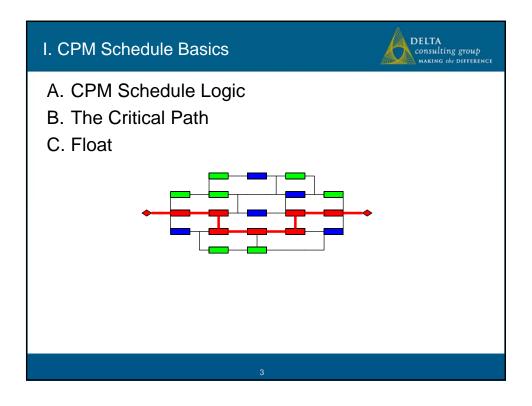




Schedules: Back to Basics

- I. CPM Scheduling Basics
- II. The Baseline Schedule
- **III. The Schedule Update**
- IV. Delay Analysis
- V. Proving and Tracking Damages



A. "The Basics" - What is a Schedule?



- A schedule is a <u>TOOL</u> used primarily to manage time and resources.
- A schedule will force the Party(s) to **PLAN** the construction sequence and timing.
- The schedule provides a means of **TRACKING** progress and forecasting project completion.
- The schedule also provides a method of **MEASURING** the effect of unplanned events.

A. "The Basics" - Terms and Components



- Activity A readily defined element of work
- <u>Activity Number</u> The identification number of the activity
- <u>Duration</u> The number of work days required to accomplish the activity
- <u>Logic</u> The sequential interrelationship of activities

5

A. "The Basics" - Types of Schedules

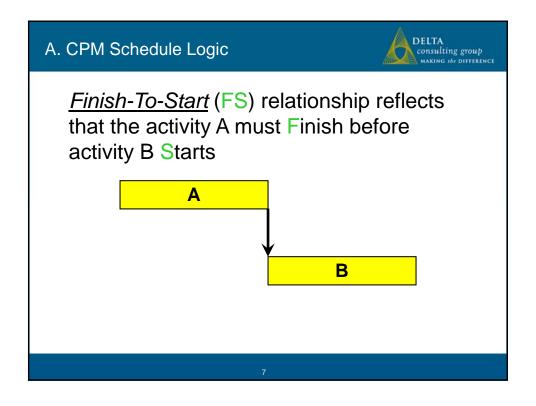


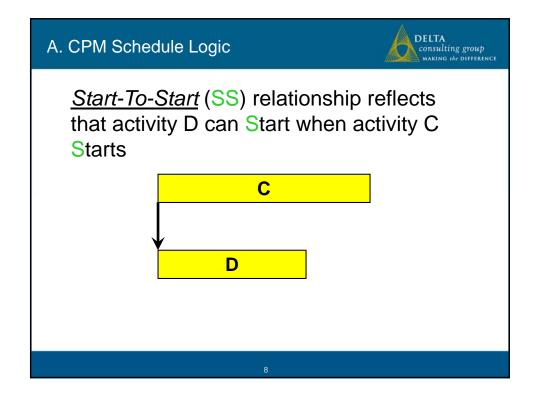
GANTT or Bar Chart is a graphic representation of the time frame certain activities are planned to be performed relevant to other activities.

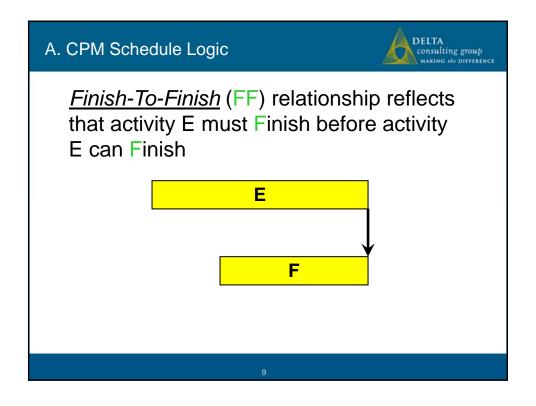
With a bar chart, the logical relationship between activities and criticality of activities is implied.

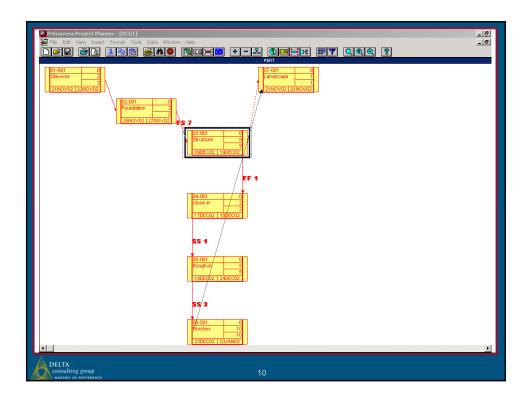
<u>CPM (Critical Path Method)</u> is a network of activities with defined durations interconnected by logical work sequences.

