



IMPROVING MATERIAL MANAGEMENT ON CONSTRUCTION PROJECT

Ar. Kunjan Laddha ⁽¹⁾, Er. Sudhanshu Pathak ⁽²⁾

Er. Aradhana Chavan ⁽³⁾ Er. Rohini Khandelwal ⁽⁴⁾

1-Student S.Y.M.Arch(Construction Management)

Dr. D. Y. Patil College of Architecture Akurdi, Pune

2,3 & 4- Assistant Professor Dr. D. Y. Patil College of Engineering, Akurdi, Pune

ABSTRACT

Effective material management is crucial for the success of construction projects, as it significantly impacts project timelines, costs, and quality. Despite its importance, many construction projects suffer from poor material management practices, leading to delays, cost overruns, and resource wastage. This study aims to enhance material management in construction projects by identifying key challenges and proposing practical solutions. By analysing current practices and integrating advanced technologies such as Building Information Modeling (BIM) and Radio Frequency Identification (RFID), this research provides a comprehensive approach to streamline material tracking, reduce waste, and improving overall project efficiency. The proposed strategies include the implementation of a centralized material management system, improved communication protocols, and regular training for staff. The findings of this study suggest that adopting these measures can lead to more efficient material handling, better resource allocation, and ultimately, more successful construction project outcomes.

KEYWORDS- Construction management, Building Information Modeling (BIM), Construction project, Resource allocation, construction projects, material management system, communication protocols, material tracking, Waste reduction.

1.1 INTRODUCTION

Effective material management is a cornerstone of success in both residential and industrial construction projects. As these projects grow in complexity and scale, the need for streamlined, efficient, and cost-effective material management becomes increasingly critical. Material management encompasses the planning, procurement, storage, and distribution of materials, and its optimization can lead to significant improvements in project outcomes. This introduction outlines the importance of material management, identifies common challenges, and presents strategies for enhancing material management practices in the construction industry.

Material management is integral to the construction process, directly influencing project timelines, costs, and quality. Effective material management ensures that the right materials are available at the right time and place, reducing delays and avoiding costly interruptions. In residential construction, this can mean the timely

delivery of building supplies for a home development project, while in industrial construction, it might involve the efficient handling of specialized equipment and raw materials for large-scale infrastructure projects. Optimal material management leads to better resource utilization, reduced waste, and improved project efficiency.

Ineffective materials management can lead to higher expenses in construction projects. Conversely, efficient materials management can significantly reduce project costs. Purchasing materials too early can tie up capital and lead to interest charges on surplus inventory. Additionally, materials may deteriorate or be stolen if not properly stored. Delays and additional costs may arise if necessary materials are not available when needed. Therefore, maintaining a timely flow of materials is crucial for effective material management.

1.2 NEED OF THE STUDY

Improving material management in construction projects is vital for minimizing delays, reducing costs, and enhancing overall efficiency. Poor material management often results in wasted resources and budget overruns. By adopting advanced technologies like BIM and RFID, and implementing better communication and training practices, construction projects can achieve more accurate material tracking and handling, leading to more successful outcomes.

1.3 PROBLEM STATEMENT

Current material management practices in construction projects often lead to inefficiencies such as delays, cost overruns, and material wastage. There is a need to develop and implement more effective strategies and technologies to enhance material tracking, handling, and overall project efficiency.

1.4 SCOPE

- Implement advanced tracking technologies like BIM and RFID.
- Establish centralized material management systems.
- Enhance communication protocols among project teams.
- Provide regular training for staff on best practices.
- Optimize resource allocation and inventory management.
- Reduce material waste and associated costs.
- Improve accuracy in material ordering and delivery.
- Ensure timely availability of materials to prevent project delays.

