**Microsoft**®
*Business*
*Solutions*

# CONSTRUCTION AND CONTRACTING

GETTING THE JOB DONE right

**Managing to win.** Successful contractors have a reputation for delivering projects on time and on budget. It is estimated that the average construction project suffers 150 percent cost overruns and completes more than 175 percent late. Contractors who invest in information technology are executing projects more efficiently, delivering a higher quality product, and improving employee satisfaction.

The right financial and operational software translates into a clear competitive advantage that reveals itself not only in the project bidding and execution phases but, more importantly, in the company's bottom line.

Small- to medium-size contractors seeking to thrive in a competitive market need to focus on managing the risk associated with fixed-bid contracts and eroding profit margins. Because the construction industry is complex, business infrastructure must support the complex needs of the contracting operation—whether large or small.

General and specialty contracting firms are highly customer- and project-focused, with a long list of interrelated business operations such as finance, project management, purchasing, and field operations. Day-to-day control and management of labor costs, project scope changes, material costs, field service work orders, and other operating activities require integrated information systems. Off-line spreadsheets, data-bases, or non-integrated products are inefficient and inaccurate. The sheer volume of spreadsheets and paper associated with

construction industry. Most contracting organizations today are already using integrated Microsoft software such Microsoft Office, Microsoft Word, Microsoft Excel, and Microsoft Project. These tools—when combined with the power of integrated business solutions for the construction industry—allow immediate access to data across the entire organization. With this, project managers receive timely and accurate job cost reporting. Integrated project management decreases the amount of non-value-added time that project managers spend on administrative tasks and provides them with integrated planning tools that permit hands-on scheduling of labor, materials, and subcontractors. This assures that construction activities are scheduled and executed in a timely manner. With contract management, owner and subcontractor change orders can be managed more efficiently providing both Finance and Operations with greater detail and accuracy on the actual performance of the project.

Timely and accurate information leads to better decision-making, with a positive impact on the bottom line. Contractors can have an instant snapshot of project performance and what

ADDING GREATER value

an organization or job can be an indicator that systems are not integrated or are not meeting the needs of all team members.

Contractors looking to improve their bottom line can benefit from reviewing and implementing new, integrated software systems that support all of the key business processes and have the flexibility to adapt to changing business and market require-ments. These integrated software systems allow all stakeholders to work in unison, with common information and management tools at their disposal. The result is organizational efficiency and improved profitability.

### Effective Project Management

Microsoft® Business Solutions has a lengthy history of provid-ing winning financial and operational software tools for the

to expect for the duration of the job. The Cleveland Group improved their profit margin substantially, by updating their business software environment to give project managers and company executives immediate access to critical information to make more informed decisions.

### Smoother Operation

Automating business processes can increase profitability by minimizing the time spent on non-value-added tasks. Many successful general contractors are using Microsoft software platforms to simplify and automate their business processes. Automating time and material billing has been a key efficiency gain. Labor and material invoices are created automatically using predetermined business rules to mark up costs. Invoices are then routed to the project managers for approval. This

***Customer Success:***
Kirkwood Electric

Kirkwood Electric has gained better accountability for their staff of nearly 100 electricians using Microsoft business services. Project profitability reporting time has been reduced from "six to eight hours" per week to less than 30 minutes per week. Now they have the ability to grow their company without adding additional accounting staff.

*"We appreciate the fact that we can make Microsoft Business Solutions into whatever we want it to be. It has the flexibility we need for both today and tomorrow."*

**Melodie Young  : :  IT Director, Kirkwood Electric**

automation streamlines the generation of invoices and improves cash flow. Automating these critical processes means more time spent on value-added services, directly contributing to increased ROI results. Kirkwood Electric has seen a drop in the amount of time preparing weekly job costs reporting, enabling them to grow without having to increase their accounting staff.

Improving analytical functions across all areas of business create an ability to forecast outcomes, monitor trends, and view the impact of change orders. Revenues and expenses can be tracked from initial budget through project closure, without waiting for accounting periods to close.