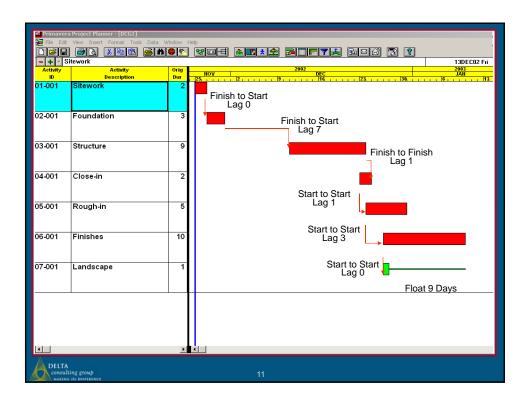
From a defined start date, a CPM schedule can calculate start and finish dates for activities and determine the longest or critical path through the logic network.

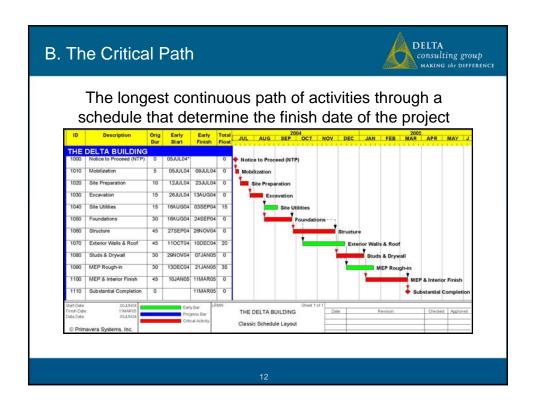


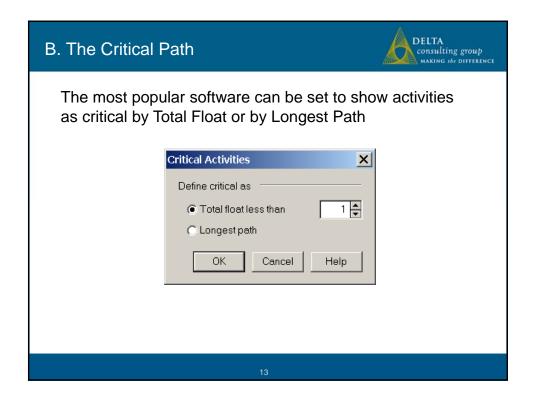


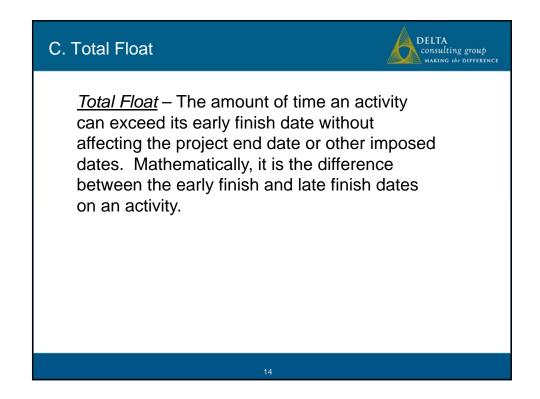


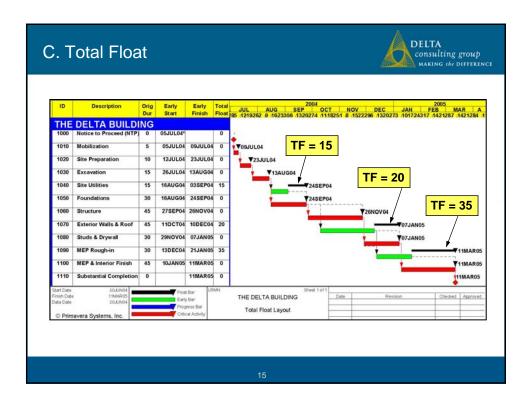


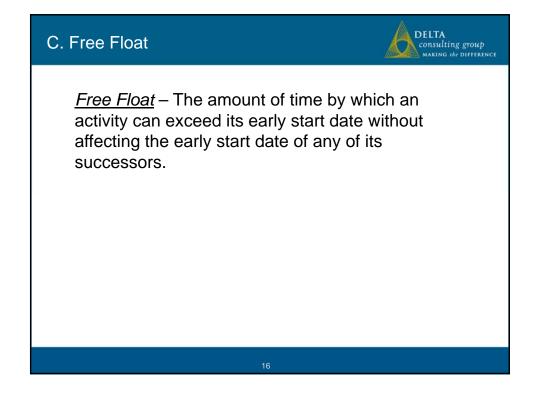


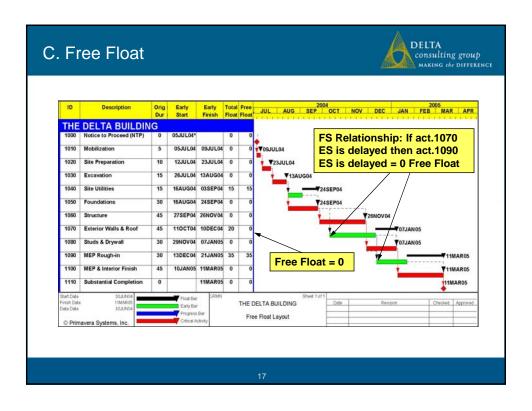


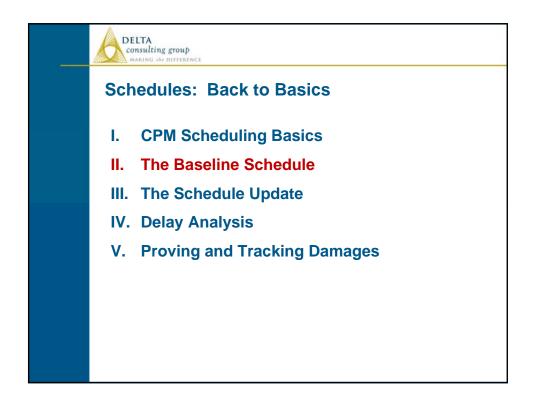












II. The Baseline Schedule



- A. Problems with Activities
- B. Problems with Logic
- C. Problems with Time and Resources
- D. Criteria for Reviewing the Baseline Schedule

"If you can't measure it, you can't manage it!"

19

A. Problems with Activities



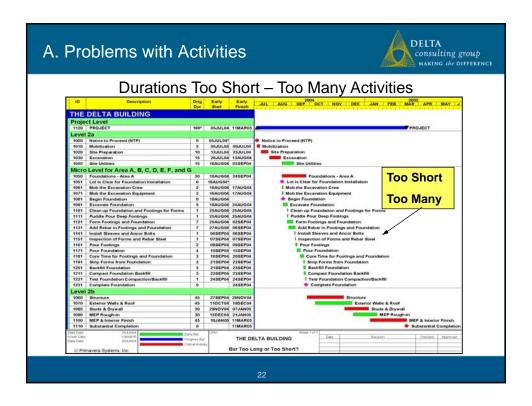
- 1. Durations: Too Short or Too Long
- 2. Number of Activities: Too Few or Too Many
- 3. Owner-Controlled Activities
- 4. Designer Controlled Activities
- 5. Procurement and Long Lead Items
