

# Building an Information Bridge Between Field and Office

Presented By: Jeffrey Nesbitt

National Director of Consulting Services

WEALTH ADVISORY | OUTSOURCING | AUDIT, TAX, AND CONSULTING

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**We promise** to *know you and help you.*

# Agenda

- Introduction
- Contractors Environment
- Common Problems
- Industry Trends
- Current Ecosystem and Challenges
- Practical steps to close the Gap

# JEFFREY C. NESBITT

*NATIONAL DIRECTOR OF CONSULTING SERVICES CONSTRUCTION PRACTICE, CLA*

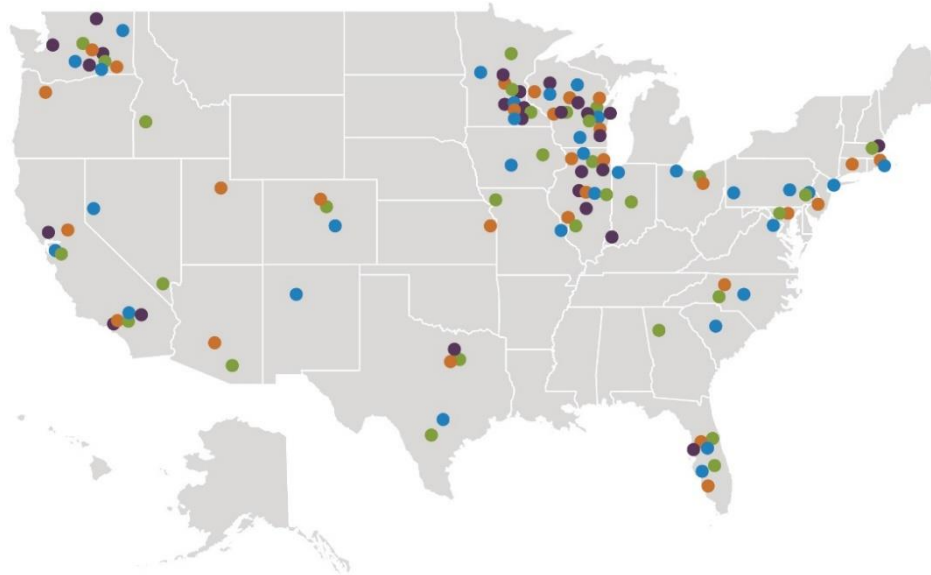
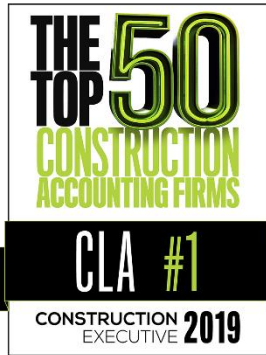


With over 16 years in the construction and technology industries, Jeffrey has helped guide both domestic and international construction firms across multiple verticals with operations management reviews, business planning, information systems selection and implementation. Jeffrey's strong construction industry market knowledge and connections have helped clients in installing best practices for connecting the back office to the field office and advisement on the latest technology tools to help you manage, grow and increase your company's value.

With a strong background around process definition, workflow, project cost management, and job cost analysis he has helped develop a communication system between field and office to provide near real-time identification of profit fade issues and measures to mitigate those risks. Helping to place the right people in the right roles at the right time to maximize efficiencies and streamline operations.

# Uncommon Industry Resources

From over 125 offices from coast to coast, CLA exists to create opportunities for our clients, our people, and our communities through industry-focused wealth advisory, outsourcing, audit, tax, and consulting services.



**350+**  
construction  
professionals



**10%**

of the contractors on  
the ENR top contractor  
lists are CLA clients

**5,250+**  
construction  
clients



more certified professionals  
on staff than any U.S. firm

# Seamless Capabilities for Construction Industry

CLA offers a complete range of services to our construction clients.

We can provide nearly any service you may need. In addition to standard audit services, we also provide outsourced internal and compliance audits, taxation consulting, succession planning utilizing CLA Intuition™, employee benefit plan audits, technology consulting, valuation services and several other services; some of which may be subject to independence rules.





# Contractors Environment

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# Building an Information Bridge





# INEFFICIENT

## Back Office Processes



lack of



CONSISTENCY



**INACCURATE**  
Data

A dark, foggy road at night. In the distance, a car's headlights are visible, illuminating the road ahead. The text "NO VISIBILITY" is overlaid in large, yellow, bold letters, slanted across the lower half of the image.

