

Improving client estimating systems



THE OPPORTUNITY

A local ground engineering contractor approached our estimating team for help to create a more efficient and accurate estimating process to reduce bid costs, increase win rates and ensure delivery to budget.

WHAT WE DID

We conducted a thorough assessment of our client's existing tendering process. This informed a collaborative review of opportunities and options to remove inefficiencies in their approach. Our solution embedded the use of a digitalised and integrated estimating system to enable a more efficient and consistent estimating process. The digitalised system included:

- An [estimating library of plant, labour, and materials](#) that uses our client's rates, providing a 'live' and up-to-date reference database to inform the calculation of each estimate.
- An [inclusion / exclusion template](#) that enables our client to systematically identify the plant, labour and material needed in each estimate, cross referencing to the library of rates to automatically and accurately generate an initial estimate.
- A suite of [estimating submission templates](#) that provide a portfolio of documents that can be used and tailored for each tender.
- A [tender register](#) to record details of each pricing enquiry. This will track current workload and tenders, as well as tenders won and lost, and feedback.

We also worked with our client to put in place a system to capture and analyse cost data from live contracts to ensure estimate accuracy, creating a '[Cost to Complete spreadsheet](#)'. This tracks and records labour, plant, and materials used throughout each scheme. It records all compensation events and keeps track of forecasted profit. The system allows robust comparison of actual scheme cost against tendered price, providing an evidence-based assessment of tender accuracy, informing a continuous improvement process.

EMBEDDING THE SYSTEM

We trialled the new system and tools collaboratively with our client, taking them through the process using 'mock' estimating tenders. We also developed a 'how to' guide to build aid employee understanding of the new system.

OUTCOME

The 4-week project has resulted in time savings and improved accuracy when estimating. Our client reported a reduction in the time required to compile and submit tenders, enabling them to complete more tenders and also freeing up management time to focus on more strategic tasks.

The automation and integration of cost data from live projects has led to fewer errors in pricing and tender documents, ensuring realistic and competitive estimating submissions, and reducing risk of costly mistakes.



"SGS gave us the estimating tools and help to get us to the next level of accountability and professionalism within our business."

Operations Director