

Back to the Basics: Improving Productivity into the Field

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The six most expensive words in the construction industry might be “*put that over there for now.*” This phrase is evidence that our field managers often find themselves “too busy” to plan. The result is usually a loss of productivity and lower margins. We really want our field leaders to *pre-think* their work: to drive productivity not just production. The good news, from recent construction-industry surveys, is that productivity is improving. This is not surprising given the competitive nature of the economy. Most companies only have an “A-Team” left on the payroll, so the low margin jobs in their backlog are being managed well. We also know that there is room for improvement. Rather than look for a common measurement that compares all companies, let us take a closer look at key management practices that affect productivity.

What anyone who undertakes a serious program to improve productivity learns is that there is no silver-bullet solution. It takes trained personnel, better planning, a common vocabulary, standardized metrics and excellent communications to realize the real improvements. In response to the question, “Of the initiatives that you have taken to improve productivity, which have given you the best results?” respondents provided a list of things that have worked to improve productivity:

- “Weekly status reports vs. budget incentives to field personnel to beat labor budgets”
- “All methods to improve our ability to communicate have helped to improve productivity”
- “Improved explanation of expectations prior to the start of a project and then regular inspection and reporting (required)”
- “Cost coding and productivity monitoring”
- “Establishing baseline productivity and then measuring changes”
- “Having supervisors measure productivity daily and report it”
- “Establishing Key Performance Indicators and weekly reporting to our field management. They have full access to instantaneous job cost and productivity information”
- “Being selective in building teams that work well together”
- “Pre-construction coordination, including 3D modeling and commitments of coordination for team members”
- “Close planning of day-to-day activities”
- “Formalize planning/schedule process and incorporate these activities into site-specific safety and quality programs”
- “Planning the work that you want to measure, establishing goals, communicating the goals, measuring and providing feedback in a timely manner”
- “Superintendents and PMs developing manpower schedules for each project and following these schedules throughout”
- “Increased training at the project management and field management levels”

As this list of comments indicates, there are many approaches to improving productivity. The real goal is to put them all together, make productivity a strategic priority for your company, and use it as a competitive edge in a changing economy.

A lack of communication skills and strategic thinking/planning at the field management level are two of the top internal challenges to improving productivity. All of these items are within the contractor’s control and can be improved significantly through the consistent use of effective project-planning processes. FMI has identified three specific levels of project planning which, if used consistently, will improve productivity and reduce labor costs. They include pre-job planning, short-interval or look-ahead planning, and daily planning and goal setting.

Pre-Job Planning

The first level is pre-job planning. The objectives of a good pre-job planning process should be to facilitate the transfer of information to the field manager, involve the field manager in developing the most productive approach to the project and create buy-in to a common set of goals for the project team. As a general rule of thumb, early and thorough field management involvement in the pre-job planning process will produce labor savings.

Short-Interval Planning

The second level of planning necessary to optimize productivity is what FMI calls short-interval or look-ahead planning. This is formal planning that needs to occur consistently (weekly) at the field-management level. When we asked contractors how far ahead their field managers plan and communicate information about resources such as labor, tools, equipment and materials, more than half said that their field managers looked ahead more than four days. Although that sounds good, it means that four in ten are flirting with inefficient last-minute fire drills to find and direct resources toward getting the job done; a “put that over there for now”-mentality. Frequent trips to the local supply house and a large number of small purchases from the field are indicators you may have a field-planning problem. For companies with a centralized shop or warehouse, simply monitoring the number of emergency or last-minute calls from the field for materials, tools or equipment is a great indicator of the quality of planning taking place at the field-management level.

Daily Planning and Goal Setting

With so many respondents reporting that field managers fail to plan far enough in advance, it is no surprise that very few field managers communicate a quantifiable or measurable production goal with their crews *every* day. This leads to the third critical level of project planning required to optimize productivity: daily planning and goal setting. Simply stated, if the entire crew is not informed of the production goals for the day, field managers are not doing their jobs and they are missing a great opportunity to impact productivity. All too often, the crews know the activities for the day, but do not have a quantifiable or measurable target from which to monitor performance and provide feedback. While field managers may have a target in their mind, many do an unacceptable job of communicating the goal and creating buy-in from the crew.

It is unlikely that our field managers have received much formal training on these three levels of project planning. Contractors have the ability to increase their field productivity. However, it takes a commitment of time and resources from the organization to do so. The cultural resistance to change can be overcome through training, plan implementation and monitoring of results. If contractors expect to improve productivity, they will have to increase the amount of time spent on improving their field leadership and then provide the necessary support and reinforcement to encourage and reward them.

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