**NO VISIBILITY**



# Common Problems

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# Common Problems: Construction

## Environment

- Highly-competitive bidding process pressures margins and increases risk

## Specific Needs

- Improve estimate accuracy to **win more bids at manageable margins and risk**

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- Communication gap between jobsite and office **increases risk of project surprises**

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- Integrate project systems to **increase management visibility and forecast confidence**

# Common Problems: Construction

## Environment

- Highly-competitive bidding process **pressures margins and increases risk**
- Disconnected project systems **create islands of information**
- Communication gap between jobsite and office **increases risk of project surprises**
- Increase in Labor and Material Cost continue to **increase likelihood of Profit Fade**

## Specific Needs

- Improve estimate accuracy to **win more bids at manageable margins and risk**
- Standardize processes across teams to **avoid errors and inefficiency**
- Integrate project systems to **increase management visibility and forecast confidence**
- Improve operational processes and **adapt best practices to offset labor shortages** and rising material costs







# Industry Trends

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# Industry Trends: Construction

## 2019 Trends to Watch

- Construction costs will rise due to labor shortage forcing companies to find **new efficiencies** in operations

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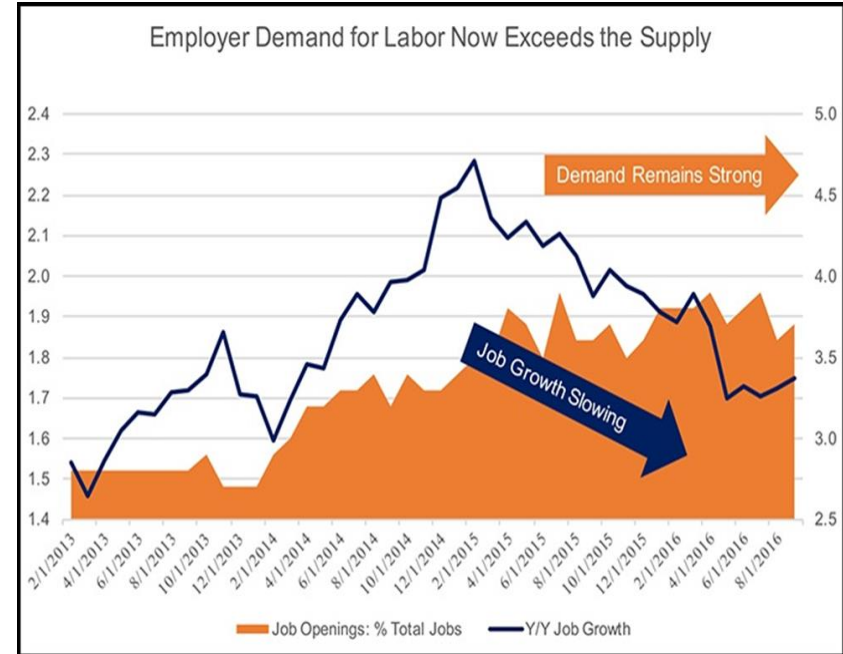
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- “Construction is ground zero in the worker shortage,” *Wall Street Journal*

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- **New technologies, project delivery methods and workforce management trends **expected to shape the industry this year.****



# Industry Trends: Construction

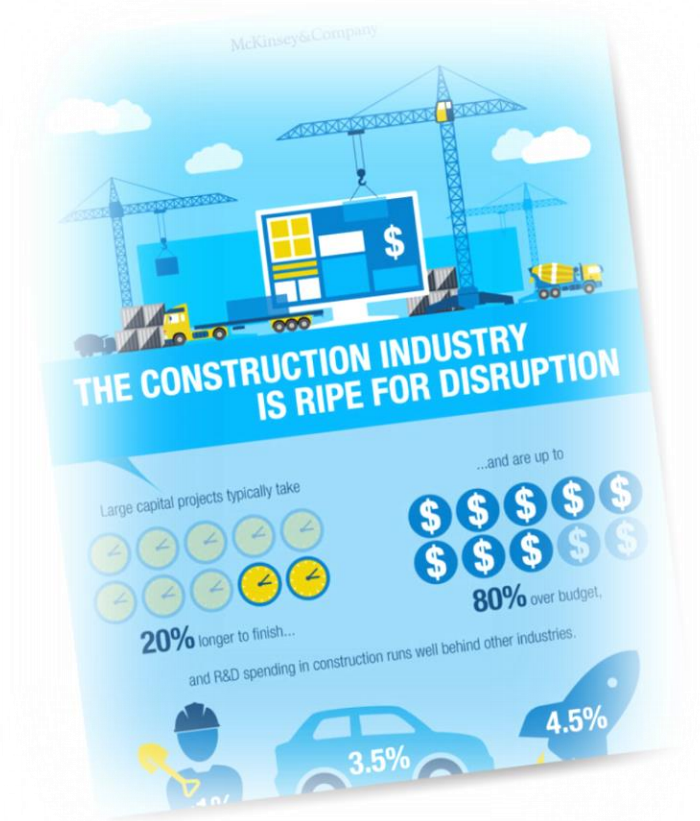
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- Owners and operators are turning to **tech to close the gap** on shortfalls in other areas of their business

