

SOFTWARE: A CONTRACTOR'S TOY?

BY FRED ODE

Have you ever bought a new gadget that you couldn't wait to use? Maybe it's a new titanium driver, a fancy MP3 player, or even the latest and greatest power drill. For those who love new products like these, there's a thrill in the moment of tearing off the packaging and feeling the shiny novelty of a new toy.

But cold reality finds that one needs to read the manual to really know how to use the new toy, and life isn't immediately easier.

Computer software is a lot like these new toys. After struggling through the installation, trying to learn how to use the product, and finding it doesn't immediately do exactly what was expected, it's tempting to relegate the software to the dark recesses of the hard drive and give up.

Laurie Milewski, office manager of S&S Electric in Schenectady, N.Y., lived through this vicious cycle three times before she finally found a construction-specific accounting software that wouldn't leave her frustrated and disappointed.

Like many new companies, S&S Electric began by doing its bookkeeping manually and incorporating a few spreadsheet programs to meet specific reporting needs. "As we grew," Milewski says, "it was obvious that we just couldn't continue using these methods."

The company's first accounting software purchase was a generic accounting system, and as with a shiny new toy, the possibilities seemed endless. What a thrill to move to the automated world of computerized bookkeeping.

The thrill was gone all too soon, however, when it became clear the system just couldn't handle the demands of a busy construction company. The obvious upgrade was to a construction-specific system. The choice was a well-known package that promised to meet the company's specialized needs and provide a lasting relationship. Imagine Milewski's

frustration when, again, the system failed to deliver. "What we didn't see coming were the broken promises from that company's representation. Their program was hard to work with, technical support was a nightmare and it still could not get us the reporting we wanted—a huge disappointment."

But it doesn't have to be painful and disappointing. There are many things a contractor can do to ensure the transition is successful.

SELECT THE RIGHT PACKAGE

People need to do their homework and select the best software for their needs. The part many people miss, however, is looking not just at the software but at the process that will be used to install, implement and train staff on that software.

Be realistic about the time and resources available to make the transition. Be sure that the provider can accommodate the company's situation. For example, if it offers only 16 hours of online training, can the contractor and its employees realistically learn all they need to know in that timeframe and through that single medium? How difficult will it be to schedule implementation time on the contractor's own schedule—not the provider's? In short, make sure the provider has experience transitioning someone from a basic accounting package and knows the pitfalls.

PREPARE FOR THE TRANSITION

Before new software arrives, begin preparing for the transition. Switching accounting packages is always challenging, but it is even more so when moving from a generic "bookkeeping" package to one that offers more robust and traditional "accounting" features. This may mean that the staff needs to spend some time learning basic accounting. There's a lot of information online, but an introductory course at a community college or a basic accounting textbook may provide more structured and accessible learning.

Part of this process should also involve

studying the chart of accounts. Many off-the-shelf programs don't require a lot of knowledge about the accounts' set up—or a structured numbering system. Most construction-specific packages do. Contractors will need to get intimate with this essential part of the system. The more work done before new software is installed, the simpler the transition.

GIVE YOURSELF PLENTY OF TIME

Even with advanced preparation, transitioning from a basic accounting package to a robust, construction-specific system will take some time. In the long run, it's much better to allot more time than actually needed—rather than run out of time and move into panic mode.

While some companies can complete the transition in as little as two weeks, others take as long as six months. Contractors may need to rethink the processes and methodologies they use for everything from the chart of accounts and numbering schemes for employees, vendors and customers to what kind of information is gathered from the field. Just making these kinds of decisions can take some time—actually implementing them will take even longer.

So, is it worth it? Milewski thinks so. After her "nightmare" experience transitioning to the first construction-specific accounting package the company tried, they took the plunge and made another switch. With many lessons and a great deal of experience under their belts, S&S Electric was careful to look for a system with a strong reputation in terms of both service and support.

Reputable software can offer much more than a shiny new toy—it's a tool that can transform a business and actually meet its expectations.

Ode is CEO/chairman of Foundation Software. For more information, call (800) 246-0800 or email fred@foundationsoft.com.