1.5 LIMITATION

- High initial costs for implementing advanced technologies like BIM and RFID.
- Resistance to change from staff accustomed to traditional methods.
- Training requirements for staff to effectively use new systems.
- Potential technical issues and the need for ongoing maintenance.
- Integration challenges with existing project management systems.
- Dependence on reliable internet and technology infrastructure.
- Data security and privacy concerns with digital systems.
- Limited immediate return on investment as benefits may take time to materialize.

1.6 BACKGROUND OF RESEARCH WORK

Material management is a critical component of construction project success, influencing cost, schedule, and quality outcomes. Historically, construction projects have struggled with inefficient material handling, leading to delays, cost overruns, and waste. Traditional methods often fail to address these issues effectively. Recent advancements in technology, such as BIM and RFID, offer new opportunities to streamline material management processes. This research aims to explore these innovations and develop strategies to enhance material management, improving overall project efficiency and outcomes.

2.0 METHODOLOGY



3.0 DATA COLLECTION

3.1 Material Management

- Materials management is a comprehensive organizational approach that consolidates responsibility for the systematic flow and oversight of materials from initial identification of needs through to customer delivery. This concept integrates various functions including planning, scheduling, procurement, storage, transportation, and distribution. Disciplines such as production and inventory control, purchasing, and physical distribution are central to its implementation.
- Another definition of materials management states that it is an organizational framework where a single manager holds authority and accountability for all activities primarily focused on managing the inflow of materials into an organization. This typically encompasses functions such as purchasing, production planning and scheduling, inbound logistics, inventory control, and receiving and storage operations.

3.2 Functions of Materials Management

The functions of materials management are outlined below:

To achieve the objectives of materials management and to effectively meet goals, these functions are categorized into primary and secondary categories.

I. Primary Functions

To fulfill the primary objectives, the key functions of materials management include:

- Materials Requirements Planning (MRP)
- Purchasing
- Inventory Planning and Control
- Ensuring and Sustaining Material Flow and Supply
- Quality Control of Materials
- Enhancing Departmental Efficiency

II. Secondary Functions Additional functions include:

- Standardization and Simplification
- Make-or-Buy Decisions
- Coding and Classification of Materials
- Forecasting and Planning

3.3 Techniques in Materials Management

Various industrial engineering techniques (methods) are employed in materials management across industries, including the construction sector. Some of these techniques include:

3.3.1 Economic Order Quantity -

The economic order quantity (EOQ) is a formula used to calculate the optimal order quantity that minimizes total variable costs associated with ordering and holding inventory. It determines the point where the combined costs of ordering and carrying inventory are minimized. According to this concept, the ideal quantity to order is the one that reduces all associated costs including order costs, holding costs, acquisition costs, and the cost of the materials themselves. EOQ suggests that the sum of all indirect costs related to inventory will be minimized annually if the material is consistently ordered or delivered in quantities that correspond to

3.3.2 Materials Requirement Planning

Materials Requirements Planning (MRP) is a method used to determine the quantity and timing of materials required for manufacturing operations. It falls under the purview of the production planning and control group. MRP operates as a computer-based system for production planning and inventory management, also referred to as "time-phased requirements planning". It addresses both production scheduling and inventory control by providing a precise scheduling framework, efficient material management, and a mechanism for

adjusting plans in response to changes. MRP aims to minimize inventory levels while ensuring materials are available as needed.

3.3.3 Just-in-time (JIT)

Just-in-time (JIT) in construction material management focuses on reducing waste and increasing efficiency by delivering materials exactly when they are needed for construction activities. This approach minimizes the time materials spend on-site, reduces storage costs, and decreases the risk of damage or loss. Key benefits of implementing JIT in construction include:

- **Reduced Inventory Costs:** Minimizing on-site material storage lowers costs associated with inventory management and reduces the risk of material degradation.
- **Improved Cash Flow:** By purchasing materials only as needed, companies can better manage their cash flow and allocate resources more effectively.
- **Increased Productivity:** Timely delivery of materials ensures that construction activities can proceed without interruptions, leading to a smoother workflow and increased productivity.
- **Enhanced Project Scheduling:** JIT helps in maintaining a tighter schedule by ensuring materials are available precisely when needed, reducing downtime and delays.
- **Better Space Utilization:** Limited on-site storage frees up space for other essential activities, enhancing overall site management.