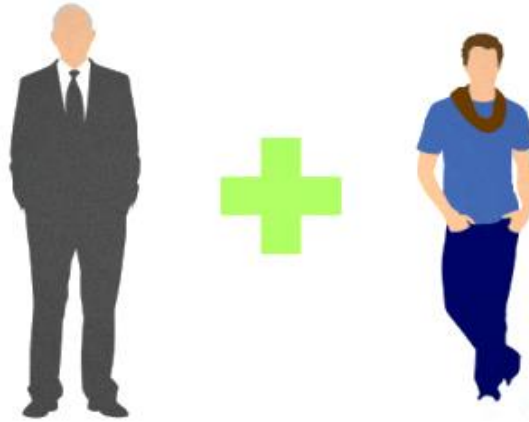
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# Millennials are the Leaders of Tomorrow







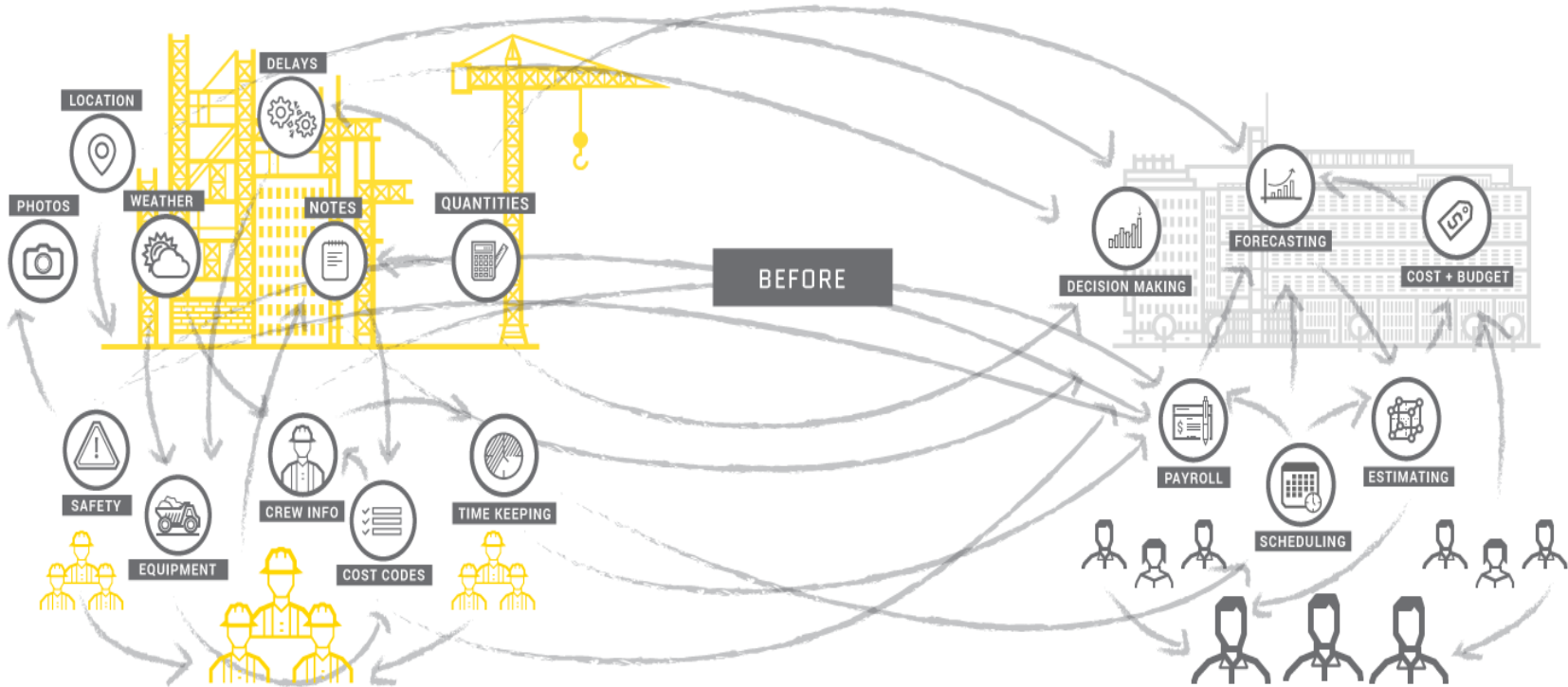
# CONTRACTORS ECOSYSTEM AND CHALLENGES

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[FIELD]

