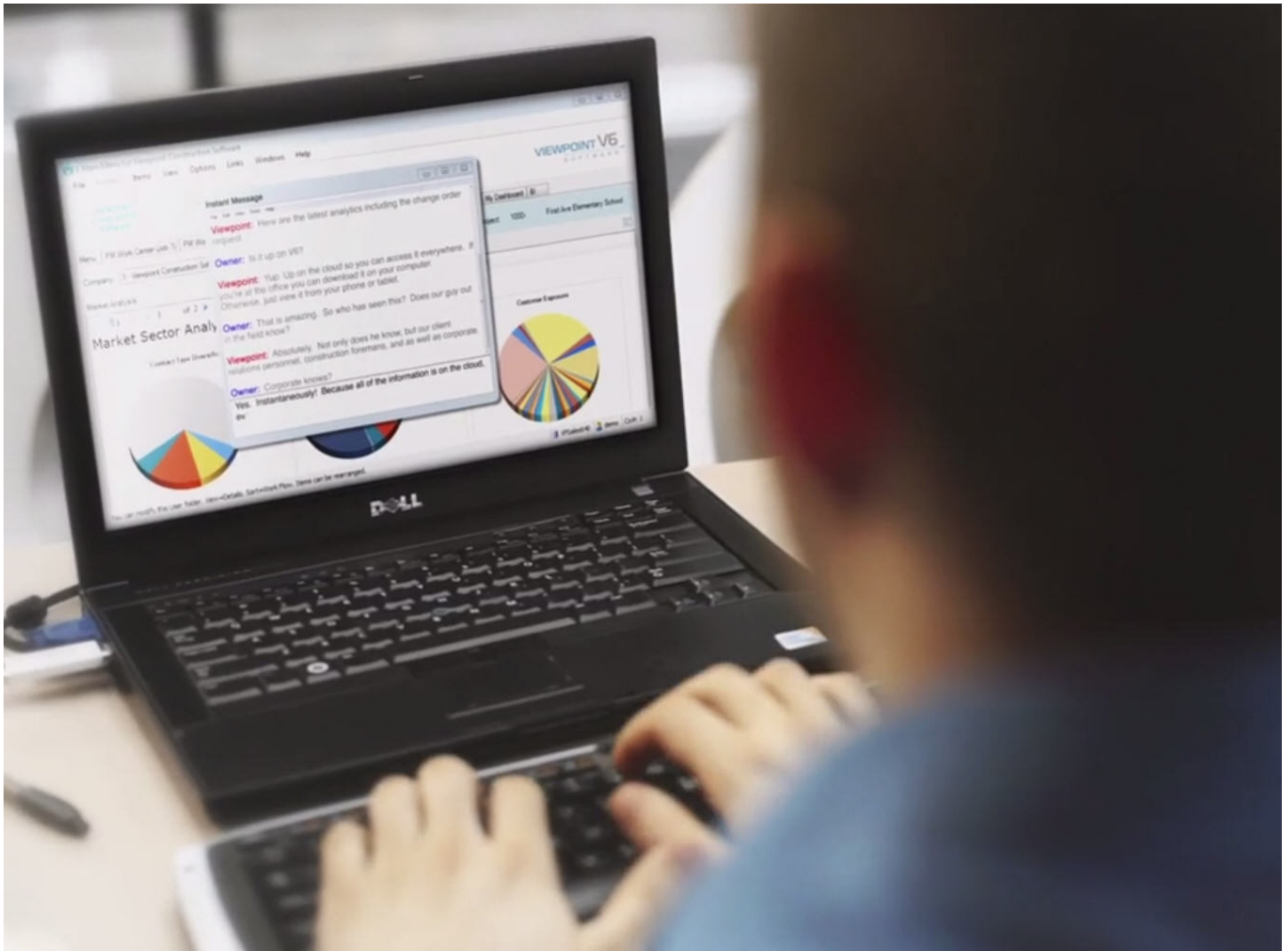


Data Mining, Business Intelligence, and Big Data

Data Mining – The computational process of discovering patterns in large data sets involving methods at the intersection of artificial intelligence, machine learning, statistics, and database systems.

Big Data – The term for a collection of data sets so large and complex that it becomes difficult to process using on-hand database management tools or traditional data processing applications.

Business Intelligence (BI) – A set of theories, methodologies, architectures, and technologies that transforms enormous amounts of data into meaningful and useful information for business purposes.





ABOUT VIEWPOINT

Viewpoint, a leader in meeting the collaborative and information needs of the AEC industry offers construction-specific solutions for a variety of professionals including small, medium, large, and enterprise contractors. Viewpoint solutions include takeoff and estimating, project management, accounting solutions, enterprise resource planning, project and BIM collaboration, mobile field-to-office, and enterprise content management. Viewpoint customers include more than 30 percent of the ENR 400 and have the most technology partnerships with the top 50 mechanical and electrical contractors in the United States. Viewpoint serves as the technology partner of choice to the construction industry and delivers the right solutions on the right platform, including cloud, SaaS, and on premise solutions, and provides customers improved accountability, efficiency, and productivity throughout the U.S., Canada, the United Kingdom, Europe, the Middle East, and Australia.

ABOUT FMI Consulting

Knowledge • Expertise • Relationships

FMI is a leading provider of management consulting, investment banking and research to the engineering and construction industry. The firm works in all segments of the industry providing clients with value-added business solutions.

- Strategic Advisory
- Market Research and Business Development
- Leadership and Talent Development
- Project and Process Improvement
- Mergers, Acquisitions, and Financial Consulting
- Compensation Benchmarking and Consulting
- Risk Management Consulting

www.fminet.com

VIEWPOINT
CONSTRUCTION SOFTWARE®

viewpoint.com | 800.333.3197