AUTODESK. UNIVERSITY

The ROI of Technology

David Francis
CTO/Co-Founder Innovative Construction technology

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About the speaker

David Francis

- Co-Founder / CTO of ICT
- 35 Years in Construction
- Has held positions with some of the top mechanical contractors as Foreman, General Foreman, Detailer, Plant Manager, Constructability Manager, Site Project Coordinator, BIM/VDC Manager.
- Has been using technology in all his positions since her started using cad in 1986
- Introduced and involved with Lean Construction in 2001
- AGC BIM Forum MEP Group National Chairperson and MEP LOD Committee lead

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ICT TRACKER

Who is ICT

- ICT: Innovative Construction Technology
- Co-Founders Tim Duncan and David Francis.
- Developers of construction technology for use on job sites
- ICT Tracker is the first of the innovations
- Uses 3D models to capture installation status with augmented reality and Free Flight modes and delivering detailed real-time reporting data
- ICT is leading the march in construction as it works towards finding digital solutions that will increase productivity and profits

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ROI In Technology

- One of the biggest challenges is to understand the value of certain technology and the cost benefits.

- Technology is not a physical tangible item like a tool, so it is hard to get people to see the benefits.

- The goal of this presentation is to discuss all the facets of technology cost and understanding how to identify and push technology within your company.

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Learning Objectives

- Actual software vs labor costs
- Presenting value in efficiency gains
- ROI charts and using the right numbers
- Cost of training and learning curve
- Cost of customization and maintenance
- Documentation and in-house training

- IT Managers vs technologists
- How companies handle technology costs
- Owning vs. leasing technology
- Influencers vs decisions makers vs blockers
- Making it Their Idea

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Goals of Technology

STREAMLINE PROCESSES TO REDUCE LABOR

PROMOTING EFFICIENCY

OFFSETTING LABOR SHORTAGE

LEAN TECHNOLOGY

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Actual software vs labor costs

- **Understand the total cost of software**
  - The Software is typically the least of the cost!

- **Software training**

- **Cost of customization and maintenance**

- **Documentation of process**

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Presenting value in efficiency gains

- **How to identify value in technology?**

- **How to measure success?**

- **What are the bottlenecks?**

- **Use of ROI: Return on Investment**

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ROI charts and using the right numbers

- **ROI charts identify the intangible benefits**

- **Do you have all the costs?**
  - Training and your labor to be trained
  - Implementation
  - Customization

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Hourly rate vs package rate vs crew rate
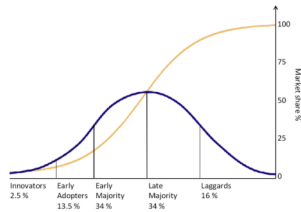
- **Hourly is what they see on a check**
- **Package rate is true cost to company**
  - o Medical Benefits
  - o Vacation/Holiday
  - o Taxes
  - o Burden
  - o ESOP/401k
  - o Bonuses/Perks
- **What is your crew rate?**

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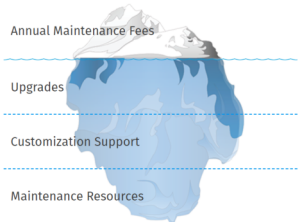### The cost of training and learning curve

- **Understand true training costs**
- **Be realistic on the learning curve**
- **Technology is always changing**

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Cost of customization and maintenance

- **Nothing works right out of the box**
- **Continue to sharpen the saw**
- **Every software is beta**

Annual Maintenance Fees

Upgrades

Customization Support

Maintenance Resources

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Documentation and in-house training

- Give employees time to learn

- Keep documentation simple, make it visual

- Internal vs External Training

- Use A3 format for training

CONSISTENCY IS THE KEY!

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IT Managers vs Technologists

- **IT Manager**
  - Company standard for infrastructure
  - Not intimate with all technologies

- **Technologist**
  - Tech is about humans
  - Eliminate silos of data
  - Thinks strategy before implementation
  - Solve issues with process

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Understanding your companies' actual costs

- Technology is an overhead cost

- What is your technology budget?

- Who is paying for it?

- Who all does it affect?

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How companies handle technology costs

- Burden rate
- Project rental
- Leasing
- DAAS: Desktop as a Service

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Owning vs leasing technology

- Technology changes every two years
  o Moore's Law
  o Nope it is more like 6 months
- Leasing Equipment
- Renting Equipment

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Example: Calculating computer rental cost

- Don't forget software cost
- Don't forget tech support cost
- Don't forget labor

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Influencers vs Decisions Makers vs Blockers

INFLUENCER: THE ONE THAT PRESENTS THE IDEA TO MANAGEMENT

DECISION MAKER: PERSON IN MANAGEMENT THAT APPROVES

BLOCKER: PERSON IN MANAGEMENT THAT PREVENTS OR INHIBITS THE DECISION

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Making it their idea…

- Selling it to management

- Empower them to make the decision

- Answer their questions

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Get Tracking!
For more information on ICT Tracker

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