[OFFICE]



# BACK OFFICE: CHALLENGES

- Get actual cost and timesheet data from the field
- Maintain consistency across systems
- Provide data needed for better decisions

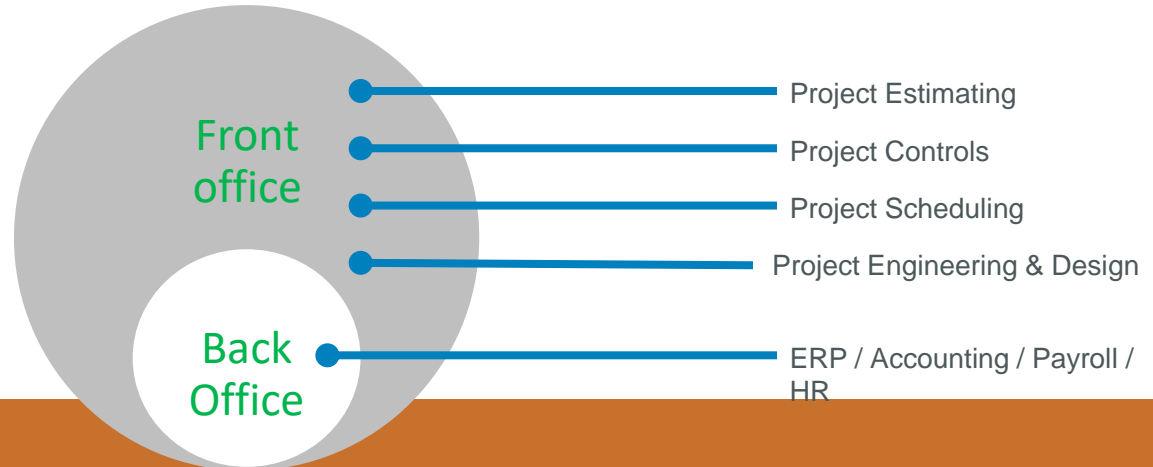


Back  
Office

ERP / Accounting / Payroll /  
HR

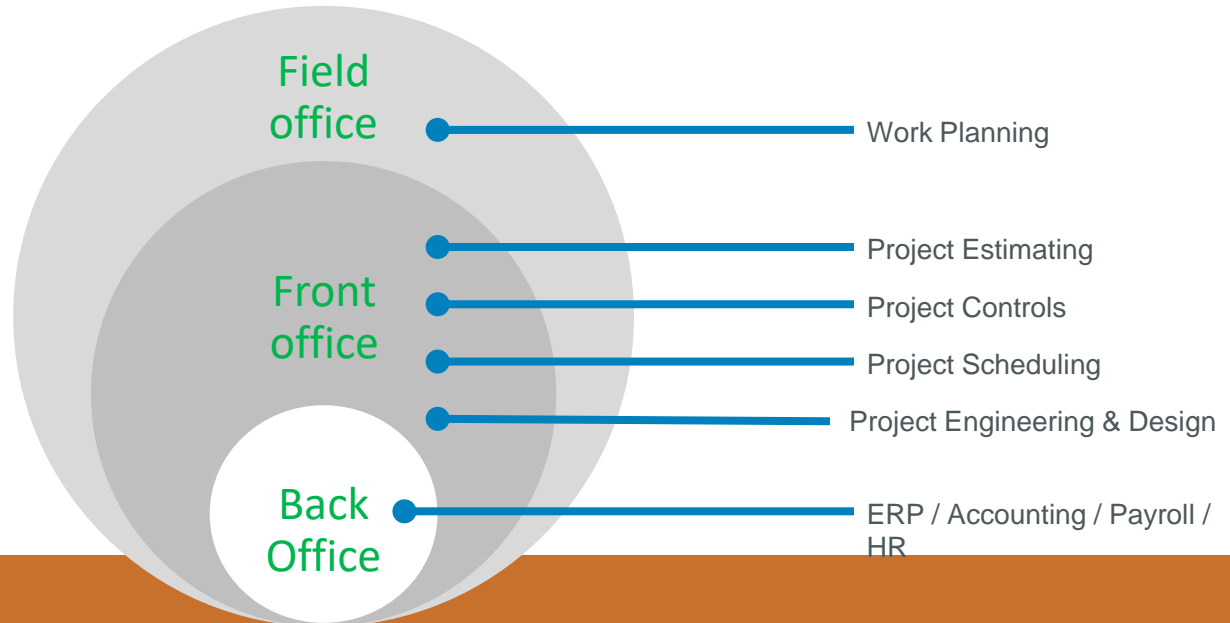
# FRONT OFFICE: CHALLENGES

- Implement best practices for strategic benefit
- Maintain consistency across systems
