



Extensions Newsletter

Accubid's informative and educational newsletter for contractors

May, 2010

Editor's Message

The day is fast approaching when BIM will be the standard practice on construction projects. Find the answers to your BIM questions (and more) at the 2010 Accubid Conference. The 2010 Accubid Conference features streams on BIM, Estimating, Project Management, and Service Management with a strong variety of technical and educational sessions in each. The Accubid Conference is a premier industry event you shouldn't miss. Go to www.accubidconference.com for more information.

Industry Insights

Protecting Profits in This Economic Climate

By Ron King, Vice President, Business Development

Protecting profits continues to be the name of the game in this economic climate. The past couple of articles I've written centered on maximizing fabrication opportunities. I'd like to explore another possible way to keep money on that ever shrinking bottom line.

I'm sure you've received the phone call when the owner states "I need to inform you that the equipment I ordered is not going to arrive when I originally stated". Or the general contractor states "You'll need to move your crews out of this area for the next two weeks due to....."

Identifying schedule impacts on the jobsite are sometimes hard to do and quantifying them can be just as challenging. One way to help you substantiate your claim is to submit a schedule with your original bid. This doesn't need to be a full blown, man-loaded, CPM schedule, but could be as simple as a bar chart schedule. The schedule needs to display the date(s) owner-supplied equipment is intended to arrive. They can easily be shown as "milestones" which clearly display the equipment arrival date(s) upon which your bid was predicated.

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2010
Las Vegas, Nevada
May 24-26

The Specialist

Accubid Conference 2010: BIM, Accubid Enterprise and More!

By Al Ricci, Chief Sales & Services Officer, Co-President

By the time this article goes to press, the 2010 edition of the Accubid Conference will be less than three weeks away. Conference 2010 features a few significant milestones for Accubid. It's our fifth annual conference after more than a decade of conference dormancies, it takes place during our 25th anniversary year, and it features

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Trainer's Corner

Exact Labor Costing

By Thomas Whalley, Instructor

The recording of labor costs during the bid phase of a job is not exact. During the bid phase, what is calculated is an average labor rate per hour is based upon the crew makeup (e.g. foreman, journeyman, and apprentices). During the construction phase of a project, we record actual labor hours and dollar

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Extensions is published monthly by Accubid Systems Inc. as a service to the contracting industry. For further information or assistance, please contact us:

- Editorial: (905) 695-4927 • Product Support: 1-800-361-3030
- Education: 1-800-222-8243 • Sales Representatives: 1-800-222-8243

Industry Insights

Protecting Profits in This Economic Climate

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A contractor recently submitted a bid to install owner-supplied equipment which was to be mounted in modular towers. The owner stated the intended arrival date of the modules during the pre-bid, but the date was not mentioned in the documentation. All the foundation work was complete and the contractor ordered a Manitowoc 2250 crawler crane to be assembled by the date the equipment was to arrive. The afternoon before the arrival date, the contractor received a call stating the modules were being held up by wide-load permits due to road construction in the south. This eventually turned into a two-week delay problem. The end result was a crane sitting idle during this period and manpower that had to be reassigned to another jobsite. Now began the cost of the delay fight with the owner.

If a bar chart schedule had been submitted with the original bid, identifying the date the modules were to arrive, substantiating the claim would be easier. And if the contractor had taken the time to submit a schedule, it would have been very easy to show the as-planned versus actual arrival dates and how the delay effected manpower reassignment and equipment rental costs. Instead a battle ensued about the verbal delivery dates stated during the pre-bid meeting.

Another contractor had crews working on a commercial project when the general contractor stated the walls weren't going up as fast as planned and he needed to move his manpower to a different area of the jobsite. This clearly interrupted his planned activities and required

the foreman to redirect the manpower to another area. Additionally, the foreman was impacted because material and tools were needed for the new area. This fire drill also impacted the purchasing and trucking departments to deliver the material and tools to keep the craft going in the new area. Again, had a simple bar chart schedule been submitted with the bid showing the activities and their durations, this impact would have been easier to quantify.