- 6. NTP, Substantial and Final Completion
- 7. Project Close-out

A. Problems with Activities Durations Too Short - Too Many Activities



- Too much time creating the baseline.
- Too much time to update so the schedule integrity suffers.
- Schedule does not function well as a resource management tool.
- Can cause excessive meetings for the updates.
- Micro schedules are very useful and informative in the right superintendents hands.

Best Practice: Average Duration of 10-20 Days

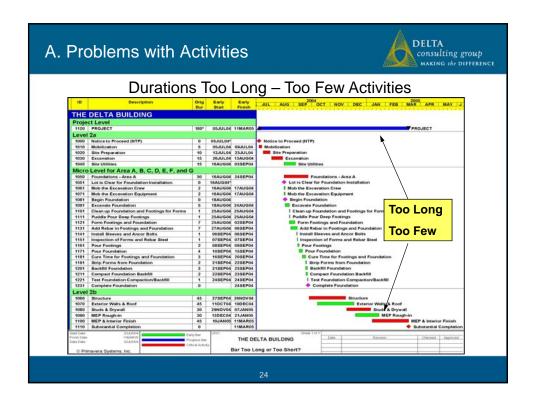


A. Problems with ActivitiesDurations Too Long - Too Few Activities



- Little or no time has been spent thinking through the construction process or project procedures.
- No importance placed on updates so the schedule integrity suffers.
- Schedule does not function well as a resource management tool.
- Can cause excessive claims and delays.
- High level schedules are very useful and informative in the right owners hands.

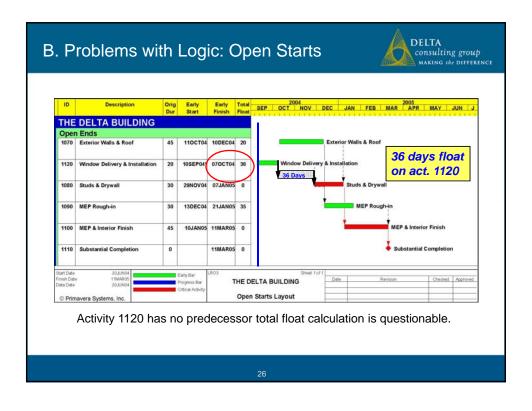
Best Practice: Enough Activities to Manage

