

# Hensel Phelps Poised to Tackle Today's Estimating Challenges with Proven Enterprise Estimating Solution

**Cost certainty is more than a hopeful objective** for estimators in today's fast-paced, small-margin world—it's an obligation. The greatest success comes to those who are able to balance today's quick-tempo world with innovative and cost-effective solutions across multiple project-delivery mechanisms.

Estimators at Hensel Phelps, one of the largest general contractors in the United States, are among the best in the business, as demonstrated by the company's top 25 ranking in *ENR's* Top 400 Contractors listing.

To continue their distinguished performance, the company's estimators made a momentous decision to adopt a new enterprise estimating solution for only the second time in their more than 75-year history.

Shawn M. Edwards, LEED AP BD+C, chief estimator for the Southern California district office of Hensel Phelps, adds, "Buildings are more complex and more technical in today's environment. We must have the tools that allow us to leverage our extensive estimating knowledge and evaluate cost implications for our customers in any situation. Estimating technology

is a critical piece of our process—and one that we believe is a game changer moving forward."

## The Essence of Estimating

Hensel Phelps is best known by its customers for The Hensel Phelps Way: People, Process, Partnership and Technology, a collaborative approach that combines proven processes, innovative technology and effective communication, which allows the company to deliver exceptional service at every stage of the life of a facility.

Sarah Forrest, chief estimator in Hensel Phelps Mid-Atlantic office in Virginia, explains, "When applied to estimating, The Hensel Phelps Way is talented estimators, established processes and a commitment to work with you to achieve the project's goals."

Around the country, the Hensel Phelps team of high-performing estimators is focused on developing processes that are consistently reliable no matter the project, while allowing them the freedom to interact and communicate. Sarah continues, "We layer onto those processes our experienced builders, who communicate with the project team to deliver the exceptional project. Every project has a budget, and yet, every project has aspirational goals that drive our project teams to innovate and become more efficient. It's a team-wide challenge to deliver truly exceptional design and still be cost effective."

In 2014, chief estimators from each district office at Hensel Phelps found that a key part of their established process, namely their estimating solution, would no longer be supported by its developer. Soon after, the company began an intensive evaluation process that included a review of more than 60 different estimating solutions.

## Polished and Proven

The Hensel Phelps estimating team had a clear idea of what it wanted in an

estimating solution. The team wanted a single software solution built for estimators that could handle projects across the project-delivery spectrum. A solution that was capable of high-level conceptual and cost modeling, but also could handle very detailed labor/material and self-perform estimates.

Chief estimator from Hensel Phelps Southwest district in Texas, Mark Clarke, confirms, "We want to use the same software from project conception through purchasing and construction. It needs to help us enforce consistency. Consistency from a work product is important because our clients, regardless of geographic location, expect the same level of service. We want to maintain those high standards no matter the project type or location."

Another important element was that it was easy to use. Clarke adds, "We have over 100 estimators in offices across the company. We didn't want a new estimating system to be a burden on their productivity."

After an extensive evaluation, the firm chose Sage Estimating. Clarke says, "Sage was the most polished, most complete product we found. Sage has a proven track record of success, and we felt confident the company would be around 20 years from now. We also liked that it is primarily software for estimators, undiluted by many other features and functionality that we don't need—it's an estimating focused tool. We're excited to find a solution that promises to be intuitive and easy to learn so our estimators can jump right in and immediately start producing estimates."

## Inside the Process

At Hensel Phelps, each project team that estimators join is made up of a unique group of people, tasked with delivering a project on time per an owner's needs.

"As estimators, our role is to provide the team with prompt and reliable feedback about the implications of



James M. Carter and Judith N. Keep United States Courthouse, San Diego, Calif.

Benjamin P. Grogan and Jerry L. Dove Federal Building, Miami, Fla.



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design decisions,” explains Edwards in his California office. “It’s a fast-paced environment, and we have to present reliable information. Communication with designers and subcontractors is key to keeping pace with the creativity of the design team. Powerful estimating software allows us to spend less time in front of the computer and more time collaborating.”

He believes the tools within Sage, particularly the historical database, will provide tremendous value, adding, “Providing reliable cost data based on historical information gives us the ability to get in front of the project, advise the team and help make good decisions that minimize the risk of scope reductions later in a project—both of which are unpleasant and demotivating for the whole team.”

Edwards says, “That said, we’re also excited about the ability to customize it and really turn Sage into a tool that’s got the Hensel Phelps stamp all over it.”

### Customized Transition

In September 2015, Hensel Phelps hired Eos Group, a Sage business partner focused on preconstruction estimating, to facilitate the transition to Sage Estimating across the company.

Edwards says, “Eos brings a wealth of technical experience with Sage Estimating. More importantly, they bring an understanding of how builders run their businesses and how estimators produce estimates. That insight into our workflow, and into the things that are important to estimators, is really valuable.”

Eos Group employs cost estimators, professional engineers and project managers who have extensive construction experience. With Eos’s help, Edwards’ team is customizing the software to complement Hensel Phelps proven estimating methodologies.

“One of the pleasant surprises we’ve learned during the early phases of implementation is that not only can Sage do everything we need it to do from a methodology standpoint, but it’s also opened our eyes to improvements we can make to those methodologies,” he says. “Beyond the more efficient creation of estimates, we’re seeing value in the quality of our estimate presentation.”

Currently, a small group of estimators is transitioning to Sage. Edwards concludes, “They’ve been impressed with the ease of use. It’s an elegant and optimized solution that lets us work in a collaborative way.” ■

## More Than Half of the *ENR* 400 Use Sage Construction and Real Estate Solutions

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