Another contractor had purchased rooftop equipment from a vendor who promised delivery by a certain date. Once the delivery date came closer, the vendor called stating the dates had slipped. The equipment finally arrived two weeks late. The contractor had used a purchase contract when ordering the equipment, but the delivery dates were not referenced in the contract. The purchase contract is a binding agreement between the contractor and the vendor, but the missing delivery date became crucial in settling the delay claim.

As you can see, delivery dates shown on a simple bar chart schedule submitted with the bid could have mitigated the first two contractors' risk. And properly referencing the delivery date in the purchase contract would have helped in the other case. These simple suggestions can help protect your bottom line especially when times are tough.

Illustration by Angelo Katsaros

The Specialist

Accubid Conference 2010: BIM, Accubid Enterprise and More!

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some key product previews, most notably the first public glimpse of Accubid's BIM strategy, and the first industry preview of Accubid Enterprise Estimating Version 5.

We're proud to see our Conference grow year over year. When we relaunched our Conference five years ago, it was with the intention of delivering the premier industry education, training, and networking event for specialty contractors of all shapes and sizes. After five years, and a lot of hard work from some very dedicated people, we're seeing that vision become a reality. Conference 2010 is our first event to feature formalized, dedicated streams on Estimating, Project Management, and Service

The Specialist

Accubid Conference 2010: BIM, Accubid Enterprise and More!

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Management. We've scheduled the streams to allow you to either specialize in one area, or sample each over the course of the Conference. Each key stream features educational sessions that explore and share best practices, and product preview sessions to give you an insider's glimpse of the productivity tools Accubid is building to help your business. We're also very excited to introduce a new stream on Building Information Modeling (BIM).

I can't tell you how many times we've been contacted by clients asking us "what is BIM?" or "we've been awarded a BIM project, where do we start?". Accubid's BIM stream not only features previews of our tools, but a multi-module BIM educational program based on the AGC's industry leading BIM 101 program. The AGC has really been on the forefront of Building Information Modeling education, launching the BIM 101 program in April 2009, the first-of-its-kind educational program designed to give construction professionals a broad understanding of the BIM process. BIM is one of the most exciting developments in the construction industry, and is really changing the way projects are built. This emerging process requires new mindsets and technological processes to move the industry forward. This program, developed in conjunction with leading BIM practitioners, technology firms and educators, is designed to successfully educate construction professionals at all experience levels on a range of topics they would encounter implementing and using a BIM. The AGC BIM 101 program is a \$450 value when attended via an AGC event, but it's part of the Conference 2010 at no additional cost. We're excited to be able to deliver this program as only Accubid could. We're also excited to provide the first ever public glimpse of Accubid's BIM product strategy.

During the Conference 2009 keynote, Accubid laid out our vision for our total solution platform, Accubid Enterprise. With Accubid Enterprise, we're delivering the industry's first and only software solution to help manage the construction project life-cycle. Gone will be the days of fragmented software solutions that rely on push-pull technology to share data between the different phases of the construction project life-cycle. With Enterprise,



Accubid introduces the concept of a "project"; once created, you'll produce the estimate, and the data will be available in the different modules you'll use to manage the project, from change orders to document tracking. We take it one step further with multi-trade (electrical, mechanical, etc.) support. Accubid Enterprise is built on industrial strength Microsoft .NET and SQL Server technology, with the elegance only Accubid could deliver. Enterprise grows as your business grows, in both size and scope. During the Conference 2010 keynote, we'll preview Accubid Enterprise Estimating Version 5, the first edition of the estimating module that delivers native support for multiple trades, including electrical.

Mandalay Bay Hotel & Casino has been a great partner in helping us deliver what we feel will be the best event experience we've ever provided. From its great location, luxurious rooms, variety of entertainment options, and choice of fine dining, we couldn't have selected a better location for Conference 2010. Mandalay Bay offers some of the most unique experiences on the planet — all without the expense of an around-the-world trip. At \$749 for Conference Only access or \$1099 for the Conference+Hotel bundle (both including two great meals plus snacks per day), and with flights into Las Vegas for less than \$400, Conference 2010 is an incredible value, in a phenomenal location, at an unbeatable price.

