Finding Efficiencies by Digitizing Procurement

NECA Innovation is always looking for simple and cost-effective solutions that can help our members improve communication and reduce risk. Electrical contractors know profitable construction projects come from a successful blend of labor, material, and equipment management. However, it is easy to overlook new opportunities to increase profitability through improved materials management.

Field workers often get bogged down with procuring materials. Most electrical contractors don’t have a process in place to handle field requests for materials, POs, warehouse logs, delivery receipts, invoices, and the processes to handle them are often siloed. As a result, there isn’t an easy way to improve communication and provide transparency. This ultimately leads to increased field costs.

At up to 40%, materials are already the second-largest driver of project cost and that’s just the sticker price. Contractors are paying hidden premiums to get their materials to the jobsite due to ineffective materials management, which is widespread in construction today. Processes are fractured. Instead of collaborating, teams end up blocking each other. This isn't a surprise when you consider that most contractors rely heavily on traditional tools and processes that were created long before the existence of smart phones and tablets. Even when things go well, the cost across your company can add up to huge sums. Mistakes and inefficiencies at any step add up and cost the office, field, and shop in the form of errors and omissions, late deliveries, delayed payments, and redundancy in data entry.

One of the key aspects of technology adoption in construction will be digitizing
procurement strategies. For successful procurement, the parties in the supply chain must have a transparent, common communication and information flow platform. Generating an accurate Bill of Materials (BOM) (the master list of materials required for construction activities) is imperative for electrical supply chain productivity in the construction industry, and such BOMs could serve as a one-stop communication and information flow platform.

Imagine what perfect materials management would look like. The field would never be slowed down to request materials they don’t have. Office staff would focus on getting the best possible deal, not data entry. Managers would have metrics on who their top vendors really are. This system would be easy to use and built to meet the unique needs of electrical contractors.

NECA Innovation is excited about three solutions that we have been reviewing that address these specific needs for electrical contractors. If you are interested in learning more about digitizing your procurement process, check out the links provided below.

**Agora**
Agora is already partnering with NECA Chapters in Northern California, Puget Sound, Sacramento, San Diego, Santa Clara and Southern Nevada. Agora helps increase profits in three ways:

**Connect your field.**
You can’t afford to have materials slowing your team down. Agora makes it easy for them to send requisitions while keeping them up to date on delivery logistics, so they don’t have to waste time requesting or waiting around for materials.

**Supercharge your office.**
Agora makes it 10x faster to process a PO, radically reducing the purchasing agent time spent on manual and repetitive data entry. This gives your office staff what they need to pay invoices quickly and ahead of schedule on the best payment terms.

**Oversee your supply chain.**
You could be getting a lot more from your distributors if it were easier to manage and track pricing and performance. With Agora, you can finally make sense of your data and manage your pricing agreements to ensure you get the best value from your distributors.

**AECInspire**
AECInspire is Sanveo, Inc.’s flagship cloud-based application that generates an accurate and comprehensive Bill of Materials (BOM) from 3D models and 2D drawings. AECInspire is tailored to the electrical construction industry’s needs with more than a decade of experience in the industry. Below are a few ways AECInspire can help you:

- On BIM jobs, it generates accurate BOMs for both modeled and unmodeled components, and supports your prefabrication processes
- On non-BIM jobs, the 2D module enables small- and medium-sized
contractors to kick off the prefabrication and BIM without worrying about the upfront costs

- Enables prefabrication through its built-in assembly library, creates customized work-packages for delivery, enables detailed material tracking
- Enables integrated delivery mechanisms like generating Wire Reel Schedules from the Wire BOMs
- Provides increased visibility to distributors regarding construction schedule with in-advance order placement, and 3D models and 2D drawings to recommend materials that are easier to install
- Enables material return documentation with its tracking app TrackdIt
- Directly integrates with ERP systems of manufacturers and distributors (to be released in future versions)

**Field eFex**
This solution can help in the following areas:

**Material Procurement**

- Quickly & easily find and add your day to day commodities to your cart
- Generic ordering - no need to spend time thumbing through catalogs
- E-commerce style allows you the convenience to add items to your cart day or night
- Clear & concise - eliminate discrepancies from handwritten or phone in orders
- Longevity & accountability of digital information

**Time and Materials**

- Quickly & easily add materials used to your ticket
- Reference a PO already cut for the materials used
- Assign labor and hours with only a few clicks
- Get customer approval and sign-off on the spot - or save it for later
- Longevity & accountability of digital information

**Project Work Order**

- Quickly & easily generate digital work orders
- Associate Project Managers, Estimators and Foreman to specific projects
- Accessible & customizable project specific information
- Ability to import/export project information to 3rd party software
- Longevity & accountability of digital information

---

**Stay Up to Date on Current and Past Webinars**
Please contact innovation@necanet.org if you have any questions.

Please contact education@necanet.org if you have questions on registering for current webinars or viewing webinar recordings.

View All Technology Spotlight Webinars

Please contact innovation@necanet.org if you have any questions.

Josh Bone
Executive Director of Innovation
Josh.Bone@necanet.org

Lonnie Cumpton
Director of Construction Manufacturing
Lonnie.Cumpton@necanet.org

Amanda Harbison
Associate Director of Research
Amanda.Harbison@necanet.org

Unsubscribe Manage preferences