



Documentation that Makes the
Company Money



Documentation that Makes the Company Money

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What we will cover today...

I. Communications Overview

- Construction Projects Are Built on Communication
- What is Communication?
- Why Good Communications = Project Success

II. Daily Reports That Make Your Company Money

- Why do we prepare them? How to prepare them well?
- Why are the most important pieces of documentation?
- What's in it for me? / What's in it for my company?
- Do's and Don'ts
- How do the Daily Reports Make the Company Money?

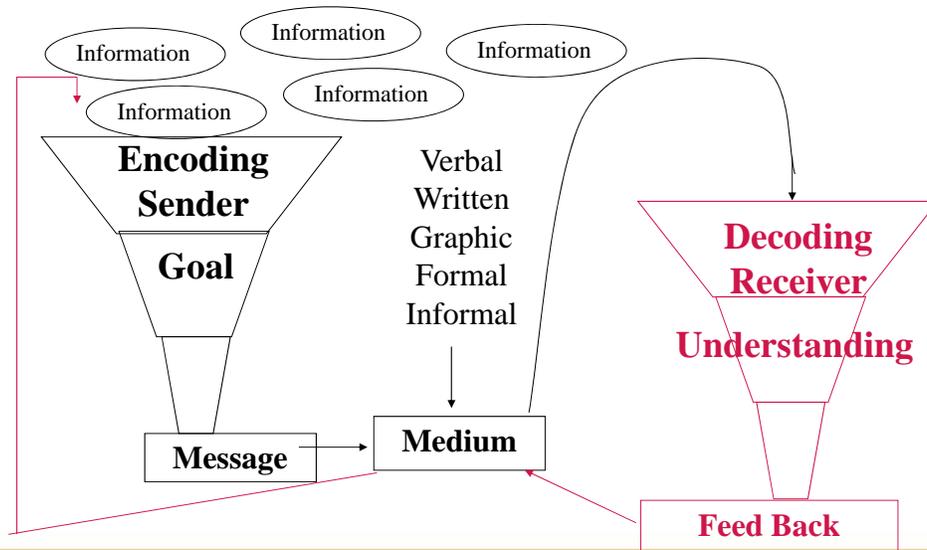
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Construction Projects are Built on Communication

- No one person can build a project without great communication
- Communication is vital to success at every level
- ***If you can't communicate – You can't manage***

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Just What is Communication?



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Five Levels of Communication

- **Two Way - Face to Face**
 - *Most Effective*
 - Both verbal and non verbal expressions are apparent by both parties
 - Instant feedback is possible
- **Two Way – Written**
 - *Effective*
 - RFI's / E-Mails
- **Two Way - Not Face to Face**
 - *Not as effective*
 - Feedback possible, but non verbal expressions are not apparent
- **One Way – Not Face to Face**
 - *Least Effective*
 - No feedback is possible
 - No non-verbal expressions available
- **One Way – Written**
 - *Effective when prepared correctly*
 - Daily Reports

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Two Types of Non Verbal Communication

- **Body Language (Kinesic)**
 - Wink
 - Frown
 - Nod
 - Sigh
 - Grooming
 - Posture
 - Gestures
 - Punctuality
- **Implied or Perceived Language (Metacommunications)**
 - **Between the lines Communication**
 - I hope you will be prompt
 - Your complaint has been referred to me
 - I received your most recent RFI

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The Purpose of Communication in Business

- Recording in Daily Reports
 - Production
 - Time
 - Problems
- Informing
 - RFIs
 - Submittals
 - Schedules
 - Letters
- Persuading
 - Conversations / Meetings
 - Verbal

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Project Communication Tools

- Contracts
- Purchase Orders
- Plans and Specs
- RFI's
- Addendums
- Memos
- **Daily Reports**
- Time Sheets
- Change Order Requests
- Change Orders
- Personal Conversations
- Telephone Conversations
- Letters
- Reports
- Schedules
- Tables
- Material Schedules
- Submittals
- Requests for quotes
- Cost Proposals
- Email / Internet