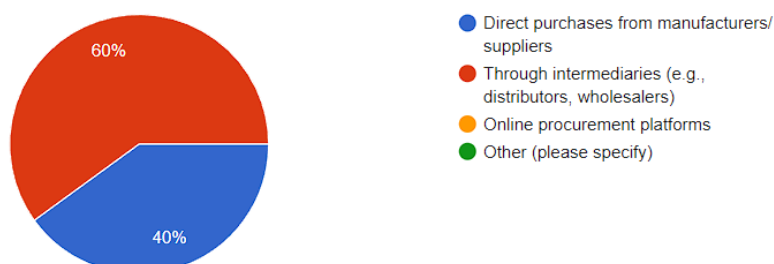
Questionnaire

1. What methods does your organization use for procuring construction materials?
2. How do you assess the reliability and quality of material suppliers?
3. What is the primary purpose of material handling on a construction site?
4. Which of the following factors should be considered when planning material storage on a construction site?
5. Which material handling technique involves storing materials in a way that allows easy access and retrieval?
6. Which of the following is a common practice for reducing waste from excess construction materials?
7. Please specify any technological tools or software solutions used for material management.

Data Analysis

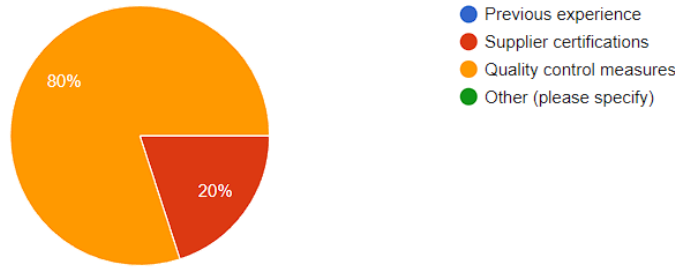
what methods does your organization use for procuring construction materials?

10 responses



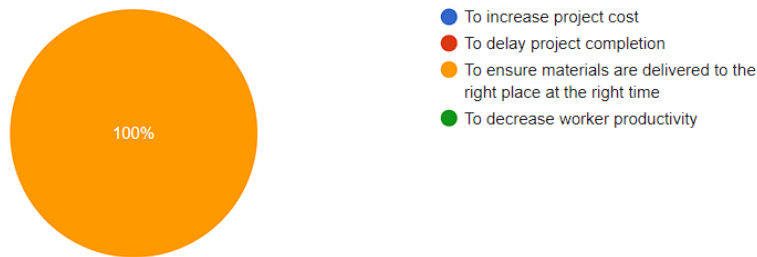
How do you assess the reliability and quality of material suppliers?

10 responses



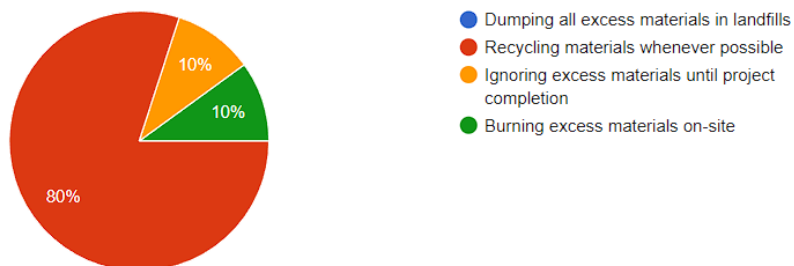
What is the primary purpose of material handling on a construction site?

