



MONTREAL

COST MANAGEMENT AND COST ENGINEERING

AACE International – MONTREAL SECTION

Tuesday, December 2, 2008

Evaluating the Cumulative Impact of Changes on Labor Productivity – an Evolving Discussion

Speaker: Gerald McEniry, Eng., M.A.Sc., M.Eng.

Gerald McEniry holds a B.Eng. in Civil Engineering from McGill University and Masters degrees in both geotechnical engineering (M.A.Sc.) and construction project management (M.Eng.). He is a member of the Ordre des ingénieurs du Québec and is certified as an Arbitrator and Mediator, Certified Forensic Claim Consultant (CFCC), Project Management Professional (PMP), Planning and Scheduling Professional (PSP) and Gold Seal Project Manager (GSC). Gerald is a Senior Consultant with Revay and Associates in Montreal.

(This Special Presentation is based on an article authored by William Ibbs, Ph.D, and Gerald McEniry, Eng., and published in the October 2008 edition of AACEI's Cost Engineering Journal)

When numerous changes occur on a construction project, there is a compounding and negative effect commonly called "cumulative impact". This impact is poorly understood, difficult to measure, and seldom reflected in the sum of the estimated costs of individual project changes. This compounding and negative effect often goes unnoticed until it is too late. It generally becomes apparent only in the latter stages of a project when work cannot be completed on time and when labor productivity does not measure up to the anticipated levels.

Over the last twenty years, a number of studies have been published that attempt to evaluate this impact. Two standards have emerged from early work by Leonard and more recently by Ibbs. Compiled from research studies of actual construction projects these studies developed statistical relationships between the amount of change and end-of-project labor productivity.

In addition to a brief review of the evolving discussion on this subject, this presentation will discuss the results of a recent comparison of the Leonard and Ibbs studies and shows in quantitative terms that increasing amounts of project change will have significant and progressively worsening impact on labor productivity. The result is a series of curves that can be used as guidelines in evaluating the cumulative impact of multiple changes on labor productivity.

Come out and join your colleagues, exchange ideas and expand your network.

Refreshments from 5:30 pm Meeting from 6:00 to 7:30 pm

Location: SNC-LAVALIN – 455 René Lévesque West, Room 304A – Montreal

The presentation will be in English and French

Cost: AACEI and PMI Members: \$ 20 Students: \$ 10 Non-Members: \$ 25

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**Please confirm your presence by Friday November 28, 2008
to Celina Ma**

by fax: (514) 937-0096 by e-mail: mac@tardifmurray.com

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