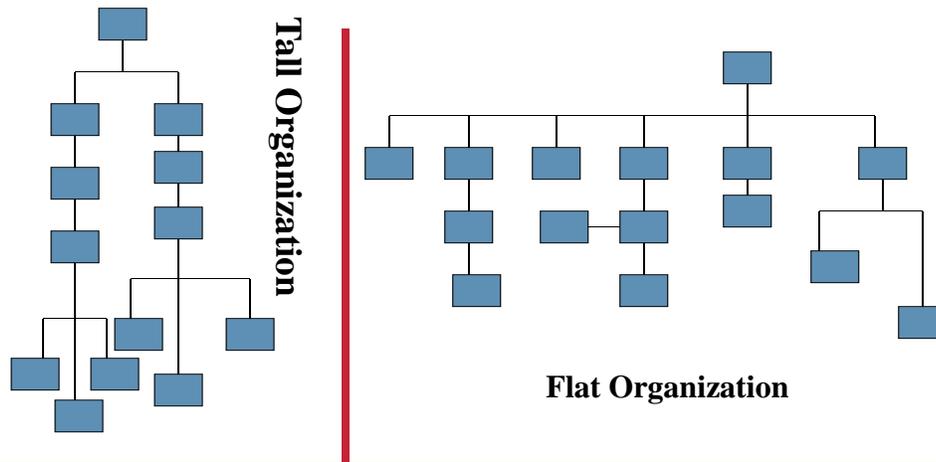
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Why Good Communications = Project Success

- Opens the door to discussion
- Establishes the basis for resolving conflict
- Keeps everyone on the same page
- Opposition backs off when they know that you have great documentation
- Show the opposition what great documentation that you keep

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Why Communication within a Construction Company is so Difficult



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Verbal Communications

- In person conversations
 - Think of yourself as a liaison for your company
 - Best chances of success
- Walkie-Talkie
 - Don't Assume the listener is alone
 - Ask – "Is this a good time to talk about . . ."
- Telephone or E-mails
 - People are much bolder than when they are talking face to face
 - Best chance for success is face to face meetings
- Meetings
 - Discover the value and use them to your benefit