10 responses



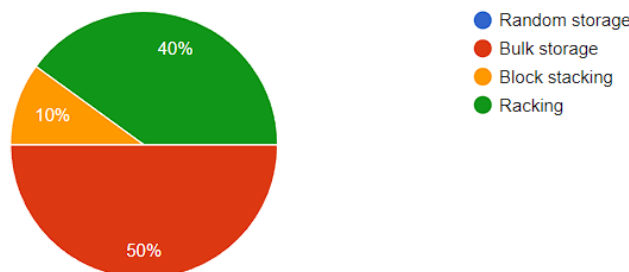
Which of the following is a common practice for reducing waste from excess construction materials?

10 responses



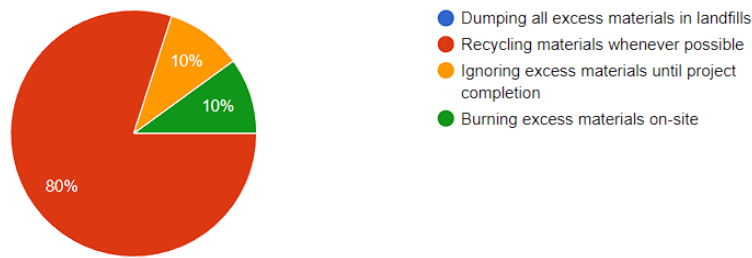
Which material handling technique involves storing materials in a way that allows easy access and retrieval?

10 responses



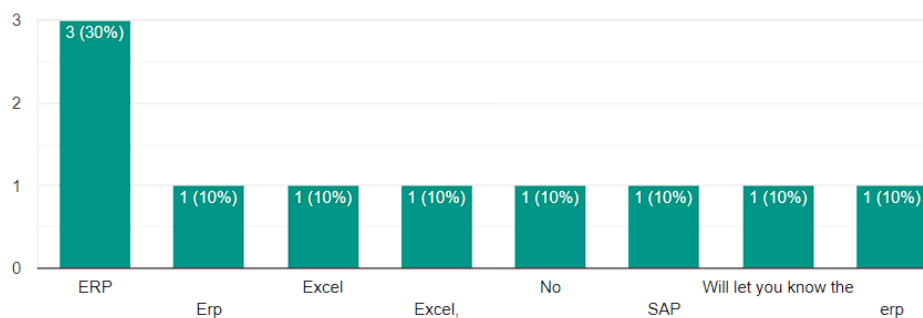
Which of the following is a common practice for reducing waste from excess construction materials?

10 responses



Please specify any technological tools or software solutions used for material management.

10 responses



4.0 CONCLUSION

Based on the study, it was observed that large firms demonstrate proficiency in applying material management techniques at construction sites. Medium-sized firms, however, encounter technical and seasonal challenges, often exacerbated by the absence of software utilization.

The following recommendations are proposed for construction firms of all sizes:

- Emphasize top management involvement in material management and consider adopting software solutions such as MSP, PRIMAVERA, ERP, SAP, etc., to minimize manual errors.
- Store surplus materials like steel and cement to prevent delays caused by quality control rejections or seasonal disruptions.
- Maintain written documentation for all indents, requests, notes, and records to enhance communication efficiency.
- Utilize material handling equipment such as conveyor belts, trolleys, and cranes to reduce wastage due to improper handling.
- Apply the Economic Order Quantity (EOQ) technique before placing orders to mitigate project cost overruns.
- Implement rigorous control, tracking, and monitoring systems to ensure efficient material management.
- Recognize that construction materials constitute a significant portion (approximately 52%) of total project costs, emphasizing the criticality of timely material availability for project success.
- Utilize EOQ for effective inventory control across finished goods, work-in-progress, and raw materials, ensuring a balanced production flow and avoiding excessive inventory investment.
- Implementing automatic penalties for delayed material payments can lead to several benefits, including higher material value and reduced waste. Furthermore, aligning this approach with Just-In-Time (JIT) principles for consistent material ordering improves inventory management and lowers holding costs significantly.

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