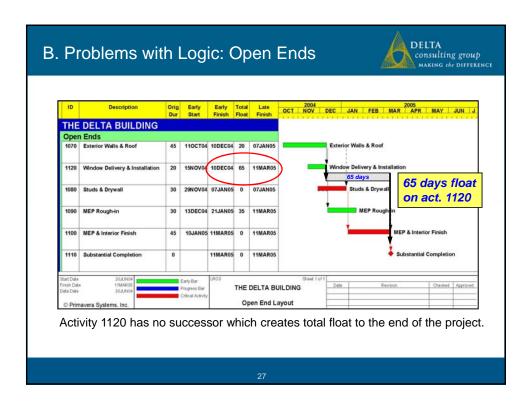


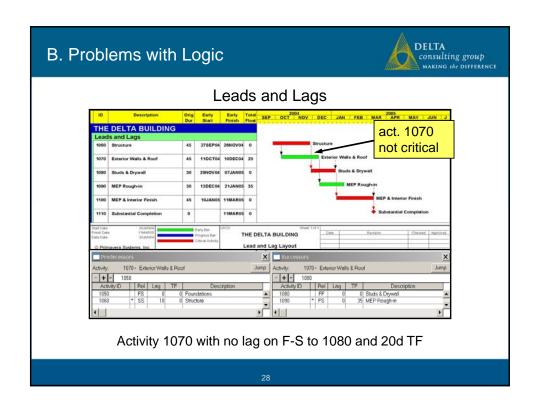
B. Problems with Logic

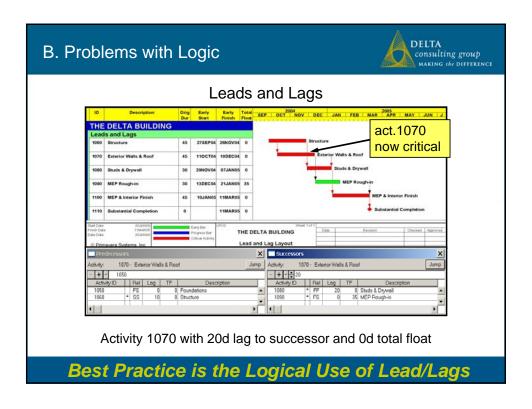


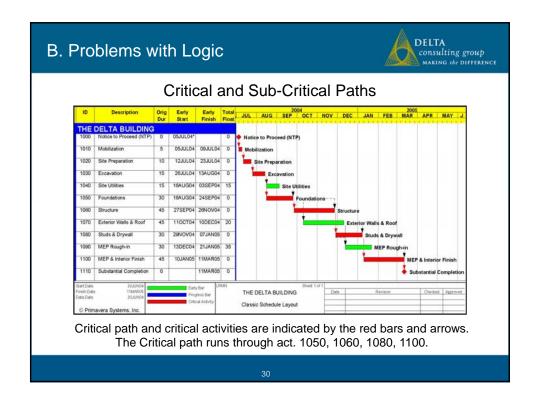
- 1. Open Starts and Open Ends
- 2. Scheduling Loops
- 3. Leads and Lags
- 4. Critical and Sub-Critical Paths
- 5. Float: Sequestered?
- 6. Date Constraints and Milestones

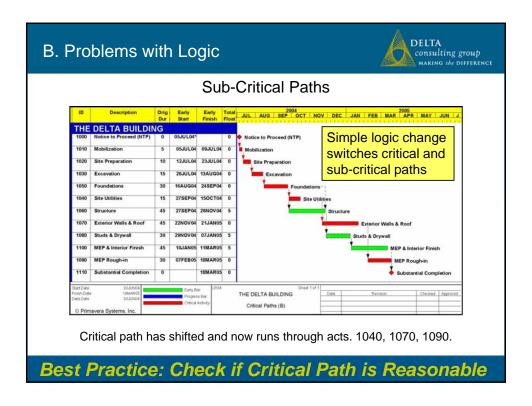


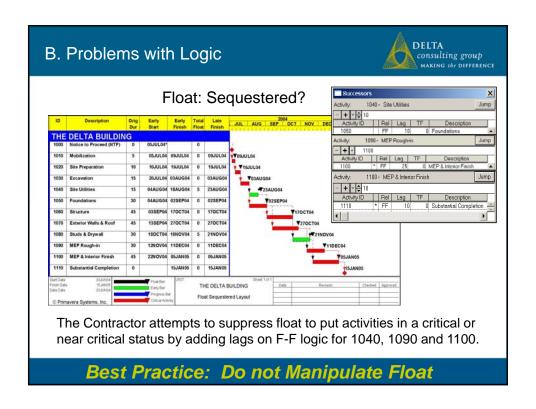












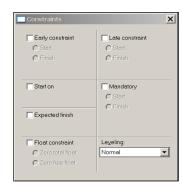
B. Problems with Logic



Date Constraints on Activities and/or Milestones

P6 Constraints

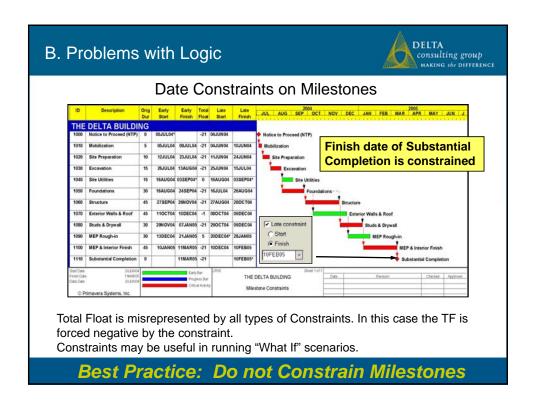
- ✓ Early Start / Early Finish
- ✓ Late Start / Late Finish
- ✓ Start On / Expected Finish
- √ Mandatory Start / Finish
- ✓Zero Total Float / Zero Free Float



A constraint is a fixed date that is imposed by the scheduler on the start or finish of an activity or milestone.

