THE AIM OF PROJECT EXPEDITING
The aim of the project expediting program is to control procurement for maximum advantage to the Owner.

Expediting is concerned with everything in the procurement chain:

a. Preparation of specifications and inquiries.
b. Evaluating and selecting vendors and preparation of purchase orders.
c. Provision of technical information to vendors.
d. Approvals.
e. Scheduling vendors' engineering, procurement, fabrication, assembly, test and shipping.
f. Measurement and reporting of vendors' progress.
g. Arranging for remedial action.

The expediting program should pay particular attention to identifying in advance potential threats to the project and to arranging also in advance agreed plans of action aimed at minimizing risks due to:

a. Shop overload and/or poor vendor engineering, procurement and production control methods.
b. Breakage during fabrication or machining.
c. Damage in transit.
d. Malfunction at start-up due to inadequate inspection.

Expediting is also concerned with activities of sub-vendors.

RELATIONSHIP OF EXPEDITING TO PURCHASING
Of the three elements of project execution, none has a more profound effect on timely completion than procurement. Almost invariably it is the long-delivery items of equipment which control project length, and the Project Manager's ability to control project length clearly depends on his ability to control procurement. If he loses the initiative in the procurement program his efforts to maintain close control over engineering and construction will be meaningless.

The Project Manager's principal means of controlling procurement lies in his expediting program. As this is primarily time-oriented it is a matter for planning,
scheduling and project control, hence is of direct concern to the Project Control Engineer.

We consider traditional expediting methods inadequate and recommend that special procedures, as described herein, are used. Expediting is usually under the general direction of the Project Controller rather than the Purchasing Agent; the latter remains intimately involved with all aspects of procurement including expediting, but is more concerned with the contractual than with the scheduling, measuring, reporting and control activities which together constitute the expediting program.

EXPEDITING PHILOSOPHY

The underlying philosophy for expediting is that the Project Manager should be able to control procurement effectively at all times. This means he must know the status of all procurement action and must be able to judge its effect on the project as a whole. He must have early warning of incipient difficulties. Above all he must be prepared to act quickly and decisively to restore any situation which threatens achievement of his objective. For him to do this, the means to evaluate procurement status and to take action must be built into the procurement program from the start. The Project Manager cannot afford to leave the initiative in the hands of the vendor, the Purchasing Agent, the Project Controller or others. It is imperative that he take a direct and personal interest in project procurement affairs delegating responsibility where necessary but keeping himself effectively "in the picture" at all times.

Because of the extent and complexity of most project procurement programs, it is seldom practicable for the expediting program to cover: all items in equal detail and expediting action must therefore be on a selective basis, with greatest emphasis on critical items and progressively less emphasis on those items which are either not needed for start-up or which, even if late, will still arrive in plenty of time.

There is sometimes a mistaken belief that adequate protection against procurement delays can be achieved through penalty or bonus-penalty clauses. Our philosophy is that such clauses are of little value and that satisfactory protection can be achieved ONLY by:

a. Building the means to schedule, measure and control procurement progress into inquiries and purchase orders.

b. Careful evaluation of bidders' ability to schedule and control production, and award of purchase orders not merely on the basis of price or of a Sponsor preference, but only after careful inspection and evaluation of bidder's premises and of recent performance.

c. Pursuing a vigorous (though selective), comprehensive and common sense expediting program aimed at controlling vital procurement.
d. Focusing expediting attention and reporting not on what has already been accomplished, but on what remains to be accomplished and the difficulties extant or anticipated which actually threaten the project objective.
e. Bold, timely and decisive action on the part of the Project Manager to correct any situation which poses a significant threat.

RESPONSIBILITY
Responsibility for expediting rests with the Project Manager but may be delegated all or in part to other members of the Task Force depending on workload, personalities and experience. Expediting is time consuming and there is a danger that if it is delegated to someone who’s other duties is also time consuming, neither expediting nor the other duties will be performed satisfactorily. For this reason, it is important that responsibility for expediting is delegated with great care. On occasion it may be necessary to hire special expeditors; where this occurs special care is needed in their selection.

Other members of the Task Force and may also be called upon to act as project expeditors responsible for certain portions of the work. It must be clearly understood that notwithstanding such arrangements expediting responsibility remains with the Project Manager or his delegated Expediting Coordinator.

THE EXPEDITING PLAN
This results from a study of the procurement program, project priorities, project schedule, geographic location of vendors and expeditors, expediting manpower needs and resources. The plan consists of:

a. A list of procurement items by categories.
b. Vendor's name and location for each item.
c. Name of expeditor assigned to each item.

Expediting categories are as follows:

a. CATEGORY A. Items the Owner needs to obtain a return on investment from products for which he has an immediate market. This includes only those items where any delay whatsoever will seriously affect return on investment.
b. CATEGORY B. Items the Owner needs to obtain a return on investment from products for which there is an immediate market but where there is no immediate equipment delivery problem. However, should serious delays develop these items will become critical and will be re-classified Category A.
c. CATEGORY C. Items for which the Owner has no urgent need but which control overall project length and if delayed will result in unnecessary task force and overhead expense.
d. CATEGORY D. Items for which the Owner has no urgent need and which do not control overall project length but are needed to maintain schedule in individual area installations and start-ups.

e. CATEGORY E. Items for which no expediting action appears necessary at this time.

Initially all components of a procurement item are assigned the same category, but as more specific information arrives many can be down-graded so that Category A contains only those items which are actually crucial from the Owner's point of view. On the other hand, some items must be up-graded because of delays, and the Project Manager must insist that the Expediting Plan is reviewed frequently.