



IS YOUR
SUPPLY
CHAIN
Helping
OR
Hurting
YOUR
PROFITABILITY?

HIDDEN HEADACHES

In order to complete a project, your crew handles a variety of tasks – many skilled but some requiring less skill. Low skilled activities like material management take time and cost money.

When was the last time you stepped back and looked at the big picture? Most contractors don't have the time to consider how jobsite inefficiencies like material management can add up.

Working with contractors across the country, we've found that these inefficiencies can negatively compound. Consider how excessive purchase orders impact work performance on a jobsite.



There may be several hidden headaches in your supply chain that are dragging down your profitability.

Common Hidden Headaches



Inefficient Use of Time

Typical electricians spend 40% of their time on non-installation related activities. – MCA



Safety Risks

The average cost of a non-fatal jobsite injury: \$42,000. – ELCOSH



Damage and Rework

Misplaced and damaged product on the jobsite can cause installation delays.



Piles of POs

Average PO cost: \$75. More PO's = more paperwork and deliveries that disrupt work.

What Are Your Headaches?

What percent of your electricians' time is spent on non-installation related activities?

%

How many recordables have you had in the past 12 months?

How much do you estimate for damage or rework?

\$

What is the cost of a PO for your company?

\$

What is your average number of POs per month?

NOTES

MASSIVE DISRUPTION

Most contractors who have been in business for decades remember how much easier the job was 10 or 20 years ago. The simple fact is the construction industry is seeing massive change and disruption that is reshaping the business. Are you keeping up with your competitors and the industry?

There are many variables affecting contractors like the skilled labor shortage, but the digital revolution will have the biggest impact.

The digital revolution will affect every part of your business from the jobsite to operations and even the back office. Building information modeling (BIM) and pre-fab is a gamechanger. And the contractors who have figured it out aren't turning back. How are you staying ahead of the curve?

**DIGITAL
REVOLUTION**



Jobsite



Operations



Back Office

Disruption Areas



Labor Shortage

By 2019, we're expecting a shortage of 1.5 million skilled workers



Building Information Modeling (BIM) Helps You Be More Efficient.

- Coordinate with other trades
- Find and resolve collisions and other issues earlier on the project
- Drive pre-fab



Digital

- Electronic estimates
- Electronic prints in Bluebeam for markup
- Project Management Systems connect jobsite to back office



Pre-Fab / Industrialization

It's safer, easier and more efficient to build assemblies offsite or in a pre-fab shop.

Are You Prepared For the Disruption?

How many electricians will you be short next year? _____

Do you have a pre-fab shop? _____

Have you done pre-fab with another trade? _____

Are you managing prints in PDF now? _____

Do you use a project management software? _____

Is BIM used on any of your projects? _____

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ADVANCED SUPPLY CHAIN MANAGEMENT

Winning contractors are realizing to stay ahead of the game they need to evolve. They are working to embrace new technologies, processes and approaches to stay relevant and profitable.

Efficient contractors request their materials bundled by room, floor or even electrician. Having the product unpacked, cardboard disposed and ready to install improves your productivity.

Reducing time spent on material management can give you 10-20% of your time back for productive use.

By optimizing your jobsite and back office you start seeing compounding returns.



A EAST COAST CONTRACTOR

Saw an 80%
reduction in POs
on 1 project

Returns went from
17 per month
down to 6

PO cost
dropped from
\$88 to \$25

Weekly time spent
on POs went from 5
hours to 30 minutes

Advanced Supply Chain Management



EXAMPLES

Improving On-The-Jobsite Processes

- Kit or bundle materials to save time and minimize unpacking and cardboard handling
- Package products in moveable bins, tracked by barcodes and deployed to specific jobsite locations
- Order customized wire reels pre-cut for parallel pulls with colored feeders and pulling heads

** Reducing time spent on material management can give you **10-20%** of your time back for productive use.*



EXAMPLES

Streamlining Office and Operations

- Electronic purchase orders
- Online pricing
- Electronic estimates
- Orders integration
- Payment processing

How Do You Rate Your Supply Chain?

What percentage of your products are kitted for point-of-use? _____ %

Are you actively reducing jobsite cardboard? _____

Have wire management programs reduced the number of electricians required by pull? _____

If so, by how many? _____

Do you use electronic estimation price files? _____

Do you use electronic order entry or invoicing? _____

NOTES

COMPOUNDING RETURNS

The bottom line is when you make a change in one area, you can easily improve efficiency down the line too.

Think back to the six PO scenario from earlier. The more purchase orders you have, the more receipts, the more deliveries, the more time your workers are pulled away from installing.

The key is to find an integrated logistics and supply chain company that can handle multiple product categories and offer services that puts product where and how you need it to keep your workers installing.

Contractors who embrace an integrated supply chain are able to improve their back office, operations and jobsite to be more competitive and win more jobs.

Leveraging the **compounding effect** of these productivity enhancements can greatly improve your profitability.

Compounding Returns



An Integrated Supply Chain Can:

- Deliver to specific rooms, floors or zones
- Unbox products, kit by destination and dispose of waste
- Stock jobsite trailers and containers
- Provide in-house storage and staging of your pre-fab
- Electronic inventory management and replenishment
- Handle multiple product packages together
- Digital supply chain visibility



These Compounding Benefits Can Add to Your Competitive Advantage

- Be more competitive on jobs in your local market
- Improve back office efficiency with electronic integration
- Reduce foot traffic and bring product closer to the electrician on the jobsite
- Provide better repeatable results to win more jobs

How Can You Improve Productivity?

Do you use staging, kitting or other coordinated jobsite delivery programs? _____

Do you use inventory management systems in coordination with pre-planning, pre-fab and material delivery carts or bins? _____

Do you combine electronic estimates, orders, project management systems, deliveries and invoicing to improve transparency and reduce errors? _____

Does your supply chain help you track orders, deliveries and installation with QR codes? _____

NOTES

CHOOSE GRAYBAR

Graybar has been dedicated to advanced supply chain management for years. By involving Graybar early in the project, our services and solutions can help you improve worker productivity, reduce back office costs and restore your profitability.

HOW MUCH COULD YOU SAVE PER JOB?

$$8 \times 50 \times 40 \times 10 = \$160,000$$

Average # of electricians per job

Average \$/hour per electrician

Hours

Average # of weeks per job

A 10% productivity improvement: \$16,000

SEE IT FOR YOURSELF | Schedule Your Graybar Experience Tour



Hosted by Graybar at our facility



Host our Graybar team at your facility for an assessment

Impact the Industry Through Innovation



Graybar's wire and cable cart allows you to easily dispense up to 18 wire reels while reducing jobsite clutter and improving productivity.



Our continuous improvement and technical teams are dedicated to helping you reduce work site stoppages and inefficiencies.

** In fact, our teams have saved Graybar **\$124 million** over the past 10 years.*



Graybar SmartStock[®] is a sophisticated inventory management software that allows you to easily track, manage and reorder product.



Our ebusiness services like our Online Store, mobile app, EDI, electronic estimation, punch out and reporting help you work smarter, faster and more profitably.

** Contractors have told us they can improve electrician efficiency by up to **20%** by planning with their supply chain.*



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