33

B. Problems with Logic consulting group **Date Constraints on Activities** Orig Early Early Total Late Late 2004 2005 Dur Start Finish Float Start Finish Float Start Finish THE DELTA BUILDING ✓ Mandatory 05JUL04 09JUL04 0 05JUL04 09JUL04 Finish 10 12JUL04 23JUL04 0 12JUL04 23JUL04 03SEP04 15 26JUL04 13AUG04 0 26JUL04 13AUG04 16AUG04 03SEP04* 0 16AUG04 03SEP04* 30 16AUG04 24SEP04 0 16AUG04 24SEP04 27SEP04 26NOV04 0 27SEP04 26NOV04 11OCT04 10DEC04 5 18OCT04 17DEC04 29NOV04 07JAN05 0 29NOV04 07JAN05 30 13DEC04 21JAN05 5 20DEC04* 28JAN05 1090 MEP Rough-in 1100 MEP & Interior Finish 45 10JANOS 11MAROS 0 10JANOS 11MAROS 11MAR05 0 THE DELTA BUILDING Date Mandatory Finish Constraint on act. 1040 resets total float from 15 to 0 Late Start Constraint on act. 1090 sets total float from 35 to 5 Best Practice: Do not Constrain Starts or Finishes



C. Problems with Time & Resources



Contract Time: Is it Enough?

- 1. Usually the owner or designer defines Contract Time
- 2. Is the specified Contract Time realistic?
- The Contractor is under duress to meet Contract Time
- The Schedule can be forced to fit the Contract Time
- 5. Unreasonable Contract Time sets up a potential claim
- Unreasonable Contract Time sets up a potential failure to meet the contract time requirements

C. Problems with Time & Resources



Multiple Calendars

- · A Calendar defines the working days and times for an activity
- Calendars indicate non-working days, for example: weekends, holidays, weather days
- Scheduling programs allow us to specify several calendars and choose which one to use for each activity
- Concrete curing activities may have a 7 day calendar
- Board or agency approvals may be on a once or twice per month calendar on specific days of the month
- Due to different calendars, activities on the same logic path may have different float values
- · Omitted non-working days create a false schedule
- Holidays and weather days vary per jurisdiction and location

37

C. Problems with Time & Resources

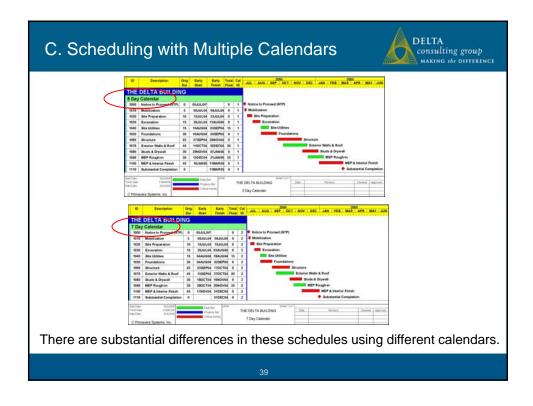


Multiple Calendars





Calendars can be specified for any eventuality making it difficult to follow some of the date calculations in the schedule reviews.



D. Criteria for Reviewing the Baseline Schedule



- 1. Review Activities
- 2. Review Logic
- 3. Review Constraints
- 4. Review Calendars
- 5. Review Resources
- 6. Software for Reviewing Schedules

D. Criteria for Reviewing the Baseline Schedule



- 1. What is your quality control plan for preparation of the baseline schedule?
- 2. Is the schedule realistic?
- 3. Can the project be completed in the timeframe allowed?
- 4. Has the schedule been manipulated?
- 5. Is the schedule manageable? Not too small; not too large?
- 6. Have all stakeholders bought into the baseline schedule?
- 7. Has the subcontractors bought into the baseline schedule?

41



Schedules: Back to Basics

- I. CPM Scheduling Basics
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III. The Schedule Update



- A. Updating the Schedule
- B. Problems with Activities
- C. Problems with Logic
- D. Other Update Issues

43

A. Updating the Schedule



- Actual Performance?
- Proper Input?
- Does it reflect the work?
- A schedule becomes out-of-date and useless without updating.

