

ARE YOU AS BY FRED ODE PRODUCTIVE AS YOU COULD BE?

TImagine a contractor who had no idea how many pieces of field equipment he owned or what they were used for. Imagine a contractor who bought new backhoes each time he started a job because his employees convinced him that newer equipment would be faster.

Hard to imagine? Consider office technologies in place of field equipment, and the situation above is not so unlikely. Nothing is more vital to contractors than their tools. But the efficient tracking of information in the office is a close second. Many contractors overlook this essential area, however, leaving decisions about processes and technology to be made unsystematically by others.

With the start of a new year, now is a great time to rationally and systematically assess the company's technology processes and products. But don't think that a simple spreadsheet listing of tools is enough. The key is to understand what is working and what is not.

IDENTIFYING THE WEAK POINTS

Construction executives are good at assessing systems and processes that work in the field and eliminating those that are intrinsically inefficient. These same basic principles can be applied in the office.

According to Sharon Minnock, president of Minnock Consulting Inc., an independent information technology consulting firm dedicated to the construction industry, the first step is to look at



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the systems in place before evaluating new technological tools.

"Many processes are far less efficient than people realize," Minnock says. "The project manager who gets a billing report when he asks for it may feel like it's efficiently handled, but what he may not know is the data was entered two or three times."

Minnock recommends first identifying areas with obvious inefficiencies. For example, what processes take a long time to complete? Are some tasks being done manually? Are multiple systems used when one could do it all? How simple are the processes? Could tasks be transferred easily to other individuals if staff members leave or are promoted?

CHARTING THE FLOW

Most brand new companies instinctively identify simple procedures needed to get

work done, and many have found ways to make that happen. Only truly mature companies, however, say they've analyzed how all those processes work together. How does one department's processes affect the next department's? For example, do estimating and accounting work together to record budget information for a job, or is the information entered twice or tracked differently?

In construction, technology inefficiencies are common because of piecemeal purchases. A specific request comes in, and technology is purchased without thought as to how it affects the larger flow of information. Before companies know it, they have built a lot of bridges with different connections to data. This haphazard approach may work—for a while. The problem is that many companies identify the gaps only when the backup

fails, when the invoice is lost, or when the connection with the jobsite falters.

Each time a need for new technology arises, it's not enough to look at the job description of a single employee and determine if he has the procedures and technology needed to complete the work. The real question is, "What are the informational goals of the company, and does the technology in place help that information to flow according to company needs?"

For companies that have not been doing this all along, a once-a-year examination of data flow can be essential. Before going any further in assessing technological assets, determine where the information weaknesses are located. Armed with that information, it's much easier to fill the holes with the correct technology.

ASSESSING CURRENT PRODUCTS

As weaknesses are identified, the knee-jerk reaction is to buy more technology to address them. Before considering the purchase of new products, however, construction executives need to take a long, hard look at their current systems, particularly software applications. Research shows

that users of sophisticated applications, such as construction-specific software, utilize only a fraction of their systems' capabilities and features.

"New systems, same old processes," Minnock says, is a common problem she encounters among construction clients who revert back to old, less-efficient processes because they don't fully understand the new software. She mentions one company, for example, that used spreadsheets for billing, spending approximately one week each month to complete this task. After showing the staff how to set up AIA billings in their software, they now spend only one afternoon on the entire billing process.

Once problems are identified, the solutions are often quite simple. Spending time to train new employees, learn new system upgrades, or perhaps bring in a consultant from the software vendor, may be all it takes to increase efficiency and better utilize a system that's already installed and paid for.

THE DECIDING FACTOR

After pinpointing areas of inefficiency

and assessing current products, the decision to invest in new technology may ultimately prove to be the best solution. According to Minnock, decision-makers should first take a look at their company and consider two issues.

"Typically, the deciding factor is money, but it really should be risk assessment and competition," she says. "To determine risk level, companies need to ask what they are risking by not having the technology. The competition factor consists of what puts the company ahead of the competition and what tools it needs to best meet customers' needs."

A company can feel confident with a high technology IQ that provides the grounds for increasing efficiency and making good decisions about technology purchases. A once-a-year assessment of these issues may be all it takes to capitalize on technology and avoid the inefficiencies that plague not-so-savvy competitors.

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