

EXECUTIVE SUMMARY

Between 2020 and 2022, your business likely received phone calls from vendors to notify you that key equipment or material deliveries were delayed – and that instead of being readily available in inventory, it would be *months* before they arrived. Perhaps you even had a vendor that told you they were unable to confirm a fixed price until the unit was loaded onto a truck for delivery. Like the flip of a light switch, material availability and pricing became our industry’s largest impediment to getting work done.

These have been crucible years of stress and frustration for your project managers, field leaders, and organization. On some projects, you were able to recover the price increases and manage the delays, and on other projects, you faded margin or pushed beyond the contract schedule. But if you’ve been even somewhat

successful in managing these supply chain challenges, you have been asked to stretch new muscles, solve new intractable problems, put together more creative plans, and collaborate more effectively than ever before.

Best-in-class organizations have learned from these past two years. They’ve shared what they’ve learned throughout their organizations. They’ve made actionable changes to their business – in how they work with their customers and vendors, how they plan, how they execute, and how they adapt to change. And they are prepared to do battle with extended lead times and material uncertainty in 2023, 2024, and beyond.

In this paper, FMI and the New Horizons Foundation will share with you what best-in-class SMACNA member contractors have learned– and give you the tools to be more effective in managing supply chain disruption.



1. Customer Awareness and Education

- Driving early alignment by ensuring customers understand the changing costs and risks of their projects

2. Contract Risk Tools

- Example valid pricing windows, force majeure modifications, allowances and shared savings clauses that you can use on your projects

3. Pre-Job Planning and Prefab

- Tools for assessing risk, clarifying roles and accountability, and planning

procurement – and why Prefab is helping contractors get ahead

4. Executing Well

- Ensuring that the Field has what they need, when they need it through weekly planning and inventory management

5. Implementing Best Practices

- Tools for assessing your own organization’s lessons learned and the root causes of margin gain/fade on your projects to help you become a learning organization