If you haven't registered yet, Conference Only access is still available, and will be available until May 21, 2010. Conference+Hotel bundles are almost sold out, so I'd like to encourage you to register today if you've been delaying the decision. All of us at Accubid look forward to seeing you in Las Vegas for what will be the premier industry event.

Illustration by Angelo Katsaros

Trainer's Corner

Exact Labor Costing

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being committed on the project.

ConstructJob looks at job costing through the cost tracking module. The Accubid Integrator utility brings over all of the expenses and applies this information to the cost tracking module; however, the labor dollars are calculated based upon the average labor rate per hour. Calculating the labor cost based upon the average rate/hour is acceptable when we are taking off a job. When we start to record actual labor costs on a job, we want to assign the hours committed to the correct rate/hour.

Hours are recorded into ConstructJob through the time card module. Each employee has a time card created for each day that they worked (the function can be used for each 40 hour week as well). The time cards are assigned to cost codes that have been set up for that job; there is no hourly rate assigned to a time card.

To achieve an exacting labor cost, we must create new cost codes; these cost codes will be recorded in the master cost code list for the website. Let's say we have varying rates for the different positions in the company; 1st to 5th year apprentices will each have a different pay rate, maybe journeyman and foremen will have a few different levels of pay based on seniority. We need to be able to record the hourly rate breakdown per position on the job into the master cost code list (as shown below).



700 Labor			
Project Labor			
700	1st yr Apprentice	L	\$18.85/hr
705	2nd yr Apprentice	L	\$19.79/hr
710	3rd yr Apprentice	L	\$20.78/hr
715	4th yr Apprentice	L	\$21.82/hr
720	5th yr Apprentice	L	\$22.91/hr
725	1st Level Journeyman	L	\$24.05/hr
730	2nd Level Journeyman	L	\$25.26/hr
735	3rd Level Journeyman	L	\$26.52/hr
740	4th Level Journeyman	L	\$27.85/hr
745	1st Level Foreman	L	\$29.23/hr
750	2nd Level Foreman	L	\$30.69/hr
755	3rd Level Foreman	L	\$32.23/hr

Creating this information with the master list means we will not have to recreate this information for every project; we can just transfer this information on a per-job basis.

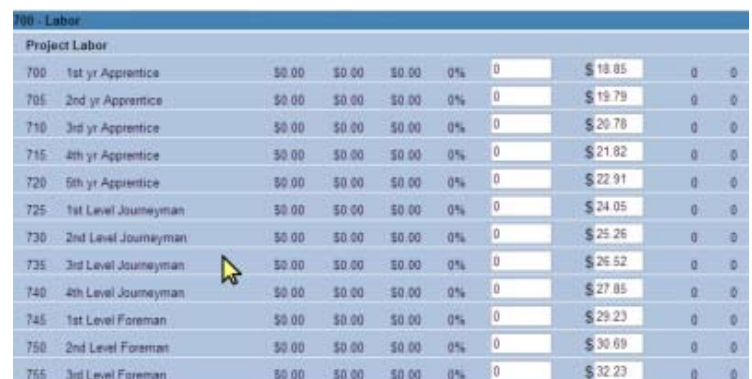
Now that these cost codes have been set up in the master list, we can apply them to any project. Applying cost codes from the master list to a project is very easy, even if that project already has a bill of material from Accubid estimating software.

Whether or not the cost tracking module has a cost codes already applied, we click the same icon: Edit Project Cost Codes. We need to create a Group (Phase), so click the Add A New Project Cost Code Group link. A window will appear asking what to name the new group; the same name used in the master list can be used here. Click the Save and Close button.

We need to create a subgroup as well, so click the Add a New Project Cost Code Subgroup link. In the window, enter the name of the subgroup; the same name that was used in the master list can be repeated here. We need to apply this subgroup to the group just created; find the group in the window and click the checkbox to the right of it. Click the Save and Close button.

