

HEY FRED!

by Fred Ode

Editor's Note: To get helpful answers to technology related questions, e-mail Fred Ode at fred@foundationsoft.com or tmckerley@constructionbusinessowner.com.



Hey Fred,

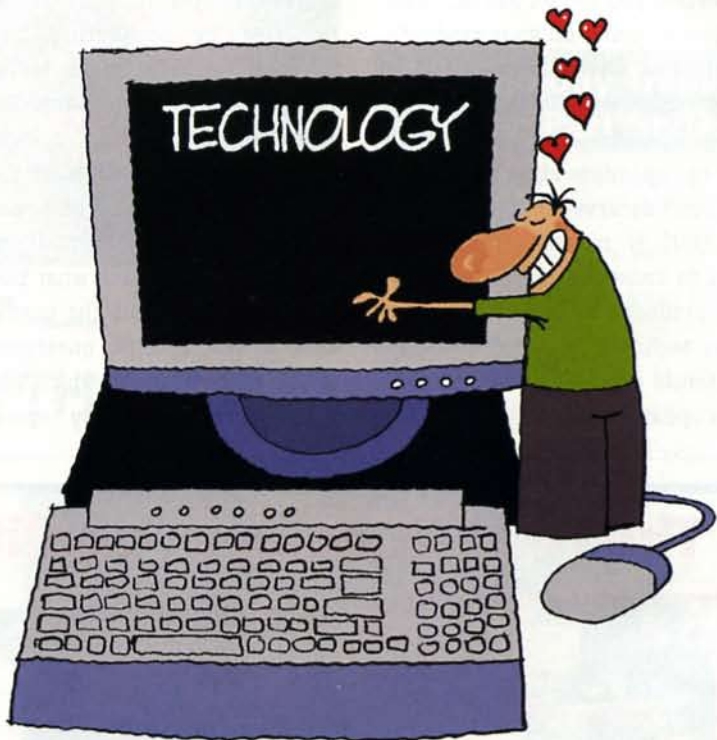
I am the owner of a small, but growing, excavating company. We have about fifty employees and did about \$5 million in revenue last year. Since starting the company, I have been using spreadsheets for estimating and job costing and a popular accounting package to handle our financials. That's basically our entire technology investment. My question is: Should I really be concerned about technology, or can my money be better spent elsewhere?

— Sam

Hey Sam,

Don't underestimate what you have accomplished—a \$5 million company with fifty employees is not small. I would estimate that your business, based on size, is in the top 20 percent of all construction companies. Congratulations on a job well done—so far! Technology can clearly help you leverage your company's strengths and help sustain its existence as you continue to grow. The next step is really up to you.

First, take a step back and look at the processes you have in place, and ask what's working...and what's not working. For example, your use of spreadsheets for estimating and job costing is long overdue for a change. However, it may be that finding an estimating solution can take a back seat temporarily, because



you're having real problems with job costing, equipment tracking, payroll and billing. In that case, you may first need to consider a construction-specific accounting program that can handle all the nuances that are specific to contracting. From there you can then move on to estimating or the next problem.

Whatever your current situation, technology solutions—and possibilities—are endless. But if you know your business and have a vision for its growth, it will be much easier to identify technology products that will help you achieve those goals. In fact,

for a company your size, it is imperative that you embrace technology as a necessary and beneficial aspect of running your business.

— Fred

Fred Ode is the CEO/chairman of Foundation Software, developer of construction job cost accounting software called FOUNDATION for Windows. For further information on FOUNDATION for Windows, visit www.foundationsoft.com. Fred Ode can be reached directly by phone at 800.246.0800 or e-mail fred@foundationsoft.com.