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Graphical Communication

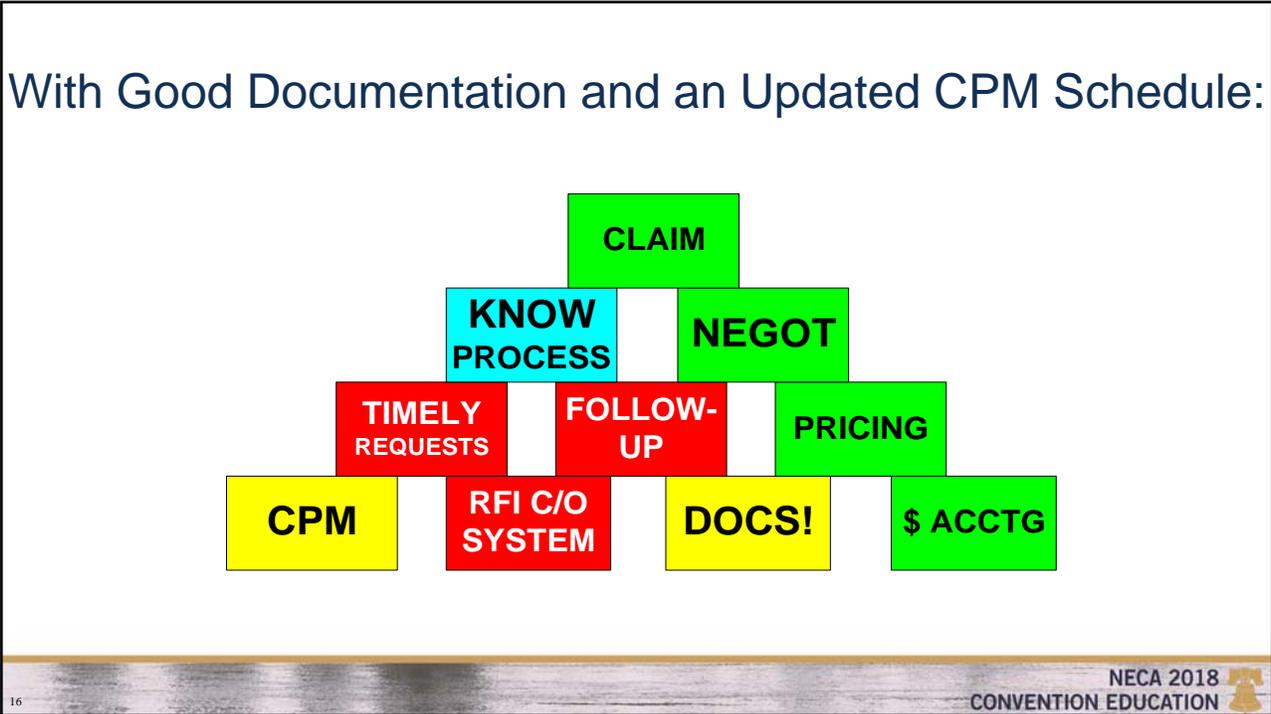
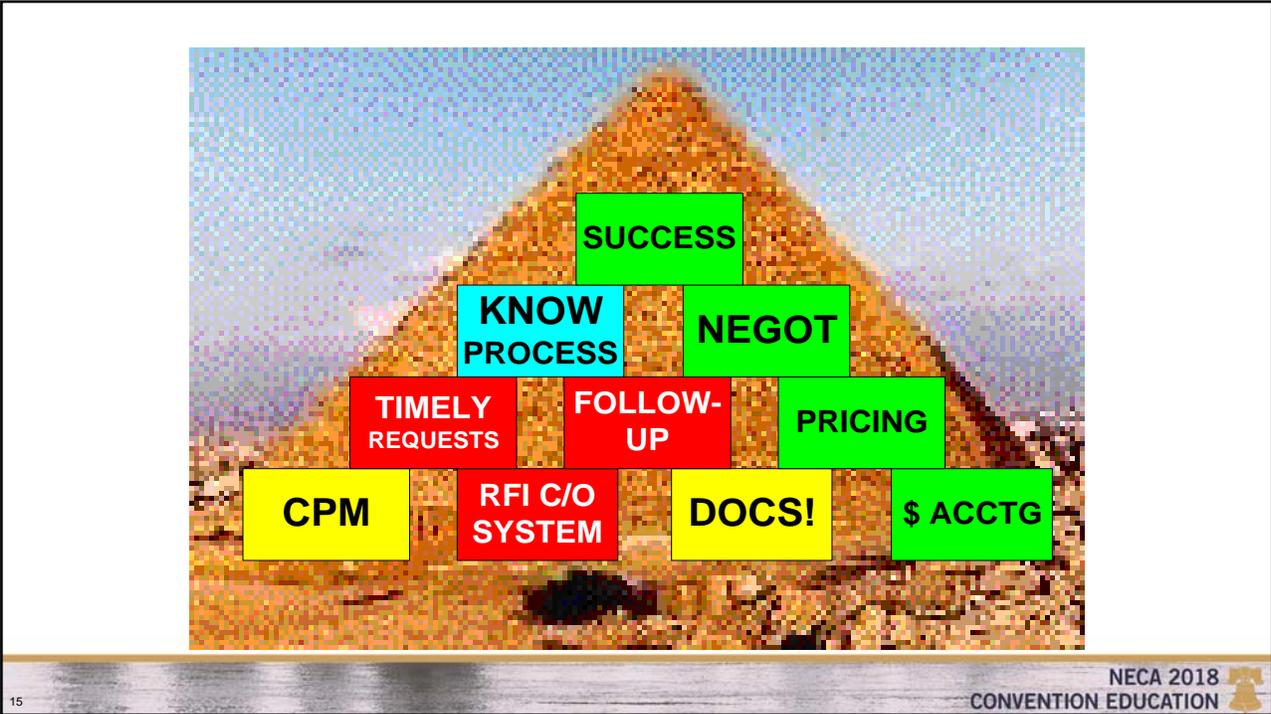
- Using Pictures to help get the point across
 - Photos
 - Diagrams
 - Drawings
 - Details

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Written Communication

- RFIs
- Memos
- Letters
- Time Sheets
- **Daily Reports**

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Without an Accurate Updated CPM Schedule:



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Poor Communication, Weak Documentation, No Updated CPM



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Change Orders

- **Document In:**

- RFIs
- Submittals
- Letters to the Owner
- Superintendent's Daily Report - Labor/Material/Equipment (Segregate)
- CQC Daily Reports
- Memos to File
- Memos of telephone conversations
- Meeting Minutes
- Diary
- Photographs and/or video tapes
- E-mail

The Daily Report

Why Do We Prepare Daily Construction Reports?