Now we need to apply the cost codes from the master list to this project. In the subgroup just created, you'll notice two icons: an I and an A. The I icon means we will import cost codes from the master list. The A icon means we will add cost codes on the fly. Clicking the I icon will bring up the master list for the web site. Find the cost codes we just created, and click the check boxes next to each line item. Scroll either to the top of the page or the bottom, and click the Add Checked Codes to the Project button.

The screen will refresh and this is what you should see



700 - Labor									
Project Labor									
700	1st yr Apprentice	\$0.00	\$0.00	\$0.00	0%	0	\$18.85	0	0
705	2nd yr Apprentice	\$0.00	\$0.00	\$0.00	0%	0	\$19.79	0	0
710	3rd yr Apprentice	\$0.00	\$0.00	\$0.00	0%	0	\$20.78	0	0
715	4th yr Apprentice	\$0.00	\$0.00	\$0.00	0%	0	\$21.82	0	0
720	5th yr Apprentice	\$0.00	\$0.00	\$0.00	0%	0	\$22.91	0	0
725	1st Level Journeyman	\$0.00	\$0.00	\$0.00	0%	0	\$24.05	0	0
730	2nd Level Journeyman	\$0.00	\$0.00	\$0.00	0%	0	\$25.26	0	0
735	3rd Level Journeyman	\$0.00	\$0.00	\$0.00	0%	0	\$26.52	0	0
740	4th Level Journeyman	\$0.00	\$0.00	\$0.00	0%	0	\$27.85	0	0
745	1st Level Foreman	\$0.00	\$0.00	\$0.00	0%	0	\$29.23	0	0
750	2nd Level Foreman	\$0.00	\$0.00	\$0.00	0%	0	\$30.69	0	0
755	3rd Level Foreman	\$0.00	\$0.00	\$0.00	0%	0	\$32.23	0	0

Now that these codes have been applied to this project, they will be available to our users entering in time cards for this project.

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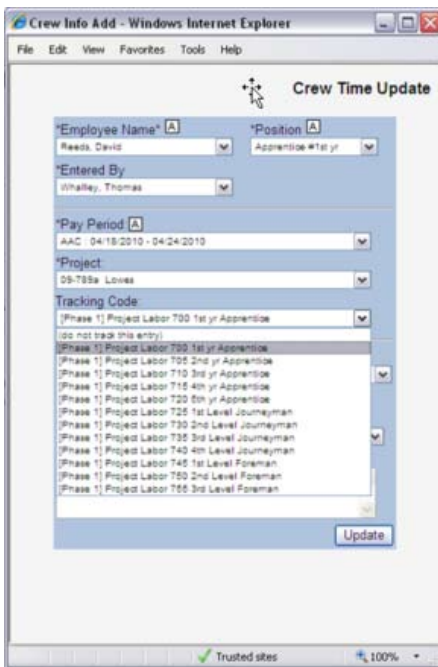
Trainer's Corner

Exact Labor Costing

cont'd from pg. 4

will not be affected by any changes made to another time card.

We can now monitor the hours committed by each position, and the committed labor dollars being applied at every step of the project. Using the original cost codes from the estimate will give us a base line to compare the estimated labor hours of the project to the committed hours to date.



Selecting the cost code that applies to this person's position will now take the hours from this time card and apply them to the proper code and hourly pay rate.

The cost tracking module will tally up all time cards applied to that cost code as committed to date, and calculate a committed labor cost for that position based upon the Est. Labor Rate/Hour.