- Provide visibility needed for better decisions



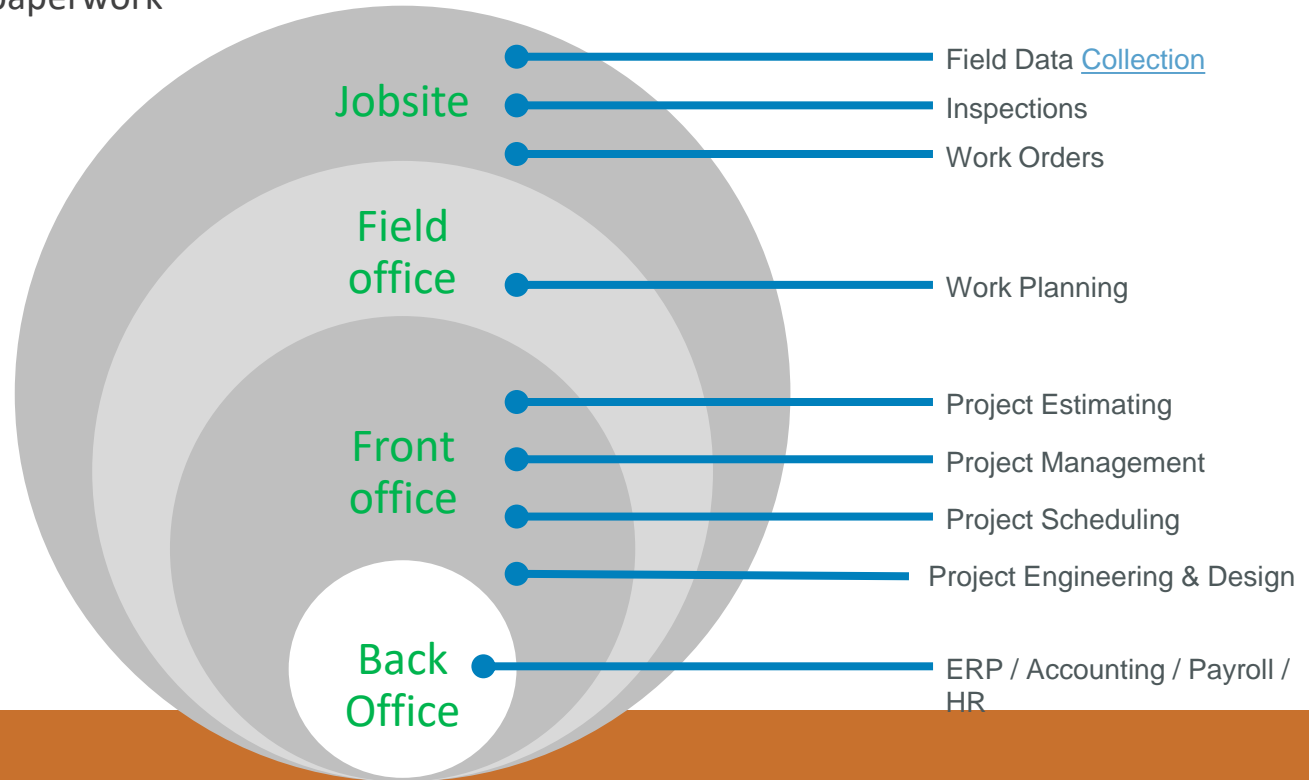
# FIELD OFFICE: CHALLENGES

- Quickly react to and recover from field issues
- Keep the project on track and on budget



# JOBSITE: CHALLENGES

- Focus on real work, not paperwork
- Keep it simple





# Collaboration, Communication, Why.....?

- Profit Fade Mitigation
  - Earlier identification
  - Positively influence results