A. Updating the Schedule



Reasons for Updating

- Contract Requirement what detail is required?
- Record actual start and finish dates
- Compare actual progress to as planned progress
- Forecast dates and resources for remaining work
- Use as basis for accelerating the work schedule
- Use as basis for time extensions

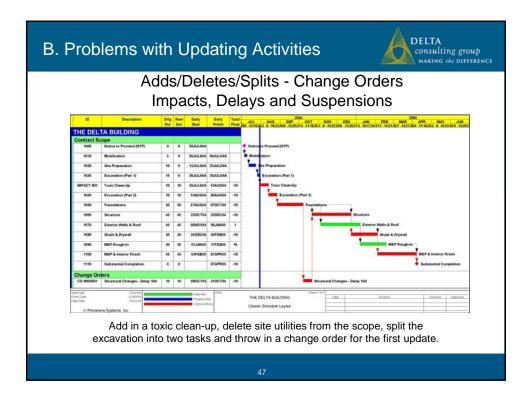
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B. Problems with Updating Activities



Adds/Deletes/Splits - Change Orders Impacts, Delays and Suspensions

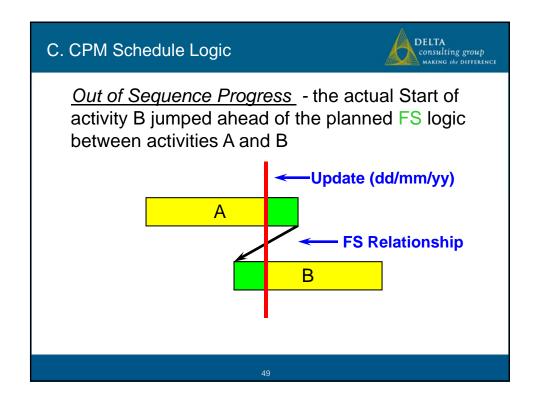
- Scope and/or performance of existing activities may be affected by change orders, suspension of work, added or deleted scope, late procurement, permit problems, late installations or delayed approvals.
- Revise activities to reflect reality
- Impacts may require the addition or deletion of activities

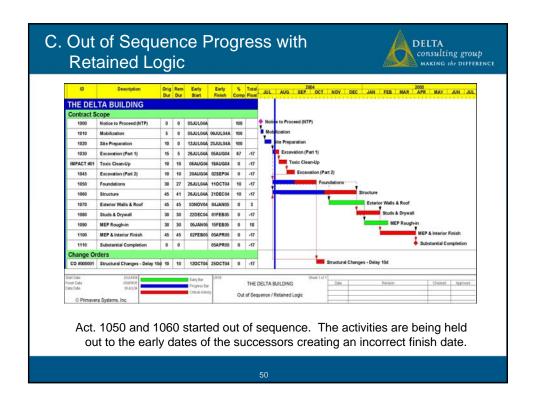


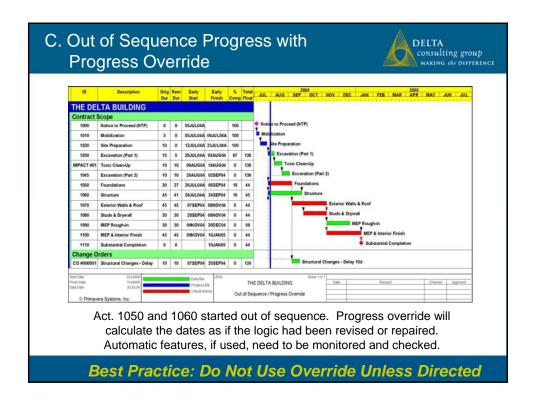
C. Problems with Updating Logic



- 1. Out of Sequence Progress
- 2. Retained Logic
- 3. Progress Override
- 4. Revised Logic







D. Other Update Issues



- 1. As-Built Dates: Real or False
- 2. Delay: Add It or Hide It?
- 3. The Audit: Schedule Comparison Programs
- 4. Schedule Out-of-Date: Revision Needed?
- 5. Is it a Revision or Time to Re-Baseline?

D. Other Update Issues



Schedule Out-of-Date: Is a revision needed or time to Re-Baseline?

Problems:

- Schedule no longer represents the project
- New information that will expand the schedule
- No one wants to spend the effort to do this!
- Who's going to pay for it?

53



Schedules: Back to Basics

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Delay Claims and Time Extensions



- How to recoup the costs and obtain a time extensions for delays?
- "Pitfalls, tricks and traps" that can foil time extension request and delay claims?

