

Customer Case Study

Swinerton Management & Consulting



Swinerton Management & Consulting Uses Prolog® Manager to Save \$500K in Change Order Costs on a Single Project

The Swinerton Family of Companies provides commercial construction services to a broad range of markets, including retail, hospitality, healthcare, education and entertainment. Established in 1888, Swinerton currently has offices throughout California and in Colorado, Hawaii, Texas, New Mexico and Washington. The company's success and longevity can be attributed to a strong foundation based on high-quality service, outstanding workmanship and ethical business practices. Swinerton is highly ranked on a number of 2008 ENR lists, including #34 on the Top 400 Contractors list, #5 on the Top 100 Green Contractors list and #14 on the Top 100 CM-at-Risk Firms list.

To keep pace with the changing needs of project owners and developers, Swinerton established Swinerton Management & Consulting (SMC) in 1994. SMC focuses exclusively on program, project and construction management, and employs a wealth of experienced construction professionals who provide controls for costs, schedules and quality execution through the project lifecycle.

When leading homebuilder Barratt American, Inc. was awarded a commercial construction contract, they hired Swinerton Management & Consulting (SMC) to handle the project management. "Barratt American generally acts as the developer, purchasing land and working directly with subcontractors to build homes," explains SMC Marketing Coordinator, Lisa Landis. "On this project, however, Barratt American was the general contractor. Because they didn't have any processes or procedures in place to coordinate with the engineers, architect and owner and pass information on to the subs, they hired us."

When the project began in October 2005, Landis, who was project administrator at the time, was tracking everything in a complex Microsoft Excel workbook that required an enormous amount of time to maintain. "Every month I would have to manually enter costs on multiple spreadsheets and then update the main sheet so that everything would be up-to-date. This made it really hard for us to give the client timely information."

A Better Way to Manage Information

SMC knew there was a better, faster way to manage information and suggested the purchase of project management software. Barrett American approved the purchase and Kelar Pacific, LLC, a California-based construction software consulting firm, was brought in to help select a system. Landis had worked with Kelar in the past and trusted their recommendations. Although she was advocating for the purchase of Prolog Manager by Meridian Systems because of her familiarity with the program, the consulting firm helped Barratt American compare multiple solutions.

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*Lisa Landis
Marketing Coordinator
Swinerton Management &
Consulting*

"Barratt American was not very experienced with software programs, so I knew Prolog would be a good fit because it's so easy to use," explains Landis. "We also looked at Expedition, but it's more difficult to learn and navigate." With everyone in agreement, SMC purchased Prolog on behalf of Barratt American in April 2006. Between Landis' knowledge of the software solution and Kelar's consulting expertise, the program became operational in record time.

A Fast Track Implementation

Once Kelar installed Prolog, Landis migrated data such as contract details, costs, change orders and insurance information from her spreadsheet onto the program. "I had so much experience with Prolog that I was able to quickly get all the information up-to-date," she says. "We had Prolog up and running within a week!"

While Landis trained the SMC project team on how to use Prolog, Kelar created custom reports and made data field changes to streamline entry. "Kelar is a great consultant to work with," Landis says. "They're very knowledgeable and always there when we need them."

The entire SMC team was soon using Prolog for every aspect of project management, from cost control, contract management and document management to field management, safety and closeout.

Immediate Benefits Realized on Many Levels

When going from a manual project management system to a program like Prolog, the benefits can be far-reaching. For SMC, Prolog allowed them to better manage the Barratt American project and more easily deliver the outstanding customer service that is synonymous with the Swinerton brand. Immediate benefits included greater accuracy, easier access to data, better reporting and significant time savings.

Accuracy: According to Landis, the primary advantage of having Prolog in place is accuracy of information. For example, even though the project had only been underway for six months, Barratt American's accounting data was already out of sync with the project data. Using up-to-date reports from Prolog, the accounting staff was able to correct things like contract amounts and subcontractor payouts.

Easy Data Access: "Having Prolog is like having an 'easy' button on our desktops," says Landis. "When the owner walked in to ask about particular project details, we could produce the information on-demand because everything was being tracked and documented in one place. Prolog was our one-stop-shop for the entire project history."

Reporting: Prolog's change order reports were particularly useful for creating projections and keeping the accounting

staff on track. And the potential change order (PCO) reports helped SMC evaluate possible cost impacts to the budget.

Time Savings: With Prolog, the field team was able to enter things like requests for information (RFIs), submittals and daily field reports on their own, freeing up Landis' time to focus on other aspects of project administration. What's more, her remaining duties were completed with greater efficiency. "We had about 30 subcontractors on the job and it took me just half an hour to enter the payouts. With Excel, it took an hour or more to do the same task. Prolog easily cut my data processing time in half."

Change Order Management Creates Big Savings

During the project, significant changes were made to the drawings due to interior design modifications. This threatened both the schedule and the budget. Because the owner wanted to maintain the completion date, a considerable amount of overtime and other expenses were incurred by the subcontractors.

Using Prolog, SMC meticulously tracked all of the costs associated with each design modification. As drawing changes were made, issues were created in Prolog and tied together with daily reports, PCOs and so forth. This detailed documentation enabled the project team to evaluate each subcontractor's costs for the changes and pinpoint areas where labor or materials appeared inflated. "I think it would have been a disaster trying to track all of these changes in Excel," states Landis.

Armed with its Prolog reports, SMC was able to sit down with each subcontractor and negotiate a lower rate for the changes. "With Prolog, we were able to save our client approximately \$500K by reducing the cost for change orders. I can't imagine being able to do that with any other program," Landis adds.

Successful Projects Start with Prolog

Although SMC's Barratt American project has come to an end, Prolog has secured a permanent place among the homebuilder's technology solutions. Prolog is now being used by the company's in-house residential construction team to remain profitable – even as the housing market declines. "My feeling is that, if you want your project to be successful, you need to have Prolog," states Landis. "It helps every single person on the job site be more efficient, no matter how big the project is. And it just makes everything run smoother."

Meridian Partner Profile

Kelar Pacific, LLC

6020 Cornerstone Court
West, Suite 105
San Diego, CA 92121

5777 W. Century Blvd.
Suite 1595
Los Angeles, CA 90045

Phone: (800) 578 2457
www.kelarpacific.com

Swinerton Management & Consulting Project Profile

The Villas at The Grand Del Mar in San Diego, California



The Villas at The Grand Del Mar are luxuriously-appointed vacation homes overlooking the lush fairways of the 380-acre Tom Fazio-designed Grand Golf Club in San Diego, California. Swinerton Management & Consulting (SMC) provided construction management services for this sophisticated project, which consists of two 4-plex, 5-Star fractional ownership villas.

Key Project Elements

- › Eight 3-bedroom, 4.5 bath fully-furnished villas, ranging in size from 4,500 to 5,000 sq. ft.
- › Gourmet kitchens, built-in wet bars, private backyards and state-of-the-art media rooms
- › Richly-appointed interiors featuring custom hand trowled Venetian plaster and marble columns imported from Italy
- › Faux finishes with old European simulated interiors and richly detailed carpets and area rugs
- › Rivolta Italian linens and bedding with Lucilla embroidery



Estimated Cost: \$20M

Completion Date: January 2008

Results: The Villas were successfully constructed within an occupied and operational hotel and golf course, which required meticulous attention to public safety, as well as careful coordination with subcontractors, owner contractors, consultants and the interior designer.



1720 Prairie City Road, Suite 120
Folsom, CA 95630
(800) 850 2660
www.meridiansystems.com

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