



Executing Capital Projects in a New Way - The NEXA Way

By John Cummins, CPIP, Vice President, NEXA | EAM

The traditional approach to greenfield and brownfield site turnover in the Life Sciences industry is inherently flawed and has been for some time now — at least in my 20 years of experience. There are far more complexities than can be covered in a short article, but the high-level overview goes something like this:

The General Contractor (GC) receives the work from the client and bids out most of the subcontracting work to various contractors who are known for their particular area of expertise. (Note: on smaller projects, it may be the client who bids out these work packages directly).

This leads to a tender process for the Commissioning, Qualification and Validation (CQV), the data build for the maintenance/calibration program (CMMS), the Reliability plan, the execution of initial calibrations, and the final activities required to turn-over the fully completed systems to the client in an operationally ready state.

We have identified in all our Capital Projects work at NEXA | EAM that the GC/client ends up hiring anywhere from 4 - 6 subcontractors to complete the above work.

While this seems like a sound financial approach - having competing companies bid against each other for their own "slice of the pie" - it removes the most important variable from the project: **Accountability**.

These various subcontractors have no allegiance to the other subcontracting companies on the project; yet they are all codependent on each other's success. To add to that, when the subcontractor has finished their scope of work, it is usually performed in a silo, and is often executed in a "just enough to be acceptable to the client" manner. This introduces an enormous number of errors into the project, not to mention time overruns and re-work.

When NEXA identified this issue on past projects, we set about solving the problem to demonstrate to our client that we could deliver more efficient, high-quality results that would prove to be beneficial to the project's outcome. To do this, we laid out to our clients all of the different subcontractors they were working with, what each one was responsible for, their typical performance, and their rate of rework. In doing this, we were able to demonstrate that the root cause of all of these issues was the lack of a single point of accountability i.e., a **single** subcontractor working on behalf of both the GC's needs (complete the project in time) **and** the client's needs (run everything without issue Day 1).

The coronavirus pandemic catapulted our Capital Projects management vision into a reality for one particular client, as they attempted to execute critical projects in a much faster manner, but wanted the same degree of quality. Our revised model enabled our NEXA team to take the work of three different subcontractors and combine it into one scope.

The results were exceptional.

Although we did not take all of the subcontracting engineering work, we served as the single source company for all equipment walk downs, data builds for maintenance, data build for calibrations, and spare parts management. This provided a **single point of accountability** for the client, and a single project manager for NEXA oversaw the entire effort.

The below is the feedback from the client's project lead:

*"I have had the pleasure of working with NEXA for over a year on multiple projects and could not suggest a better contract alternative for a fully committed, professional group of individuals that exceed all presented needs and accommodate the most challenging requests. They truly provide a **one-stop solution** for all equipment data generation and incorporation, allowing for seemingly impossible timelines to magically be met ahead of schedule."*

From the success of this project, the client's site team took notice, and we began to procure more project scope. Having bolstered our service offering with a dedicated Reliability department, a dedicated Validation department, and by partnering with Transcat (the largest Calibration company in North America), we are extremely close to executing our first truly end-to-end capital project for a leading global life sciences company; and the vision we had several years ago will finally come to fruition.

We believe we are setting a new standard for Capital Projects implementation, and that clients would greatly benefit from our cohesive expertise executing projects in a new way - the NEXA way.

Learn more about NEXA | EAM's Asset Management Solutions, and how we can assist you with your next Capital Project. Contact John Cummins at jcummins@nexaeam.com.

About the Author



John Cummins, CPIP, Vice President

John founded NEXA | EAM (formerly "Cal OpEx") in 2015, and brings over 20 years' experience in the Life Sciences industry. He has worked extensively across various sectors such as Pharmaceutical, Medical Device, Food & Beverage and Semiconductor, and is responsible for overseeing NEXA | EAM's global operations and strategic planning to expand the company's global footprint. Prior to forming the company, He served as a specialist in Maintenance & Calibration Management programs in some of the world's leading Life Sciences companies, including Merck, Genzyme, Wyeth, Stryker, Pfizer, Genentech, and many others. John is a Certified Pharmaceutical Industry Professional from ISPE® and holds qualifications in Electronics, Process Instrumentation & Control, and Technology Management.