

**Editor's Note:** Looking for answers to your tech issues?

Send your construction-related technology questions to [heyfred@foundationsoft.com](mailto:heyfred@foundationsoft.com).

**Q:** I've worked at the same construction company for the past twenty years since graduating from college. When I started here, the company had no historical data for job costing. I set up a good job costing system (first on Lotus 1-2-3 and now via Microsoft Excel). Everyone is dependent on these reports; they are the heart of the company and keep both the field and office on task and on budget. The problem is, the owner is convinced that we need to upgrade to a database system for job cost accounting. He was told we are missing information that we can't get through spreadsheets alone. My attitude is: If it's not broke, why fix it? What's your suggestion?

AI

**A:** It's commendable that you took the time to establish good job costing processes for your company. I'm sure that your reporting methods helped the company improve profits and productivity over the years. Today, however, there is a better way.

Here are a few things you need to consider:

- ▶ While your spreadsheet reports may contain valuable job data, you are undoubtedly spending a lot of time preparing them. Aside from job cost reporting, there are many other areas that suffer from inefficiency. For example, are you aware that a good construction accounting software package will automatically feed your labor



- dollars (wages plus burden costs) into job costing, general ledger, etc., which you currently do by hand?
  - ▶ Many of the accounting tasks you now do in spreadsheets (payroll, billings, accounts receivables) would automatically happen in an integrated job cost accounting system. Information is collected once, flows to appropriate modules and is available for up-to-date reporting.
  - ▶ Most good job cost accounting programs include hundreds of standard reports and customizable report writers, which allow you to recreate your must-have spreadsheet reports or create new ones on-the-fly, without re-entering data.
  - ▶ The time you could save from manually entering data into spreadsheets could be better spent analyzing data or on other high-level activities.
- AI, you owe it to your boss to consider newer technology that can greatly improve job cost reporting as well as the management of the business. I'm telling you straight: Your methods may not look broken, but they need fixing! Don't continue to hold your company hostage to outdated spreadsheets simply because you are unwilling to change. ■

*Disclaimer: Technically Speaking reserves the right to change names and edit questions for privacy, length, and readability issues.*