

MANAGE YOUR LABOR



CONSTRUCTECH: There seems to be a lot of technology out there vying for the attention of today's contractor. What approach do you suggest for contractors looking to invest in technology, both now and for the long run?

MEIBERS: For (ComputerEase), the focus has always been on the 6,000 customers we have and keeping them happy. Most of the new additions to our software come from our existing customer base. Our latest release contained about 180 new enhancements, all of which came from our customer base.

MATTLIN: A lot of software companies go into back rooms and develop what they think will sell. We have always been about helping our existing customers, asking ourselves what tools will allow our customers a competitive edge.

We are focused on how our customers can improve their bottomline. Typically that comes through job costing tools and the remote processing we have developed with FieldEase for remote processing, allowing the project manager to know everyday where that job stands.

As technology providers we are very much focused on what keeps an owner up at night and the thing that keeps them up at night is job status. As you know, one bad job can put a contractor out of business. So every

day, the first thing that owner is thinking about when he wakes up is where does my job stand?

This remote processing puts that info not only on his desk but out to the project manager in the job trailer, where they can talk everyday about where they stand on the job.

CONSTRUCTECH: It seems that technology providers are putting a lot of focus back on the field, bringing to market mobile software, and FieldEase is a good example. What is a good measure of success for such mobile technology?

MEIBERS: Realtime information. The definition of realtime today versus what it was, say, 10 years ago is much different. Today, a project manager wants to know where he stands right now, whereas years ago that meant he wanted to know where he stands versus the last payroll process from the previous week. Today I need to know where I stand after yesterday's production this morning so that I can make intelligent decisions in the field, which will lead to increased profits on the job.

CONSTRUCTECH: A big part of that is having that realtime link between the financials and the field,

John Meibers, president, ComputerEase, www.construction-software.com, Cincinnati, Ohio, discusses why understanding your true labor is the ultimate key to success, and Bob Mattlin, founder and owner, ComputerEase, talks about the value of remote processing.

but I would say that most commercial construction companies aren't quite there yet. What are your thoughts on this?

MEIBERS: In general, I would say that most do not have the realtime communication, but would like to. If you talk to most people about what is realtime many will say, I turned in my time last week and I will get a job cost report at the end of the week that is as accurate as last week's time. With our software we are trying to make it so that once information is sent from the field today, the job cost is updated even before payroll is processed.

I'd say that with any labor-intensive contractor the key to managing a job is all in the labor. I learned that lesson day one of my construction career (working with a mechanical contracting company)—it was the first lesson I learned and the most important lesson to this day.

I remember the owner of the company telling me that the other stuff will take care of itself—and that's not to say that we disregard the material purchases and all of that, but it's pretty easy to put a process in place with a purchase order or a subcontractor agreement to make sure we don't exceed the cost. But I can guarantee you that we will make money on labor every time if we manage it properly and that is all that I care about.

What he was saying was that I have the right people in place to take care of all the hard costs, so to speak, but the variable is the labor. That is so important—and that is realtime today: The labor is performed today and it goes back to the office this evening and the job-cost report is updated immediately and sent back out so that I know I have 'x' number of hours left or here is my units of production to date—I'm either behind or ahead of schedule. Those are the things that will make money for a contractor and if you manage the labor right, you can't help but be profitable.

The key is the labor is always done remotely, with the exception of some shop or prefab. The labor is the information that we need to get back as quickly as we can and turned around so we can see where we are at. It is hard to manage what you cannot see and when the labor is out in the field and you are in the office, it is hard. With technology you can now manage it even without being there all the time because you are

getting realtime information coming across your desk. You know each day what is happening and you have accurate job-cost reports rather than waiting for someone to put it together for you.

Imagine, the crew is out in the field working today and by tonight I know where we stand on that job. And it is a Tuesday, and he won't



Remote processing provides access to a remote portal, giving projects managers, customers, subs, and vendors the ability to see the status of jobs in the field.

even get paid until next Wednesday, but I already know tonight where my job stands, more than a week before that guy in the field gets paid for that labor. Something like that was unheard of in the past.

CONSTRUCTECH: Do you think the need to manage labor better has been emphasized more these days?

MEIBERS: Every successful contractor I know does an excellent job of managing labor. I think more contractors understand the need for it, but some are still at a loss of how to do it. That is where we come in,

constantly trying to help people do that. It is tough—it's not easy to manage 30 guys on a construction site that you don't have direct access to on a daily basis. But if you put the right tools in place and hold them accountable, and hold the supervisors, the field supers, foremen, on down the line, accountable ... the ultimate money maker for you is the everyday guy doing the work. But they won't be able to perform productively without the right tools and the right people in place.

CONSTRUCTECH: Looking ahead, what is the next big step for your technology and how will it have an impact in construction?

MEIBERS: Looking out ahead, I think the next big thing will be the next generation of remote processing technology, and for us that is a remote portal. Being able to open up that remote access of information to not only your

internal staff, but to customers, subs, and vendors will be big and being able to communicate with them remotely on a daily basis and through a portal allows them to have instant access to their information as well.

You will see ComputerEase coming out with a portal system that will allow access for vendors, subcontractors, etc., allowing them to see the status of jobs or pay requests or submit pay requests remotely. That is just taking it one step further and will improve the timing of everything and get information out quicker to and from the office and jobsite for everyone involved. •