ISSUE #	REV	TITLE	STATE	RESPONSIBLE PARTY	RESP PARTY ORG	BALL IN COURT
0285	0	Parking lot	Comple...	Kiran Penaka	Viewpoint Constru...	Kiran Penaka
0124	0	Broken down truck	Closed	Jeremy Larsen	Viewpoint - Produ...	
0332	0	Break room	Assigned	Jeremy Larsen	Viewpoint - Produ...	Aaron Jost



# Collaboration, Communication, Why.....?

- Profit Fade Mitigation
  - Earlier identification
  - Positively influence results
- Management Succession
  - Transparency and de-centralized decision making
  - Develop a middle management team



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- Profit Fade Mitigation
  - Earlier identification
  - Positively influence results
- Management Succession
  - Transparency and de-centralized decision making
  - Develop a middle management team
- Workforce Deficit:
  - Efficiency is a response to labor shortage



# With Collaboration....



**What happened?**



**What is happening?**



**What will happen?**



**How and why did it happen?**



**What is the risk?**



**How do you prevent / ensure it happens again?**



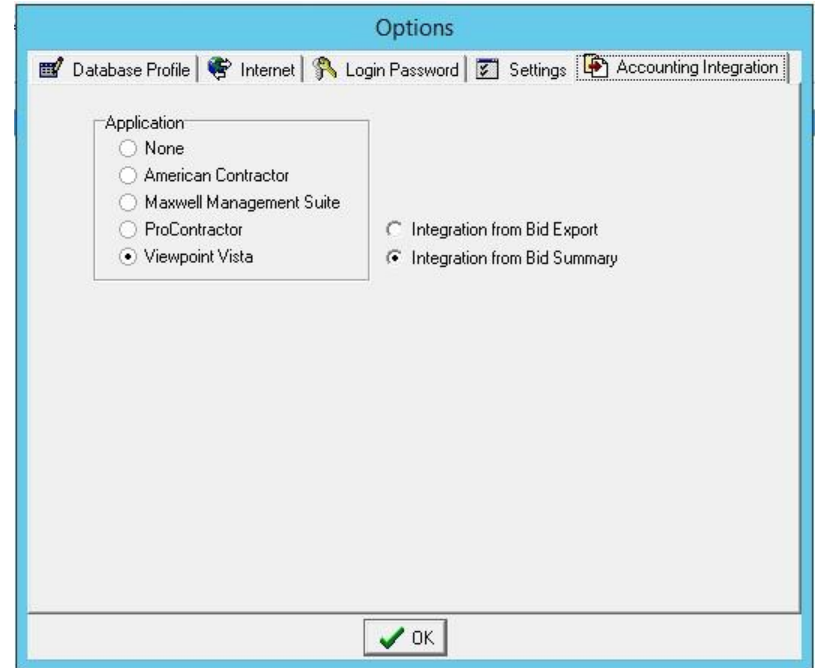
# Practical steps to close the Gap

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# Estimate / Budget Creation

- Winning Jobs at the Right Price
  - ✓ Standardized estimating process
  - ✓ Bidding with consistent rates
  - ✓ Benchmark against historical bids
  - ✓ Evaluate level of risk



# Project Setup

- Foundation for project success
  - ✓ Early identification of responsibility
  - ✓ Initiate a project within the system
  - ✓ Accuracy of project information
  - ✓ Standardize project workflows

# Budget Management

- Effectively utilize resources
- ✓ Provide real-time project performance data
- ✓ Give field personnel visibility of project performance (plan vs. budget)
- ✓ Create accurate WIP schedule and projections
- ✓ Create early warning systems to forecast and adjust against profit fade
- Daily data flow allows optimization and course correction





# Time and Actuals

- Create a data-driven organization
- ✓ Leverage digital processes to collect job site data

Record Barry's iPhone

Bob's Crew, Bob's... March 07, 2017

1000-, First Ave Elementary School Part 1

	Total	Project Superintendent 013100--	Form & Strip Continuous Footin 031000-1-	Wall Form Material 031500--
▶ 1-175, Bob K Russ...	6	6		
▶ 1-20906, 126" Wid...	5	3	2	
▶ 1-30901, Bobcat				