## Streamlined Internal Communications

The Microsoft Business Portal is a Web-based collaborative tool that provides a rich interface into company-, department-, and employee-based functions and information. From the Business Portal, managers can post information, tasks, and documents related to each of their departments. Key business indicators and functions can be tailored to a specific role or department providing managers and employees with information to better manage their jobs. The system will produce alerts on items that need action, providing quicker response to items that risk impacting profitability or schedules. Dispatchers can view schedules on a graphical dispatch board and sort/select service calls by branch, technician (one or all technicians), geographic zone, call type, and status.

Portals can be used to share project document libraries and greatly improve the quality and efficiency of developing and organizing project-related teams, meetings, and document deliverables. Document versioning facilitates easy collaboration on documents, projects, and tasks. In addition, portals enable project managers and supervisors to easily find and make use of people, teams, and existing best practices. Web-based

sophisticated functionality to improve client relationships and increase customer retention and loyalty.

## Adapt with Ease Using Microsoft Business Solutions

Microsoft Business Solutions offers a set of strong applications that, when combined with the underlying Microsoft technologies, deliver a compelling suite of tools for the construction market. Microsoft Business Solutions provides systems that are specifically designed to help organizations manage complex business processes without the burden of building a large, expensive IT infrastructure.

The ongoing Microsoft Business Solutions commitment to enhance our software provides a solid growth path for years to come, delivering greater value and dependability.

In short, Microsoft Business Solutions can help contractors lower costs while increasing value, improve interactions with customers and suppliers, and make faster, smarter decisions.

## Build a World-Class Construction Operation

Microsoft understands that deep industry expertise is required to address the range of construction and contracting needs. We work closely with more than 6,000 partner companies around the world to bring our customers outstanding software solutions combined with the expertise to meet the needs of the contracting industry.

To ensure a seamless computing environment, all our solutions and our partners' offerings integrate fully with Microsoft Office and Microsoft Business Solutions financial tools to meet the diverse needs of small- and medium-size general and specialty contractors.

OPERATE ON A global scale

access and robust security assure that critical client and internal information are protected, while remaining accessible to credentialed team members.

## Improved Customer Relations

Many construction and contracting businesses depend on customer management relationship (CRM) software to build a first-class service organization by managing and tracking all customer-facing activities. Each job provides the opportunity to add to a knowledge base that can be leveraged for future projects, resulting in improved customer service and more efficient projects. Robust software applications offer

## Stay Ahead of the Competition

To learn more about how Microsoft Business Solutions can give your firm the competitive edge in the construction and contracting industry, visit our Web site at

### http://www.microsoft.com/BusinessSolutions/ Industry/Construction/default.mspx

You'll find more case studies about construction companies that have benefited from affordable, advanced technologies designed to improve their profitability while achieving a competitive advantage in their markets.

*Customer Success:*
**Data Processing
Air Corporation**

Data Processing Air relies on Microsoft Business Solutions to effectively manage more than fifty field service technicians providing design, installation, and servicing of data center environmental control systems in private-sector businesses. They have improved the efficiency of their field operations, provided more effective management reporting tools, and can now provide better, quicker information for customers.

*"You [Microsoft] keep coming up with better ways to do things. For me, it's just great because I have a vehicle by which I can grow the company—I just love it."*

**Jennifer Harler  : :  Corporate Controller, Data Processing Air Corporation**

WORKING AS ONE INTEGRATED team

**Customer Success:**
St. Paul Plumbing
and Heating

Using Microsoft Business Solutions, this plumbing and heating services company has realized an increase of more than eight percent profitability in the first year following implementation. Accounts receivable decreased by 40 percent and the company has been able to reduce office staff by one-third. The company has also increased inventory turns from 2 to 12, a 500 percent increase.

*"I have worked with a number of different systems. Microsoft Business Solutions provides me with the absolute most information that I could ever need or want."*

**Wayne Johnson  : :  Controller, St. Paul Plumbing and Heating**

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