- Furnish information to off-site persons
- Who needs and has a right to know important details of events as they occur daily and hourly
 - **To prevent problems**
 - **Get Change Orders Entitlement for Delays/Costs**
- Furnish historical documentation that might
 - **Have a legal bearing**
 - **Used in cases of disputes**
 - **Used in negotiations**
- Need to be factual and impersonal as possible, free from the expression of personal opinions/feelings

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Why Do We Prepare Daily Construction Reports? (Cont'd)

- Most readers are not fully informed about all aspects of the project. To understand the progress made to date and the problems that are anticipated. If the report goes only to your supervisor, you can assume that he knows technical terms related to the project.
- You must fully grasp what the project involves. You should assume that other readers does not know the technical details and perhaps not the technical concepts. In other words, you must go into as much details as necessary to inform your specific audience

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The Daily Report

- What should be included the daily report?
 - Date
 - Weather: wind, temp, humidity or rain
 - Segregate Labor / Materials / Equip for each Activity of Work
 - Segregate CO Work & Contract Work
 - Delays – causes (even if no manpower)
 - Verbal conversations
 - Safety
 - Visitors

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The Daily Report

- How do YOU fill out the daily report?
- What are the important elements?
- How do you show change order work vs. contract work?
 - Why you should not combine them?
- How could you keep track of the costs of an overzealous inspector?

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The Daily Report

- How long does it take to fill out the daily report?
- Who gets copies?
- Who reads them? Anyone?
- How are they used later?
- Does the daily report really matter?
- Does format really matter

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The Daily Report

- Why is it important?
 - Contemporaneous documentation
 - Very credible to all parties
 - Source for tracking
 - Crew movements
 - Change work - identified separately
 - Interruptions, delays
 - Piece of an emerging puzzle
 - When reviewed by experienced managers



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The Daily Report

- Segregate labor, materials, equipment
- Segregate contract work and change work
- Specify exact locations of work
 - Room No
 - Station No
 - Attach Photographs
 - Drawing / Detail No
- Identify problems and delays
- Keep copies in “CO files” Daily



Project:													
GC:													
Sub:													
Owner:													
SUPERINTENDENT'S DAILY REPORT											Date:		
	Trade	Classif.	S.T.	O.T.	D.T.	CPM	Work Description						
Labor		1- Gen. Fmn	5				Contract Work						
	1 Framer	Foreman	5			3141	Frame walls in Room 121 - Bldg A						
	5 Framer	Journeymen	25			3441	Frame walls in Rooms 130, 131 & 132 - Bldg C						
	2	Other	10										
Materials	600 LF of 16 ga Studs												
Equip	Forklift		6										
	Scaffolding		6										
Labor	Gen. Fmn	Gen. Frmn	1				Extra work (Cost Code 910)						
	1 Framer	Foreman	1				Extra mobilization costs moving from Bldg. A to Bldg. C						
	5 Framer	Journeymen	5				Work could not be completed in Bldg. C because concre						
	2 Other	Other	2				not complete at roof - therefore, we could not install fram						
Materials													
Equipment	Forklift		1										
	Scaffolding		1										
Labor	1- Gen. Fmn	1					Extra work (Cost Code 911)						
	1 Framer	Foreman	1				Work stopped by inspector (GET NAME) because he th						
	5 Framer	Journeymen	5				work does not meet code at Room 125 - Bldg A						
	2	Other	2										
Materials													
Equipment	Forklift		1										
	Scaffolding		1										
Labor		1- Gen. Fmn		2			Extra work (Cost Code 912)						

Being Professional in Speech and Writing

- **Develop / Use appropriate language**
 - Continue to develop your vocabulary
 - Learn the language of **your trade**
 - Learn **general** Construction Language
- **Use proper speech in writing**
 - Show respect - Write clearly
 - Avoid crude speech
 - Racial
 - Gender
 - Man, this was a six-pack day
 - Reserve strong language for emphasis
 - Become professional / Rise above the pack

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Rising Above the Pack

- Developing better verbal skills
 - Learn and practice new words
 - Ask what words mean
 - Carry and use a pocket dictionary
 - Check out programs (Verbal Advantage?)
 - Use Cellphone App
 - Take a course in business writing

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How to Communicate with Inspectors?