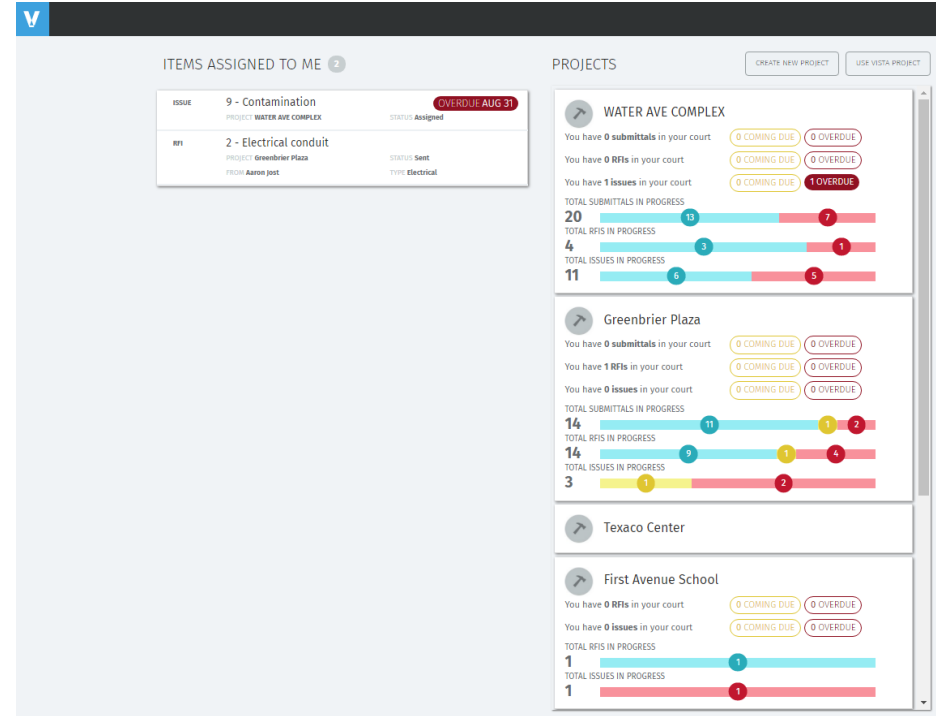
0 1 2 3 4 5 6 7 8 9 . ↩ Done

# Time and Actuals

- Create a data-driven organization
  - ✓ Leverage digital processes to collect job site data
  - ✓ Capture best practices
  - ✓ Utilize technology to capture work plans, time sheets, material quantity claims
  - ✓ Eliminate the element of surprise resulting from paper/manual processes