Description	Cost Code	Org. Labor Estimate (Hours)	Est. Labor Rate/Hour	Adj. Labor (Hours)	Current Labor (Hours)	Current Labor Cost	Committed To Date (Hours)	Committed Labor Cost
700 - Labor		0		0	0	0	0	0
Project Labor		0		0	0	0	0	0
<input type="checkbox"/> 1st yr Apprentice	700	0.00	18.88	0	0	0.00	8.00	150.88
<input type="checkbox"/> 2nd yr Apprentice	705	0.00	18.78	0	0	0.00	0	0
<input type="checkbox"/> 3rd yr Apprentice	710	0.00	20.78	0	0	0.00	0	0
<input type="checkbox"/> 4th yr Apprentice	715	0.00	21.82	0	0	0.00	0	0
<input type="checkbox"/> 5th yr Apprentice	720	0.00	22.91	0	0	0.00	0	0
<input type="checkbox"/> 1st Level Journeyman	725	0.00	24.55	0	0	0.00	0	0
<input type="checkbox"/> 2nd Level Journeyman	730	0.00	26.26	0	0	0.00	0	0
<input type="checkbox"/> 3rd Level Journeyman	735	0.00	28.52	0	0	0.00	0	0
<input type="checkbox"/> 4th Level Journeyman	740	0.00	27.88	0	0	0.00	0	0
<input type="checkbox"/> 1st Level Foreman	745	0.00	29.23	0	0	0.00	0	0
<input type="checkbox"/> 2nd Level Foreman	750	0.00	30.89	0	0	0.00	0	0
<input type="checkbox"/> 3rd Level Foreman	755	0.00	32.23	0	0	0.00	0	0

The screen clip above displays the effect of one time card entered for an 8 hour day. This can easily be modified to reflect a 40 hour work week by adjusting the Hours Worked field from 8 hours to 40 hours. The time cards are separate from one another, so as employees are promoted through the system, any new time cards can have the cost code changed from position to position. Past time cards

Professional Development

Accubid offers a wide range of courses that teach the novice or seasoned estimator or project manager the principles and methodology of estimating with the aid of a computer.

Faced with the on-going shortage of qualified estimators, many contractors are increasingly choosing to train their own employees to become estimators. Many companies are also opting to send their entire estimating departments to our courses as a means of standardizing their estimating practices. This translates into efficiency, productivity and profitability.

If you're considering either of these options, we can help. Accubid's Education division offers a 5-day estimating course, specifically designed to teach estimators the principles and methodologies of modern day estimating. You can take this course on its own or as part of the 3-course Computerized Estimating Certification program, Accubid's accreditation program for estimators. For information on this and other courses, visit our website at www.accubid.com.

If you register early for any Level 100 Estimating course, you'll receive \$100 (US) off the price of the course. To qualify, you must register at least 30 days prior to the scheduled date.

Upcoming Courses

June 7-June 11

Electrical Computerized Estimating Level 100 Course
Philadelphia, PA

June 21-June 25

Electrical Computerized Estimating Level 100 Course
Atlanta, GA

July 12-July 16

Electrical Computerized Estimating Level 100 Course
Chicago, IL

July 26-July 30

Electrical Computerized Estimating Level 100 Course
Dallas, TX

August 23-August 27

Electrical Computerized Estimating Level 100 Course
Cincinnati, OH

Product Training

Accubid software training labs have proven to be one of the more cost-effective ways to improve the efficiency and productivity of your staff. And private labs—conducted in-house or at a location of your choice—have proven to be a popular method of conducting training labs because of savings in travel costs and time, and the possibility of customizing the lab.

In addition to our private labs, we also offer training in classroom facilities across North America and over the Internet via our Web-based labs. Accubid's estimating software labs are available at both beginner and advanced levels.

Labs in May

May 18-May 19

Electrical Estimating - Fundamentals - 2 Day
Chicago, IL

May 20-May 21

Electrical Estimating - Expanded - 2 Day
Chicago, IL

For pricing, or to sign up, call: 1-800-222-8243

or e-mail: education@accubid.com

For further information and course details, please visit the education section of the Accubid web site

www.accubid.com

or call us at 1-800-222-8243

Margins: Are You Being Squeezed?



At one point or another, everyone gets aggressive when bidding a job by cutting it close. Problem is, if you miss anything, the ripple effect can be devastating. You need to know that the estimating tools you use will not only be accurate, they'll get the bid out quickly. AND, you'll be able to use the bid as the basis to manage the job once you've won it.

Accubid's mission is to help you be and stay profitable. If you need to cut it close, let cadLive and our Estimating solutions help you.

**Get all the facts on
estimating & on-screen
takeoff**

total solutions for contractors
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