

# HEY FRED!

by Fred Ode

**Editor's Note:** Looking for answers to your tech issues? Send your construction-related technology questions to [heyfred@foundationsoft.com](mailto:heyfred@foundationsoft.com).



## Hey Fred,

I am an electrical contractor with a labor force that has doubled to over forty employees in the last year and a half. I struggle with getting the billings out on time, and I have no idea if I am making or losing money on my jobs. Our current paper method of tracking my employees' time is always late and filled with mistakes. I am thinking of getting PDAs for all of my people so that they can enter their time electronically. I've seen demonstrations at trade shows, and PDAs appear to be the perfect solution. What do you think?

— John

## Hey John,

Bill Gates once said:

*"The first rule of any technology used in a business is that automation applied to an efficient operation will magnify the efficiency. The second is that automation applied to an inefficient operation will magnify the inefficiency."*

The fact that you say your "employees' time is always late and filled with mistakes" makes me think that you fall into the second rule. I have my own saying, "people, processes and then technology."

The first question you need to ask yourself is: "Do I have the right people in place?" Since you have doubled your workforce in just a year



and a half, this is something you need to address.

Next, you need to examine your processes. What do your timesheets look like? Do your employees have the right information (i.e., jobs, cost codes) to enter their time against? Have they been educated as to why this needs to be done? Have they been trained to perform this task? Do you have construction-specific accounting software that knows what to do with this information (e.g., job cost and billings)?

Once you have all of this in place, then you will be ready to fully lever-

age what PDAs can do for your business. Otherwise, as Gates points out, you will "magnify the inefficiency," while spending a great deal of money and resources along the way.

— Fred

*Disclaimer: "Hey Fred" reserves the right to change names and edit questions for privacy, length and readability issues.*

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