

TEST YOUR JOC KNOWLEDGE



7 Facts You Should Know About Job Order Contracting

It may come as a big surprise to many owners, contractors, trades, and cost data vendors in the industry that there are a few facts about JOC they might not be aware of so we decided to post seven questions to test your JOC knowledge.

Did you know job order contracting is considered an alternative project delivery in most states?

It's true yet we keep noticing suppliers refer to it as strictly a construction procurement method. The framework contract is procured by public entities but the method by which construction projects are performed is technically a project delivery method. If you have the need for a JOC program, research your construction project delivery options and make sure you procure the services according to the guidelines established by your governing authority. JOC is the most utilized project delivery method in American based on the volume of projects so it is likely your governing authority has an approval process.

Did you know the first JOC program in the 1980's was developed based on customizing US Cost data? Many aren't aware of the importance US Cost has in the history and foundation of the job order contracting project delivery method. Project Time & Cost (PT&C) helped develop the first JOC cost data in the 1980's when JOC began. Most of the data we use today was modeled from the early programs and improved in the 1990's and beyond.

Do you remember the name of the first major cost estimating system used for JOC? In the 1980's, the U.S. Army Corps of Engineers (USACE), Department of Defense, and its contractors used the detailed cost estimating DOS-based Micro-Computer Aided Cost Engineering System (MCACES). In the original format of a JOC program, the Contractor worked as an extension of staff to help reduce small project backlog. Project Time & Cost consulted and developed cost estimating and management systems for the Federal government in the 1980's. RS Means construction cost data and various software options became more prevalent in the mid to late 1990's. Today, there are many options available to implement JOC programs.

Did you know there is a variety of unit price books and catalogs that can be specified for a JOC program? As per legislation in various states, an owner is required to specify a unit price book (UPB) or unit price list. Some owners use their own list developed from their specifications, some use unit price books, and some utilize catalogs. Most companies have the data

online accompanied with a suite of options for service and associated fees. One size does not fit all in JOC because some public entities only need a limited set of cost data for their program and others require more comprehensive cost data. Best practices indicate that entities need to use what is best for their infrastructure and team. Take the time to decide what you need for the most efficient and successful program. Following the federal or state and local project delivery and procurement requirements will enable a successful procurement.

Did you know cooperative purchasing organizations do not have standardized fees for JOC?

These fees range from 0% to over 8.5% of the construction volume. On average, most coops have a 2% fee and most group purchasing organizations (GPO) have a 3% fee. All coops are not created equal. Some offer value-added services to assist members. So take the time to do your research and select the best fit for your entity before using a cooperative contract. It's everyone's job to place the minor construction work as efficiently as possible - delivering a win/win for the owner and the contractor as a team.

Did you know that JOC was the originator in the implementation of LEAN and collaborative processes in construction? Yes, it's true! LEAN construction began in the 1980's because the basic tenets of JOC were originally developed based on streamlining the construction process for minor repair and renovation work for the Department of Defense. Major concepts of LEAN such as optimizing the whole, collaboration, and tightly coupled action/learning are the basis of a successful JOC program. Teamwork between the owner and the contractor to perform as an extension of staff has been studied and proven to deliver the most effective JOC programs. JOC is LEAN when functioning correctly and efficiently.

Did you know that best value procurement and qualifications-based procurement are the most effective means of procuring a JOC program? When JOC is procured based on low bid, someone will always under bid the coefficient or multiplier and it usually results in a program with performance issues. Whether you utilize a one-step or two-step procurement process, make sure you consider the best value for your facility team. Hire Certified JOC Professionals (CJP). The certified and credentialed professionals are experts and can save you time and money over the life of the contract.

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