- Scheduling Inspections – Note in Daily Report
 - State exact type of inspection desired
 - State exact time inspection is desired
 - State exact location where inspection is required
 - Reserve panic / Crisis for the real thing
 - (Don't cry wolf)
- Follow-up after Inspection
 - Make Inspector sign it off on plans
 - Register approval on:
 - Daily Report
 - Memo to Superintendent
 - Inspection Log

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How to Communicate with Inspectors? (Cont'd)

- Avoiding / Resolving Conflicts – Document on Daily Report
 - Get on the same page early in the job
 - Question unreasonable requests / requirements through a “meeting” to discuss plans, specs, codes
 - Write RFI if Inspector's requirement is outside the scope of work or it does not conform to the code
 - Inspector cannot stop work or provide direction on what to do – Your responsibility is to perform per the Contract Documents
 - Request unreasonable requirements in writing
 - Request meeting with Inspector's superior

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How to Communicate with Managers

- Get on the same page
- Establish protocol
 - When Written vs Verbal
 - When Radio
 - When Telephone
 - When Emergency
- Establish channels
 - Reports
 - Meetings
 - Messages
- Develop Team Mentality
 - Ask how you can assist in making your PM's job easier
 - Ask questions to get clarity on directions
 - Ask for controversial means and methods to be explained
 - Offer solutions for difficult situations
 - Always discuss cost issues
 - Welcome feedback on Daily Reports

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Project Managers Need to Review Daily Reports

- **When?**
 - Daily
- **Why Daily?**
 - To see if no out-of-scope of work is being performed
 - To look for potential CO work being performed
 - To see if the Daily Report is being filled out correctly
 - Proper language is being used
 - Problems are being identified
 - Code CPM Activities to the Subs and GCs Daily Reports
 - SDCC / Barstow / Ronald Regan Courthouse

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Communicating With Other Trades

- Develop rapport
 - Ask Questions
 - Show respect
 - Try to understand their requirements
- Offer to be included in sensitive, joint scheduling schemes
- Offer help (If it also helps you)
- Try to resolve conflicts before involving Others
- Show conflicts Graphically

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A Picture is Worth a Thousand Words

- Using Graphics to help tell your story
- Internal / External
 - Bar Charts and Graphs
 - Line Charts and Graphs
 - Details
 - Photos (attach to Daily Report)
- Use when describing differing site conditions

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Showing Differing Site Conditions in Graphical Form

- **Per Plan:** Wall is to extend 12' in height for 24 LF with no obstructions at the ceiling level
- **As Is:** There is HVAC duct work and a steel beam that will require additional framing work
- Explain and include a drawing of the problem in an RFI and Daily Report

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Creating a Daily Work Agenda Using the Daily Reports

- Review Previous day's progress
- Describe any current problems
- Consider a few possible solutions
- Create a list of priorities
- Assign tasks accordingly

