

CASE STUDY

Align Tool Tracking Helps Plan Group Recoup Tool, Equipment Expenses



Overview

Specializing in large-scale electrical, mechanical, and smart technology/automation solutions throughout Canada, [Plan Group](#) projects range from commercial office buildings and energy/industrial facilities to hospitals, airports, and other transport projects. The company operates five tool and equipment warehouses nationally that are responsible for housing, maintaining, and supplying all equipment and tools used by its multi-trades.

Equipment and Warehouse Manager Rochelle Groves manages more than 10,000 SKUs and over 100 different job sites at Plan Group's Toronto-area warehouse. When she arrived at Plan Group three years ago, the company was using a paper-based requisition process and had no insight into tool and equipment costs. Rochelle, who had used Align Technologies' [suite of construction management tools](#) for several years at a previous job, turned to the software to help gain operational control over tool inventory, usage, and expenses, helping to make the tool crib financially self-supporting.

Challenge #1: Modernizing the Requisitions Process

Plan Group experienced a data breach in January 2019 that caused the company to take many systems offline. Prior to the breach, Plan Group was using a software package to manage the tool crib, but after being hacked the firm decided not to continue its usage.

When Rochelle started eight months later, the company was still using a manual process to requisition and check out [tools and equipment](#). To request tools, sites submitted handwritten forms that the [tool crib](#) would then use to fulfill the orders before filing. This system resulted in a time consuming and inefficient back and forth between the warehouse and the field to clarify illegible handwriting or specific tool requests based on differences in terminology.

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Challenge #2: Gaining Visibility Into Tool and Equipment Expenses

Plan Group’s tool and equipment warehouses have traditionally been considered a cost center. While the company knew how much it cost to operate the tool group annually, it had no way of knowing what was driving those expenses. To better understand and manage tool expenses, Rochelle and her team began looking to implement an internal rental program for loaning tools to job sites. This program would charge sites three percent of tool value to cover loss and repair costs that would be billed to the job. However, given the scale involved, it was not feasible to calculate and track rental charges manually.

“Prior to the rental program, we were losing not only tools but money,” said Rochelle. “We didn’t know where tools were located, so we would just buy another one and didn’t know who we should charge.”

Challenge #3: Getting a Handle on the Location of Tools in the Field

Ideally, project managers on job sites are supposed to conduct inventory monthly, but many were not doing so prior to implementing the Align suite of tools. Since most Plan Group projects are spread out over many floors or a wide geographic area, it is hard for project managers to visually see what tools they have on hand, leading to tool hoarding and ordering duplicates of items already on site.

The Solution

Align Helps Tool Crib Improve Visibility and Run at Zero Cost

Rochelle first implemented Align’s construction operations platform in the tool crib to manage inventory and requisitions. In the last year, the company has implemented the in-house rental program, which is powered by Align’s [job costing and billing functions](#).

Simplified Site Inventory

At Plan Group job sites that have implemented the Align platform, project managers can quickly and easily perform site inventories, even on sprawling, multi-floor jobs. To verify a tool, the site project managers only need to [scan a barcode on the item using their cell phones](#). Once complete, they can see all tools and equipment they have on hand with the click of a button. The system makes it easier for them to know what they have on a large job site so they don’t order a duplicate item and can return tools they no longer need.

Streamlined Requisition Process

Job sites using Align for [tool and equipment requisitions](#) are benefiting from increased visibility. Field workers can log into the system on site using their mobile devices, view the catalog of available tools, and see what they are ordering rather than guessing

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what they need. The digital process is faster, more efficient, and more accurate than the old system of handling and tracking requisition requests manually.

Real-Time Tool Data

Align’s tool tracking capabilities make it simple to look at other job sites to see where items are located, see who is in possession of the item, and check with them to see if they are still using the item before procuring a new one to fulfill a request at another job. Rochelle’s warehouse team is utilizing [low-level notifications](#) to give them a better idea of what they need to order and when. Additionally, available aging and activity data let the tool group see what has not been used for a set period of time and sell or dispose of the extra equipment.

Increased Operational Visibility and Control

With the help of Align’s job costing and billing functions, the tool crib is now breaking even financially. Monthly [reports generated by the software](#) show expenses by business unit and individual projects, giving site superintendents and management a better understanding of how project funds are being spent and allowing the accounting department to bill rental costs to the appropriate job. Rochelle explained the impact of the program:

“The rental program has allowed the tool crib to run at a zero-dollar balance because whatever we are purchasing, we have justification to purchase – if one is broken, we are replacing it with funds that the sites are providing us.”

The Future: Expanding the Impact Company-Wide

Rochelle’s long-term goals include making the requisition process as easy as shopping on Amazon.

Additionally, she plans to add certification data as well as user manuals so that field workers can easily access that information.

Her next steps include working to implement Align at remaining job sites and the other Plan Group warehouse locations. For those sites who are not already using the Align platform for requisitions and inventory purposes, the company is conducting ongoing training to get the entire operations team comfortable using the system. To achieve transformational change in an industry that can be change averse, Rochelle relies on her patience and her dedicated [Align customer success manager](#) who supports Rochelle with resources and best practice recommendations based on how other customers have overcome challenges in the past.



To learn more about Align Technologies, [take a tour of Align EAM](#) and discover how you can upgrade your construction operations.

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Finally, Rochelle counsels that the Align construction operations platform is not just for tool tracking: “The software is able to give you information that would take a lot of time to uncover manually. Find out what you can do with it and actually use it. Many tasks can be time consuming in the construction industry. If you can save some time, why wouldn’t you use it and find out what it can do?”

Conclusion

Align Technologies’ suite of operational tools has been instrumental in helping Rochelle Groves optimize Plan Group’s tool group. The rental program she implemented has offset the cost of replacing broken, loss or damaged tools. Additional cost savings have been realized due to decreased tool hoarding, more targeted procurement, and disposing of unneeded items. The entire company – ranging from the CFO to site superintendents to the director of procurement and accounting – is gaining better visibility into how much it actually costs to run the business.