55

Delaying Events



- · Events causing delay:
 - Single Change Order
 - Multiple Change Order cumulative impact
 - Differing Site Conditions
 - Delays caused by others not under your control
 - Force Majeure
 - Unusual weather

Types of Delays



- Three General Types of Delays
 - Excusable delays
 - Concurrent delays
 - Compensable delays

57

Types of Delays



- Excusable delays Delays for which the Contractor has not assumed the risk but, also, not caused by Owner. Contractor may get a time extension but no damages (money)
 - Contract provisions may state delay risks for which the Contractor is not liable.
 - Certain number of weather days beyond which the Contractor is not liable
 - · Force Majeure provision
 - weather
 - labor unrest
 - civil unrest
 - other "Acts of God"

Types of Delays



- Concurrent delays Neither Owner or Contractor is solely responsible for delay and therefore no damages for the Contractor are warranted
 - Delays caused by both parties
 - Must be to the Critical Path
 - Time extension is the only Remedy
 - Saves Contractor/Subs from LD's
 - Saves Owner from delay damage claims

59

Types of Delays



- Compensable delays delays not anticipated at the time of contract which are due to Owner's act or omission
 - Contractor may recover time extension and damages (money); e.g.,
 - Delays providing engineering and other design drawings
 - Access to site
 - Disruption due to numerous changes

Acceleration/Recovery (The Difference Between the 2)



- Acceleration
 - Contractor/Subs extra costs incurred due to compressed schedule.
 - Additional manpower, overtime, inefficiencies
 - Increased overhead
 - To recover for acceleration, must prove:
 - Demand to accelerate
 - Actual or Constructive
 - Delays requiring acceleration excusable & not GC/Sub caused
 - GC/Sub, in fact, accelerated and incurred increased costs

61

Acceleration/Recovery (Difference between the 2)



- Recovery
 - Delay caused by GC/ Subs not acceleration, it is recovery in "making up lost schedule time."
 - In recovery scenario, GC/Sub extra costs due to compressed schedule NOT recoverable from Owner.

Types of Impacts



- 1. Critical
- 2. Non-Critical
- 3. Serial
- 4. Concurrent

63

Types of Impacts



An impact is event that affects the timing of the work of an activity

- Changes start of work
- Changes finish of work
- Changes duration of work
- Suspends work

Types of Impacts



An impact maybe attributed to any party in the project

- Owner/Stakeholder
- Designer/Consultants
- Contractor/Subcontractor
- Government and Regulatory Agencies
- "Force Majeure" or "Acts of God"

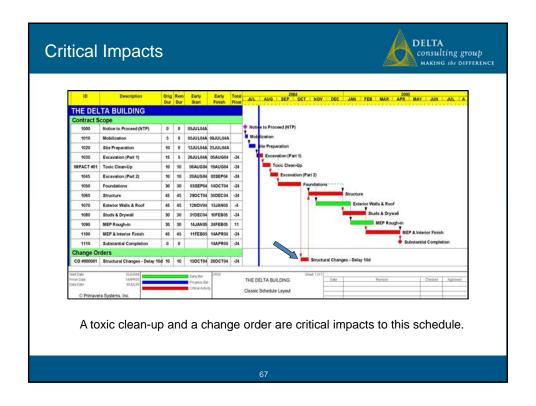
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Types of Impacts



Critical Impacts

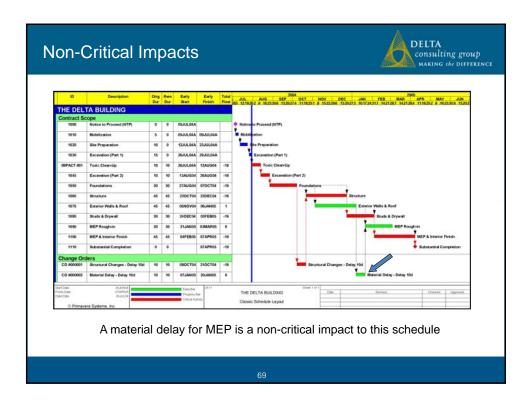
- A Critical Impact event that affects the timing of a critical activity in the schedule.
- Only delays to the critical path can be considered critical and must delay completion or milestone dates of the project to be legitimate.

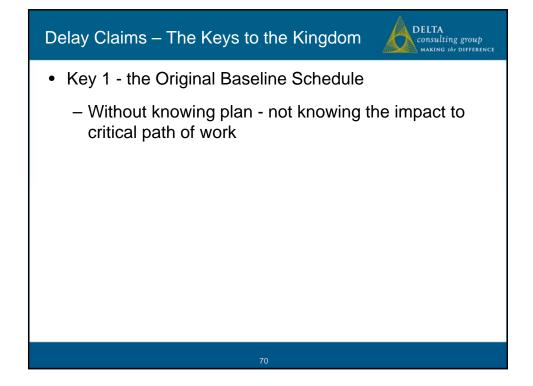


Non-Critical Impacts



- A Non-Critical Impact event that affects the timing of a non-critical schedule activity
- Delay to completion of a non-critical activity is absorbed in the "Total Float"
- When Total Float is fully used, activity becomes critical, and continued delay to that activity can then delay the project