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Responding in the Negative

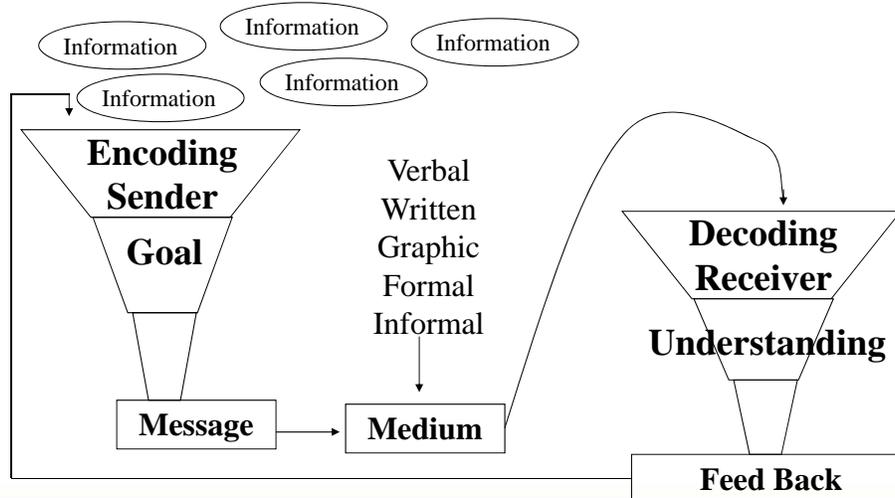
- Ask yourself 2 questions
 1. What EXACTLY is the message?
 2. Who is the most likely reader?
- Follow a measured path
 - Start with neutral statement
 - Facts / Analysis / Reasons
 - Unpleasant message
 - A related idea that takes emphasis away from the negative

Responding in the negative

- You have been “instructed” to beef up your crew by the CM because they does not believe you are going to complete your work per the schedule.
- Document conversation within Daily Report
- Discuss with PM
- Document decision by PM in Daily Report

Just What is Communication?

The Foreman is Right in the middle of it all the time.



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How To Prepare Daily Construction Reports

- The person who prepares daily construction reports undertakes the following roles:
 - Communicator
 - Factual documenter
 - Recorder of events and facts
 - Project Contemporary (historian)

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How to Prepare Daily Construction Reports (Cont'd)

- A contemporary is the recorder of contemporaneous documentation. Literally, this means that little or no time has passed to dilute or intertwine the items being recorded, thus making this documentation pure & strong
- The further away from the events, the more tainted the records become by one's experiences and feelings.
- Facts stay facts.
- The more you use these documents, the stronger the documents become.

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How to Prepare Daily Construction Reports (Cont'd)

- This is Part of Business
- Field and office personnel must understand that this is part of business and the daily routine.
- Companies **must train** their personnel to create proper contemporaneous documentation.
- It means providing paid time for the preparation of these very important documents and set high standards.
- This is anything but automatic and ingrained – it takes 6 to 8 weeks of training to be good

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How to Prepare Daily Construction Reports (Cont'd)

- As with everything we do, we need to understand the “what’s in it for me” aspect of what we do in order to be good at it and really care.
- Construction Supervisors are professionals - this is a professional task that must yield a professional-level deliverable.
- Nothing less will do.

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How to Prepare Daily Construction Reports (Cont'd)

- Review important notations in weekly meetings to set up action lists/agendas and improve performance through discussion
- Compliment good reports that succinctly convey important items
- Make these reports your working documents.
- Involve Foreman/Super in the discussions.
- Make his or her work feel important

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When Are Daily Reports Handy?

- The author of the daily report communicates what happened today. Yesterday was reported yesterday
- Facts come in varying shapes and sizes.
- A fact can be something that did happen.
- Or, it can be something that did not happen (but should have, according to the daily plan).
- Stick to the facts — do your best to avoid conjecture and opinion.
- If you must state opinion, identify it as such. Report first hand information on your report.

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When Are Daily Reports Handy? (Cont'd)

- Documents can testify. Daily reports are considered hearsay
- Anything said or written that is not under oath at the time and not subject to cross-examination is hearsay
- You ask, then how can a daily report testify? Can the report eventually be used in evidence? (Remember, it wasn't written under oath; nor was it subject to cross examination by the other party)

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When Are Daily Reports Handy? (Cont'd)

- The answer is “yes” — your daily report can testify. It can be introduced into court (or arbitration). In fact, the daily report, properly done and maintained, may be the best witness of all. Let's investigate:

When Are Daily Reports Handy? (Cont'd)

- **The Business Entry Rule**
The Business Entry Rule is an exception to the Hearsay Rule. Documents and records used in connection with running a business or project are assumed to be credible
- After all, what successful businessman would want to use false documents to run his business?
- For that reason, business records are given a shroud of credibility & can be admitted into evidence even though they are technically hearsay

When Are Daily Reports Handy? (Cont'd)

What Does It Take To Get Them Admitted?

– Contractor should have a written policy about its key business records, including cost reporting, daily reports, correspondence (e-mail) and diaries.

