

Healthcare Customer Case Study

Baptist Health South Florida

Largest Non-Profit Health Care Organization in South Florida Expects to Save Nearly \$4 million a Year in Construction Management Costs by Using Proliance® Software

Baptist Health South Florida (BHSF) is the largest non-profit health care organization in the Miami-Dade region. Its seven major hospitals are complemented by the Baptist Cardiac & Vascular Institute as well as a variety of health care services, such as outpatient diagnostic and treatment facilities and home health care. BHSF has received numerous awards and rankings for outstanding quality of care and as an outstanding employer. BHSF has been recognized numerous times by Health & Hospital Networks for '100 Most Wired Hospitals and Health Systems.' The organization has also spent multiple years on Fortune magazine's '100 Best Companies to Work For' list and Working Mother magazine's '100 Best Companies for Working Mothers' list. BHSF has achieved an outstanding reputation for medical and service excellence by blending old-fashioned 'good doctoring' with the finest in technological innovation.

Baptist Health South Florida (BHSF) is a thriving non-profit health care system with more than 200 construction projects in progress at any given time. Management of projects ranging from a \$50K floor renovation to a new hospital costing hundreds of millions of dollars consisted of paper-based processes, including Excel spreadsheets, Word documents and the manual routing of paper for approvals. Communication issues plagued this system, often causing construction delays and

confusion around responsibility. This made it difficult to manage individual projects and get big picture information for executive management.

"Our manual system made communication difficult because it relied heavily on the construction management staff supplying up-to-date information and that didn't always happen," explains Petter Melau, Business Technology Consultant within BHSF's IT group. "We realized that having a formalized project management system in place with a centralized data collection point would provide the structure needed to overcome our communication problems."

After significant research, BHSF purchased Proliance software, a solution from Meridian Systems® that combines project and portfolio management, facilities management, business process management and business analytics.

A Compelling Return on Investment

During its software selection process, BHSF looked extensively at return on investment (ROI). "When we looked at ROI during the RFP process, we actually found that there was a lot of lost opportunity involved with our current manual operations," Melau says.

In fact, while calculating the anticipated ROI of its Proliance software purchase, BHSF made a startling discovery: lost opportunity associated with manual project



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*Petter Melau
Business Technology Consultant,
Baptist Health South Florida*

management was costing the organization millions of dollars each year!

Lost opportunity was identified for seven major categories:

- › Cost of inflation
- › Cost of rework
- › Cost of delayed delivery
- › Cost of unexpected liability
- › Cost of staff inefficiency
- › Cost of communication and interoperability issues
- › Cost of inaccurate budgeting and approvals

For each category, the benefits derived from Proliance software were clearly defined and would later be used when outlining implementation objectives. These benefits included:

- › Compression of planning, design and approval schedules via more efficient management of RFI's, change management and collaboration
- › Standardization of workflow and automation of communications per BHSF best practices
- › Reduced cycle times for correspondence and approvals
- › The ability to minimize staffing needs while growing the construction pipeline (due to greater efficiencies)
- › The replacement of multiple systems of record with a single, enterprise level system to manage scope, budget, schedule and collaboration
- › The ability to maximize the annual construction budget through proper breakdown of budgets, costs and approvals

When the ROI evaluation was complete, BHSF was able to quantify the return on its

Proliance software purchase. "Proliance will save us close to \$4M a year in construction management costs," states Melau. "That's a pretty compelling ROI factor."

Runding Corporation Leads Successful Implementation

To lead its Proliance software implementation, BHSF chose Meridian Systems® authorized Systems Integrator, Runding Corporation. "Runding got involved immediately after we signed the contract with Meridian and led us directly into the design phase of our implementation," says Melau. "We spent four or five months on the system design and testing, which greatly contributed to our success."

To ease the impact on staff associated with the change to Proliance software, BHSF decided to focus on the contract management side of the software, including purchase orders, change orders and budget/cost management. Data was migrated for many projects in progress and a phased go-live plan was devised.

"For the go-live deployment, we developed a very detailed and customized training manual for our users," explains Melau. All users were given two full days of training, including a migration planning session. "After training, we sat down with each project team and walked them through the migration of data needed to get their projects current on Proliance. Between the training and the one-on-one migration, we developed a very good learning exercise for our end users."