# Project Management

- Execute high quality projects ahead of schedule and under budget

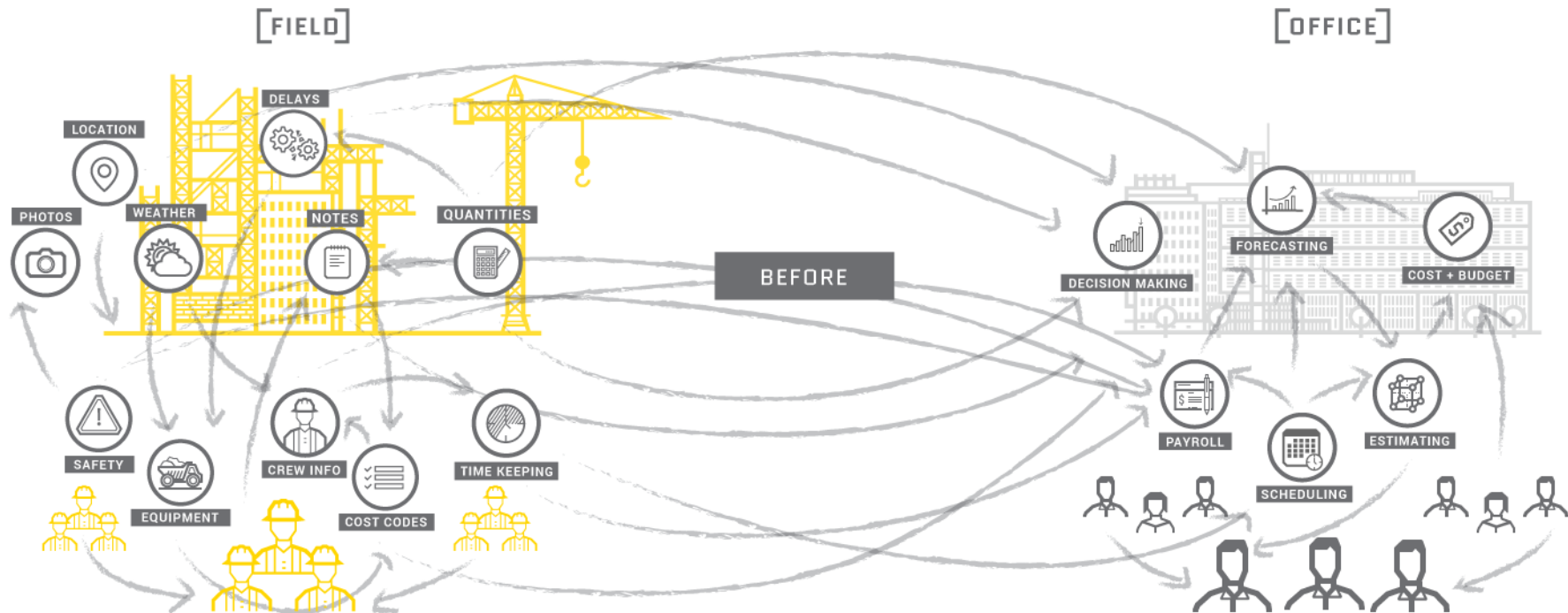


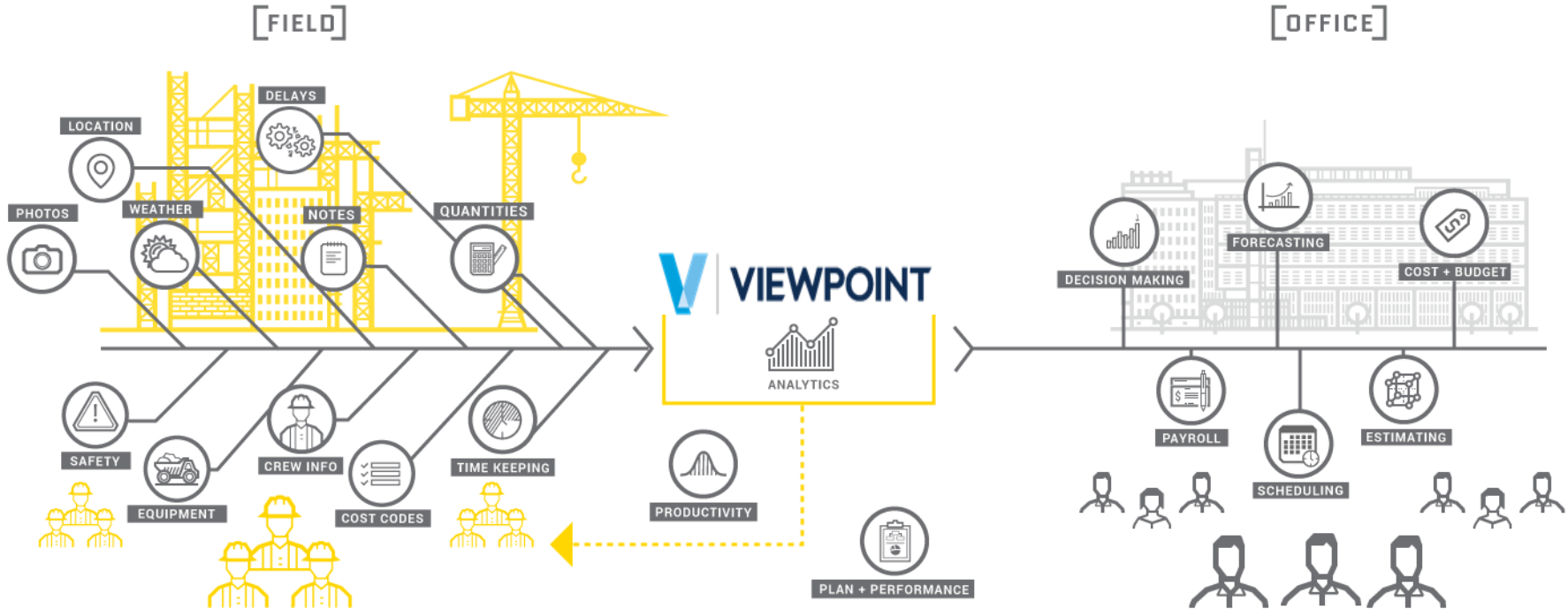
# Project Management

- Execute high quality projects ahead of schedule and under budget
- ✓ Tie together scope, schedules and actuals to create a single source of project truth
- ✓ Real-time active view of a project at any given time
- ✓ Provide project transparency to executive leadership
- ✓ Tie construction jobsite to back office accounting through efficient use of integrated tools



# UTILIZE TECHNOLOGY TO CONNECT YOUR EMPLOYEES







# Thank You!

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National Director of Consulting Services

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