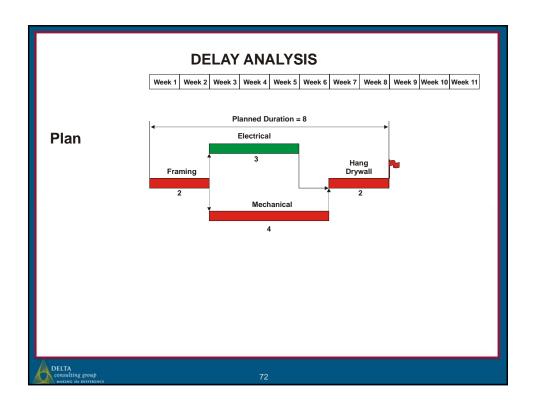


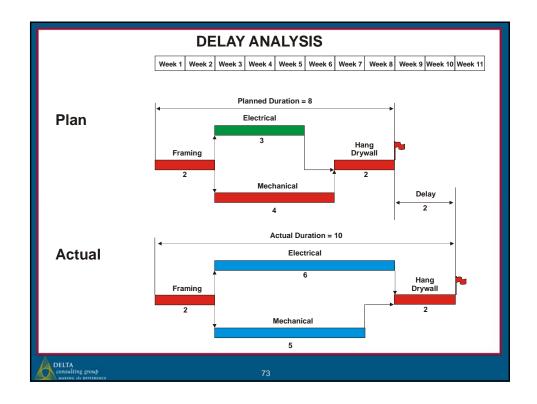


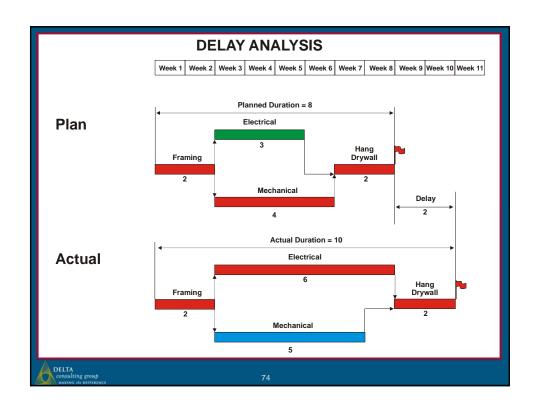
Delay Claims – The Keys to the Kingdom

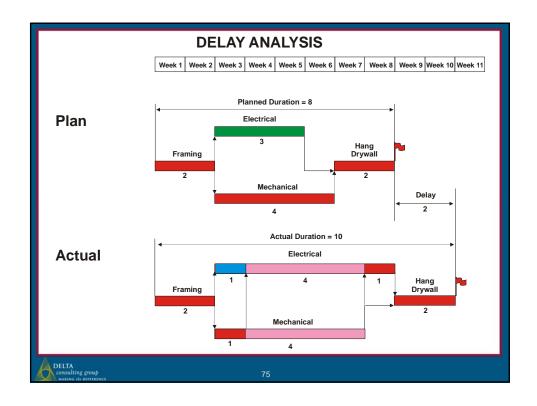


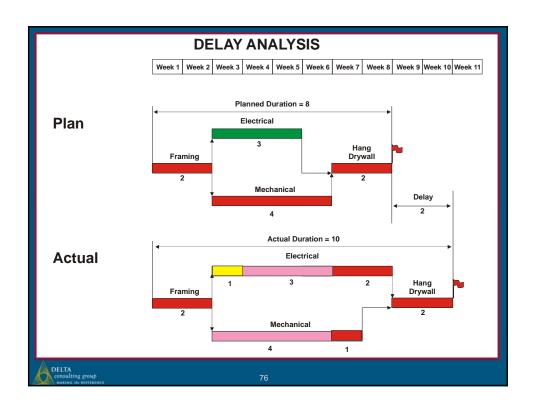
- Key 2 the Schedule Updates
 - Without knowing where you currently stand in reference to initial plan- can't prove either delay to critical path, or who caused delay













Schedules: Back to Basics

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Proving and Tracking Damages



- A. Common Approach
- B. Delay
- C. Disruption
- D. Cumulative Impact

Proving Damages



Basic Approach

- Entitlement
 - Contract
 - Analysis
- Quantification
 - Contract
 - Methodology

79

Proving Damages



<u>Delay</u>

- Entitlement
 - Contract
 - Allowable: No damage for delay
 - Notice provisions
 - Methodology specified
 - Analysis
 - Prospective
 - Retrospective

Proving Damages



Delay

- Quantification
 - Contract
 - Allowable: FOOH, HOOH
 - Stipulated
 - Methodology
 - Daily Rate
 - Itemized

81

Damages



- Contractor must show ACTUAL damage, i.e., it actually incurred costs because of the delay
 - Potential damages might be:
 - Increased labor costs
 - Increased material costs
 - · Additional field overhead
 - · Additional home office overhead
 - Inefficiency costs

Proving Damages



Disruption

- Entitlement
 - Contract
 - Allowable
 - Notice provisions
 - Analysis
 - Research
 - Presentation of findings

83

Proving Damages



Disruption

- Quantification
 - Contract
 - Methodology
 - Measured-Mile
 - Industry studies

