



Advanced Project Management Symposium

Spring 2011
 Seattle, Washington

Full Application of Agile Construction®



Making Productivity Visible to Everyone™

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Contact MCA now to register for the Fall 2011 Symposium:

“Transformation”
 Omaha, Nebraska
 September 22-23, 2011

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Focus

The focus of the Spring 2011 Symposium was “Full Application of Agile Construction[®]”. Marking the 13th symposium from MCA, 24 companies were represented by 94 attendees, which included owners, general contractors, subcontractors and distributors. Sponsored by VECA Electric, this symposium aimed to showcase the practitioners using all 4 legs of Agile Construction[®]: JPAC[®], SIS[®], Prefabrication and Vendor Partnership.



Prefabrication

The session began with exploring the externalization of work by Prefabrication. The overall benefits of Prefab include controlled environment quality, lower composite rate and shorter jobsite installation time. Thompson Electric Company (TEC) and VECA Electric & Technologies (VECA) were invited to introduce their effort and results in prefab.

Kevin Lytle presented on the prefab process at TEC. Initially Kevin's group questioned how prefab would help them, but now between the field and the prefab operation manager, they question "what can't we prefab?". This has led them to prefabricating up to 60-70% of the assemblies needed on some projects. Prefab puts the shop in a proactive position instead of being reactive. Once Agile Construction[®] is implemented, it is imperative to get buy-in and input from the field. To achieve the focus of Agile Construction[®], everyone must work together to ensure the installation process is easier for the electricians at the job site. As revenue recognition by effort is introduced, Prefab can bring cash flow for contractors at a much earlier stage.

John Armitage presented on the Prefab process at VECA. A discussion ensued on how to deal with unforeseen conditions at the field. It is important that the jobsite information is made visible, and all possibilities of error are addressed. Productive prefab relies more on control limits of the project than specification limits. Control limits report on what the true project performance is, whereas specification limits will only show the engineering and design tolerances for the project.

Agile Construction[®] helps make the information visible. Prefab should be thought of externalizing work from jobsites, not just standardizing the work.

Vendor Partnership

Vendor Partnership focuses on the transfer of value to the end customer by providing the lowest installed cost. Prefab and Vendor Partnership help ensure contractors do not fall victim to the jobsite. The partnership is about finding a process that will work for both the contractor and the distributor to make both profitable.

Steven Horst from Graybar was invited to present on Graybar ESP (Efficiency, Safety and Productivity). Scott McGaugh and Peter Eccles presented on the improvement efforts at North Coast and Graybar Seattle, the two Vendor Partners for VECA. Redesigned purchase orders and Issue Resolution Forms were implemented between VECA and partners.



Participants exchanged ideas on what work is being externalized between vendor partnership and prefab, and what are the benefits. VECA design teams also learned how the vendors operated, and are adjusting VECA's procurement processes to reduce the vendors' costs. During the Partnership, VECA's emergency orders dropped to almost zero, avoiding hot deliveries.

Visit to Sabey Data Center and VECA Prefab

This year, the participants were invited to the Sabey Data Center (SDC) 42 and VECA's Prefab shop. SDC42 demonstrated a full implementation of Agile Construction[®]: JPAC[®], SIS[®], Prefab and Vendor Partnership. (Photography was not allowed at SDC.)



Tools and Applications of Agile Construction[®]

Matt Fairbanks, Director of Agile Construction[®] at VECA, shared the experience of the full Agile Construction[®] process. Agile Construction[®] looks at the entire process from the installers' perspective. Strategic Breakthrough Process Improvement (SBPI) is helping to solve problems and build an infrastructure that supports the whole structure of the company. Recognition of the changing markets led to a detailed discussion of the different skills, training and operating processes necessary to competitively function in the current environment.



You cannot fix the problem if you don't know the issues. JPAC[®] and SIS[®] are making any variation of the job visible. Variation comes in from either special causes or common causes. Development of the correct strategies for reducing the variation and increasing predictability requires an understanding of the root cause of variation, and whether it comes from a special or common cause. JPAC[®] will highlight special cause variation on the job or in specific cost codes, while SIS[®] highlights the common cause of

variation. Jennifer Johnson and John Pendergrass from VECA, with support from Andy Hooper and Jim Hooper, shared their experiences training foremen on JPAC[®] and SIS[®].

In addition, JPAC[®] can improve the revenue recognition for construction contracts. Basically, the cost-based % complete cannot show the actual job progress in the field. With JPAC[®]-based, we could bill the actual % complete which allows contractors to take advantage of productivity of the job.

Closing Comments

The symposium ended with participants sharing comments on the session. Most participants thought the symposium was very informative. The new initiates for Agile Construction[®] see a journey that involves cultural changes and trust building.

Although it may seem complicated and not make sense at first, knowledge and wisdom comes along with practicing and continuously improving Agile

Construction[®] implementation. For the veterans of Agile Construction[®], it is interesting to see how much they have learned from the process and keep being challenged. Agile Construction[®] is a great tool to stay informed of what is taking place on the jobsite, and this will change the industry for practitioners. Some participants were also interested in MCA's future research and pushing the standard further.



Tom Fairbanks of VECA ended the session with thanks. He expressed VECA's commitment to the process, and it is paying off. Agile Construction[®] is a great tool to buy-in, but also requires a process to understand it.



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