The policy should:

- Establish a check & balance system to ensure accuracy
- Establish an authority (a manager) to ensure proper implementation of the policy
- All cost documents must have accountability.
- Opposing attorneys often test the accuracy of all detailed & summary documentation & the accuracy of field & office documentation

When Are Daily Reports Handy? (Cont'd)

• Your Attorney's Success in Court

In general, what does a construction lawyer want in the way of daily records?

- In short, he or she wants your company's standard-used documents; not ones prepared because of a potential impact or problem.
- Jobsite documents should use the facts to relay the events and tell the story of what did happen and what did not happen that should have.
- The records should show a gapless workflow or storyline based on fact so your attorney or forensic expert can show cause & effect.

What Will Discredit The Daily Reports

- Now that we know how to admit daily reports, let's look at how we might "kill" this paper witness. Here's what will do it:
 - Inaccuracies
 - Entries "in contemplation of litigation"
 - Self-serving statements
 - Inconsistency in maintaining records
 - Loss of some records

COs & Claims - Daily Reports

What will the Daily Records Support?

- **Make sure that you document L / M / E**
 - T&M costs under Changes Clause
 - Constructive Changes
 - Acceleration (formal and constructive)
 - Suspension of work / Stop Orders
 - Differing Site Conditions
 - Delays & Inefficiencies
 - Sequence Changes
 - Acts of God / Force Majeure Delays
 - Record how many hours & minutes time was lost
 - Terminations
 - Cause or Convenience

COs & Claims - Daily Reports (Cont'd)

- Constructive Changes may involve disagreements over direction given. Daily Reports will help with means & methods, over-inspection, contract interpretation & much more. What brings strength & reduces interpretation to the content of the daily report? Here's a brief list:
 - Tracking additional work activities and impacted activities in support of the schedule – Record LME lost
 - Referencing specific drawings, sections, details
 - Tracking by specific cost codes and issues
 - Activity-centric reporting
 - Relating impact documents to field activities
 - Crew movements/reassignments
 - Work effects from the environment
 - Changes in means and methods

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Do's On Daily Reports

Never arrive at the construction site without the following items in hand:

- Cell Phone is capable of:
 - Taking notes
 - Recording conversations / notes
 - Taking digital photos with date and time stamp
 - A flashlight, level and tape measure
 - Compass
- Walkie-Talkie

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Do's On Daily Reports (cont'd)

- **In Direct Support of Your Schedule**

- Be sure to get answers to the following items:

- Actual start of an activity. If it's delayed, why?
- Were all items needed to start on-hand/ready?
- Were any activities stopped /postponed for any reason?
- The start of a new activity
- The completion of an activity
- State who is responsible for the delay or Inefficiency
- Always document the **start of delay and the end of delay**. **This helps quantify the actual time lost as a result of the delay and that it was not your fault**

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Do's On Daily Reports (Cont'd)

- **How do we accomplish all of this?**

- We must make sure that we accomplish the “must” topics. After someone has read your daily report, he must have an accurate sense of the daily accomplishments, which are easily shown by a simple list of those items accomplished under your watch. You must also let him know what you planned to do and why it did not happen. Make sure to show where the list requires amplification; follow-up with adequate detail — without being wordy. Be sure that you tag the items with the necessary identifying items. Don't make people guess. Remember, most people who read your diary don't know your project or specific work. Spelling & superb grammar are not critical unless they lead to misreading

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Do's On Daily Reports (Cont'd)

- Check for consistencies. You want to be sure that the updated schedule and your daily report agree on dates and relative status. Referencing the schedule supports the fact that the schedule is being used by the field.
- List the manpower on your project. More importantly, indicate where they were assigned/working, especially if you are spread out over the job site.
- Likewise, list the equipment by type and identifying number, indicate if it was active and where it was used. If it is down for maintenance, say so.
- Segregate LME for each contract activity of work
- Segregate LME for each CO activity of work

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Do's On Daily Reports (Cont'd)