Melau is quick to credit Runding for his organization's successful Proliance software implementation. "John Sinift and Maria Hedman of Runding have been stellar people to work with," he says. "Their wide range of experience with Proliance has been invaluable. I have about 12 years of experience doing large IT projects and

Systems Integrator (SI) Partner Profile Runding Corporation

Location: Sarasota, FL
Phone: 800-847-9589
Web: www.runding.com

Runding is, by far, the best consulting firm I have ever worked with.”

Reporting Takes Construction Management to a Higher Level

To provide its executive board with key performance indicators and analytics across its entire project portfolio, BHSF chose to use Cognos business intelligence technology with its Proliance software. For example, the custom Projects-at-a-Glance reports deliver quick status updates with comments and some cost information. A weekly version is used by the construction management team for better project control and a monthly version is distributed to executives for high level oversight.

Another custom report used at BHSF analyzes the budgeting and cost side for each project. This report shows how much has been obligated to a job versus how much is expected to be used. Under development are reports that executives can use to more easily manage items that need review and approval.

“I can already see improved communication through better reporting in Proliance,” states Melau. “Coming from a system where staff manually generated reports on spreadsheets to having the ability to generate reports on demand is a huge improvement. These new reporting capabilities play a big role in being able to manage construction projects on a higher level, specifically on the budget, cost and contract side.”

One System for Information Management

As the owner of its construction projects, BHSF hires a general contractor (GC) specifically for each job. Over time, the organization plans to provide its GC’s with access to Proliance through contributor licenses to increase collaboration around RFI’s, drawings, submittals, transmittals and scheduling. “We are discussing making it a requirement for GC’s that do business with Baptist Health to use Proliance in these different areas,” says Melau.

While additional Proliance functionality continues to be implemented at BHSF, initial feedback from end users has been very positive. “People that were resistant to change have come back to us and said that, after using the program, they would not be able to live without it. Proliance is that good,” states Melau. “We’re extremely happy with Proliance and are looking forward to managing as much information as possible through one system. We are very optimistic that Proliance will deliver all the functionality we need.”

BHSF Project Profile



BHSF Project Profile

East Campus Expansion with Emergency Center at Baptist Hospital in Miami, FL

A new 65,000 square foot Emergency Center is being built at Baptist Hospital as part of the East Campus Expansion project, the largest expansion project in the hospital's history. The Emergency Center and an additional 96 inpatient beds will be housed in the new four-story Victor E. Clarke Emergency Pavilion, named after local philanthropist and honorary Baptist Health Foundation Board member Victor E. Clarke.

Located on the first floor of the new Pavilion, the Emergency Center will house 100 exam rooms, including six state-of-the-art trauma rooms. Twenty of the exam rooms and two of the trauma rooms will be in a separate Children's Emergency Center, which will have its own reception area. Also included in the 654,000-square-foot expansion project is a seven-story garage and renovation of the existing emergency room to create a new imaging center, laboratory and pharmacy.

Above the Emergency Center will be two floors of private patient rooms that will raise the hospital's total bed count from 577 to 673. Each room can be adapted to inpatient or outpatient care, so that patients can stay in the same room even if their condition changes. The new rooms will provide comfortable areas for family members, as well as Internet access and other high-tech features. The fourth floor of the Pavilion will be shelled space that can accommodate another 48 beds when needed.

Architects: HKS Architects, Inc.

General Contractor: Bovis Lend Lease

Estimated Project Cost: \$122M

Projected Project Completion: 2008



Anticipated Results: According to the Florida Agency for Health Care Administration, between 1994 and 2004, the number of visits to Florida's emergency rooms increased 40 percent. Baptist Hospital has about 74,000 patient visits annually in an emergency room that was built 21 years ago to handle 40,000 visits. The new Emergency Center will be one of the largest in Florida and will readily accommodate the growing need for emergency care.

Key Project Elements

- ▶ 654,000 square foot East Campus Expansion to Baptist Health hospital
- ▶ 65,000 square foot Emergency Center with 100 exam rooms, including six state-of-the-art trauma rooms
- ▶ A separate Children's Emergency Center which will house 20 of the exam rooms and two of the trauma rooms
- ▶ Renovation of existing emergency room to create a new imaging center, laboratory and pharmacy
- ▶ An additional 96 inpatient beds to be built on the two floors above the Emergency Center
- ▶ A fourth floor shell space to accommodate an additional 48 beds for future expansion
- ▶ A seven-story, 984-space parking garage



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