



Inova Health System

Eliminating Manual Process through Automated Workflows



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PROFILE

- Northern Virginia's leading not-for-profit healthcare provider
- 5 hospital campuses
- 45 locations
- Approx. 1 million annual patients

DIRECTIVE

- Facilitate \$850M, 6-Year Capital Improvement Program at Inova Fairfax Medical Campus

SYSTEM LIMITATIONS

- Reliance on spreadsheets and paper files
- Costly printing and distribution
- Duplicate data entry
- Lack of central data control
- Limited process accountability and visibility

SOLUTION HIGHLIGHTS

- Leverage e-Builder's integrated project management information system
- Establish well-defined, enforceable processes
- Centralize easy to access database
- Integrate project management and accounting

RESULTS

- Approximately \$100 million in project savings
- Streamlined processes & gained faster access to data
- Reduced report creation time by one full time employee
- Reduced payment processing by 20 days
- Saved approximately \$200 thousand on bidding printing costs

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Since its inception in 1956, the Inova Health System has grown from one hospital to a nationally recognized, comprehensive network of hospitals, outpatient services, assisted and long-term care facilities and healthcare centers with over 17,000 employees. It is Northern Virginia's leading not-for-profit healthcare provider with five hospital campuses and 45 other locations, serving more than 1 million people annually.

The healthcare provider recently completed a 6-year, \$850 million capital improvement program (CIP) on its flagship Inova Fairfax Hospital (IFH) campus. The program consisted of seven major projects ranging in size from \$4 million to \$431 million. The two largest projects included the construction of the South Patient Tower (SPT) and a new Women's Hospital. The 236,000 square foot, 11-story patient tower incorporates three intensive care floors, 50 private intensive care rooms and five surgical floors. The recently completed 12-story, 660,000-square-foot Women's Hospital includes three dedicated floors for Inova Children's Hospital.

CHALLENGES: LIMITED VISIBILITY/MANUAL PROCESSES

In 2010, the Inova Facilities Management Department (IFMD) relied spreadsheets and paper files to manage its project data. This process resulted in lost items, late payments, extra expenses for printing and distribution and made it difficult for Inova's design and construction team to forecast total project costs or anticipated costs.

Therefore many decisions were reactive and issues could not be addressed in time to take the most cost effective corrective actions. The review and approval of change orders was slow, which in turn affected the project schedule and budget. Additionally, the lack of a simple, uniform system made it difficult for the team to manage and monitor RFIs, submittals, transmittals, change order requests and other communications resulting in slow turnaround times and, ultimately unnecessary change orders and delays on projects.

Without a central management system, Inova did not have immediate access and visibility into potential cost impacts to the project. Once changes were approved, it was difficult to locate the backup and supporting information if required.

Additionally, the preparation of detailed capital expenditure reports such as cost expectations, cash flow forecasts and project status, was time consuming and difficult. Certain reports (e.g., program-wide cash flow forecast) took two senior staff members almost one week to generate from multiple systems, increasing the chance of error. The process for planning future projects was also cumbersome and slow. Investigating feasibility and estimating costs for projected projects, and the subsequent creation of conceptual budgets currently required two senior executives 10 full days of work a month.

Dennis J. Clausen, director of Support Services with IFMD, recalls, "We needed a project control and management system that would help support our program."

SOLUTION: CENTRALIZED, STANDARDIZED WORKFLOWS

In 2009, Inova implemented e-Builder capital project management information system to help execute the \$850 million CIP.

They focused especially on adopting the project execution and cost control features and workflows as well as the bidding and submittal capabilities for more standardized processes that can be measured, enforced, refined, and improved over time. Also, Inova integrated the project management solution with its Lawson financial system to further improve efficiency and avoid duplication.

The e-Builder system provides a simple way to centralize and document all project related communications, manage change in a structured, predictable, and transparent manner, and improve accountability amongst all of the project stakeholders.

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Changes can be tracked at inception as an action item then as they progress and become potential change order requests they are approved and become part of a change order. This foresight gives Inova project managers the ability to take action early and reduce or change orders eliminate them altogether.

Innova was also able to save enormously on printing costs.

“e-Builder has made it much easier to coordinate schedules and manage” says Clausen. “In short, everything is handled through e-Builder on this project.”

RESULTS: VISIBLE COST SAVINGS/REDUCED CYCLE TIMES

The centralized project management solution helped the design and construction team standardize and simplify the approval and routing of submittals, requests for information, potential change orders, change orders, application for payment, architects supplemental instructions and other documents.

For example, the turn-around time for processing an application for payment was cut from 29 days to nine days and invoice processing was reduced to less than three days. Some contractors and subcontractors noted the process improvements and adopted the solution as well.

Printing costs have also been dramatically reduced. On the first major project, the South Patient Tower, the team relied on the bidding module to bid subcontractors and saved about \$200,000 on printing costs alone.

Further the integration of the project management solution with the Lawson financial system has saved the equivalent of one full time employee on capital projects. Inova also saved on time cost of an FTE when they brought the Engineering Operations Department began using e-Builder with the Lawson integration.

The overall savings on \$850 million CIP is estimated at \$100 million.

Clausen concludes, “That \$100 million helps us improve our infrastructure and support over \$250 million in community support through charity care, education and research.”



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