- If an inefficiency occurs, tie it to the schedule activity
- Concentrate on the contemporaneous aspects, which include the following:
 - When was the first indication and who discovered it?
 - On which schedule activity did the impact originate?
 - Get and list names of parties that observed the problem
 - Note time of day
 - Be specific about location
 - Separate fact from opinion
 - Identify cause-and-effect
 - Include lots of photos – attach to the Daily Report
 - Get statements from equipment operator

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Do's On Daily Reports (Cont'd)

Write for the Reader

- The people who read and use your Daily Reports certainly won't know the field work to the level of the author.
- Most post project reviews rely on your Daily Reports to learn about the project.
- You are the author, instructor & the job historian.
- You are writing for the reader, whomever that might be
- You must remember that your report is at best, only your side of the story. But, if facts are recorded honestly & accurately, they belong to the actual story no matter who tells it.
- You want the reader to comprehend your side best of all.
- If you must use acronyms or mnemonic words/phrases, be sure you define them before or when you use them.

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Do's On Daily Reports (Cont'd)

- Be specific. A statement that at the time you wrote it seemed to you quite descriptive may be without value years later. For example, consider this entry: "We were installing that pump & the anchor bolts were too short."
 - What was the activity?
 - What drawing detail was defining the projection?
 - Which pump is being discussed?
 - Where is it located?
 - What did this discovery mean?
 - What is the follow-up and when is it expected?
 - What are the possible fixes?
 - In the future, note when the problem was resolved & how
 - State who was responsible for this problem

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Don'ts On Daily Reports

Always Avoid “Dangling Facts”

- This takes us back to the very root of understanding how Daily Reports are used by non-project parties. Aim at making daily report as strong as they can be. Why?
 - Attorneys (yours and opposing), forensic experts, percipient witnesses, judges, & other relevant players can agree on what the report says & to remove basic identifying arguments. Remember this simple question:
- What can be read on your report by others?
- **The answer is simple — exactly what you have written.** If your writing is not clear & facts are incomplete or missing, what happens next? Daily report is either discarded as useless or others, using their related or similar experience, will interpret what you said.
- Either way, your daily report did not serve to the purpose intended by contemporaneous documentation. It may even have become a “loose cannon.”

Don'ts On Daily Reports (Cont'd)

- Do not use your daily report to vent your feelings
- Attitude does not belong in a Daily Report
- Opinions does not belong in a Daily Report
- Everything you write will be read and will be subject to interpretation
- Don't use foul language, it only degrades you
- Stay away from any jargon not familiar to the general public
- Don't state that man this was a 6-pack day

Don'ts On Daily Reports (Cont'd)

The Weather

- You are not the local TV weatherman!
- Weather is important only if it affected your current work. It is interesting to know that a particular day was cloudy, that fact alone has no significance to your daily report. Facts that should be recorded include:
 - What were the specific effects on your work?
 - Did the weather affect safety conditions for ongoing work?
 - Was certain work or work as a whole stopped? If so, was it all day, part of a day, or multiple days (left over from weather days before or after this weather storm)?
 - How were critical material/equipment deliveries affected?
 - Were tests or inspections conducted or not conducted?
 - How much time was lost during the inclement weather day?
 - If Consequential Delay – costs for dealing with inclement weather are compensable

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How to Document Delays On Daily Reports

- Document finding the problem – START OF DELAY
- Send RFI identifying the problem
- Document when answer was received – maybe END OF DELAY
- Document request for CO after sending in notification
- Document when CO's NTP was issued
- Document when you ordered materials
- Document when materials arrived onsite
- Document when construction work on CO started
- Document when construction work on CO ended - END OF DELAY
- Prepare a time impact analysis
- Negotiate time extensions every month

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Daily Reports in Summary

- Stay factual
- Do not put in conjecture or your opinion
- Follow the list of do's and don'ts
- Document delays – start and end dates
- Document activities from CPM – start and end dates
- CPM activity code all activities of work - sub's reports
- Train foreman / superintendents to write great daily reports
- Attach photographs / graphics to daily reports
- Foreman / superintendents must be explained & have to believe how important the daily report is
- Set up a check & balance system
- Great daily reports makes you money on CO & quantify delays to prepare a TIA

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Questions?

Don't forget...

- 10:15 am – 11:30 am – Opening General Session with Keller Rinaudo
- 11:30 am – 5:00 pm – NECA Show Hours

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