

# 1 INTRODUCTION

Tool and material management includes identifying the needed tools and materials, acquiring them, and issuing them to the fabrication shop, job site, or service truck for use or installation. It also includes returning or disposing of excess materials, and managing the return, maintenance, repair, and replacement of tools.

The considerations, tactics, and processes described in this guide apply specifically to managing tools, equipment, and off-the-shelf, consumable materials. They do not address the intricacies of managing materials that are engineered and fabricated to order: these usually require longer lead times and involvement of multiple specialists, which must be accommodated more explicitly in work planning. This notwithstanding, many of the ideas presented here are quite general in their applicability.

## Tool and material management?

We do that.

## Can we do it better?

Sure, but we're too busy for that now!

We can't dedicate the resources!

It is only a small part of our business!

It does not pay!

Every project we do is different!

basis. Ill-suited management policies can do damage to your business. They reflect badly on your operation. The cost of owning and providing tools may amount to only a few percent of the cost of doing construction work, but it can significantly impact labor productivity and the quality of work performed. Materials in the aggregate for a project cost more than tools, but any one piece—even a small one—can hold up a crew. What is worse is that poor practices in terms of tool and material management are indicative of other systemic wastes, hidden in your company's day-to-day work, such as lack of planning, poor scheduling, poor housekeeping, unsafe work, and problems with quality.

You will need to commit time and resources to change the way you do things, the way you manage your tools and materials, but how

## 1.1 Cost of Poor Tool and Material Management

*Should your company put more effort in better managing tools and materials?*

Think of it this way: poor management not only hampers operations on a day-to-day

Poor practices in tool and material management are indicative of other systemic wastes.