

building for SUCCESS

Time to replace paper with electronic systems?

Electronic information management has been proven to reduce costs, improve efficiency and transform productivity.

So why is the construction industry still using so much paper and print?

Generalized document management can be a great aid for small construction companies, while construction engineering management document control (CEMDC) solutions will control more advanced or larger scale projects.

The key to your business decision is to decide what level of sophistication is enough and how much automation is too much.

What is clear is that paper systems may be the worst possible choice.

You are probably used to managing architectural drawings electronically with CAD software. But your final output drawings and plans and your change orders, delivery documents, regulatory compliance and job costing documents are probably a paperwork nightmare.

Consider the benefits of having access to your documents from your office, job site or home and being able to collaborate on them with your architects and engineers, final customer, foreman and others – from wherever you are.

If all of these documents are electronic, then multiple people can access the content, often at the same time.

With a flexible system that incorporates intelligent routing to fax, e-mail or electronic document imaging, construction firms can tailor the delivery mechanism to meet each recipient's needs.

The simplest way to develop these capabilities is to implement Microsoft Exchange and make sure the fax option is enabled. The productivity benefits of this step alone are immense.

You will want to look for a document or content management system that imports information from the core accounting package or – better yet – integrates directly inside the package.

In addition to the fax/e-mail convenience, there is no need for re-keying recipient details should there be a change of address or multiple locations to monitor.

There is also no need for preprinted invoices or stationery, reducing obsolescence and warehousing costs. Nor is there a requirement for printing, folding, stuffing, franking and posting documents.

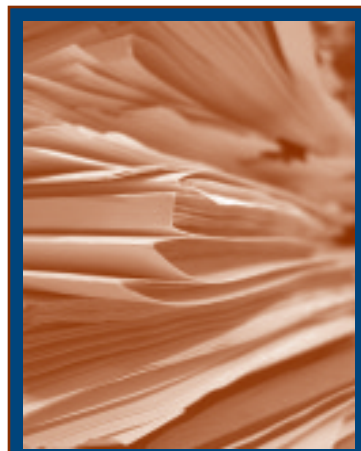
What about something as simple as getting the bills paid?

Many content management systems today will scan payable invoices, read the amounts from the received

paper or electronic invoice and post these amounts into the accounting system with no data entry.

Additionally, the systems allow easy, accurate coding of the invoice to a particular job or project and electronically route the invoice for approval. Altec's doc-link is an example of a product that can do this job as well as integrating fax delivery.

Perhaps human resources is an issue at your company? Many electronic systems allow job applicants to fill out the appropriate paperwork at the job site, assure that the



What is clear is that paper systems may be the worst possible choice.

Fall 2007

INSIDE



SUCCESSION PLANNING

Leaving the business to a family member

Or would selling the business be the right option?



Electronic information

foreman has all the necessary forms and route the complete package to the headquarters location for review and approval.

Specialized testing and recording of certification, union compliance and other regulatory requirements can be coded in the system. And if termination of an employee becomes necessary, the paperless HR system can support a legal process and document that the steps were followed.

Even the smallest construction concern using QuickBooks can automate document management with a product like SourceLink from Personable. Mid-market products such as Timberline have a document management module. Specialized document and content management systems or CEMDC systems should be available for your current accounting system.

One element of success is to make sure that your system is well organized, cleaned up and well thought out before proceeding.

Many electronic systems today are disorganized and in a state of disarray. Think of someone's desk that has large stacks of paper on it. A disorganized computer filing system usually looks worse, and it will probably be more difficult to

find the correct document easily.

Decide how your filing systems should look, and then organize your new system to fit this design after cleaning up your existing documents.

The key to success with any electronic information management is to make sure that the appropriate processes are in place. Your job will be to make sure that the vendor has provided the processes or that they have modified the product to fit your processes.

Be aware that the content management vendor's job is to get a check from you, not get the system to work best to fit your needs.

Your job is to make sure that the system fits the company's needs and reinforces the best practice processes.

If you do your job right, you will see a very short return on investment for electronic information management. If you need help, call our firm today. –CPAmerica technology consultant Randolph P. Johnston, NMGI. ■

One element of success is to make sure that your system is well organized, cleaned up and well thought out before proceeding

The technical information in this newsletter is necessarily brief. No final conclusion on these topics should be drawn without further review and consultation. Please be advised that, based on current IRS rules and standards, the advice contained herein is not intended to be used, nor can it be used, for the avoidance of any tax penalty assessed by the IRS.