

INTEGRATED PROJECT MANAGEMENT SOFTWARE ELIMINATES DUPLICATE DATA ENTRY, TRACKS JOB DETAILS, AND BRIDGES THE GAP BETWEEN PROJECT MANAGERS AND ACCOUNTING



Founded in 1983 by brothers Dan and Frank, Colacurcio Brothers, Inc., Blaine, WA, started out as a small excavating contractor. The company quickly grew and in 1986, Chris Colacurcio, now CFO/Controller, joined his brothers in the family business. Licensed in Washington, Oregon, Idaho, Montana, and North Dakota, the core of their \$14-16 million (annual revenues) contracting business is heavy/highway construction; utility, excavation, and site work; and bridge and railroad work.

“Three years ago,” says Chris Colacurcio, “We jumped into the commercial building market in a big way.” Adding a general construction division created significantly more paperwork. “But,” states Colacurcio, “even though I added a whole building division, I didn’t increase my office staff.” With just six people in the office – including Colacurcio – and an average of 48 in the field, this was possible, he says, “Because the sophistication and integration of my accounting software enabled my staff to handle the extra paperwork.”

“Forefront offered – and delivered on – the promise of complete integration.”



When trying to track a lot of paper, one solution is to add more staff. Another is to give your existing staff better tools. “I’m a big fan of better tools,” says Colacurcio. That’s why, in 1999, Colacurcio started thinking about project management software.

“In today’s construction world, it is imperative to keep track of everything,” he says. “The speed with which you are able to go through the paperwork process greatly affects the bottom line on jobs. After watching my project managers and superintendents tracking their jobs using spreadsheets, word processing documents, notebooks, binders, and faxes, I began to search for a software tool that would help us integrate all of those functions.”

INTEGRATED ACCOUNTING

The better tools option is nothing new to Colacurcio, who initiated a change in accounting software in May 1983. “At that time,” he explains, “Colacurcio Brothers had clearly outgrown a general accounting package. We had turned the page on being a small contractor and it became necessary to either greatly increase our administration, and thereby our overhead, or find a better way to do the work.”

Colacurcio began a methodical search for new construction accounting software. “The first thing I did was find every construction accounting package I could. I quickly realized that a

lot of what was out there just didn’t work for our situation. Others were eliminated because I wasn’t seeing the stability that I wanted.”

Once he had narrowed his list to a few choices, Colacurcio intensified his scrutiny with software demonstrations and discussions with actual software users. When it came time to make his final decision, Colacurcio chose Dexter + Chaney’s Forefront® Construction Management Software.

“Everything I needed was addressed in the product,” Colacurcio states. This included fully integrated modules for accounting, equipment management, remote connectivity, data sharing, and reporting. “In addition, Dexter + Chaney’s commitment to the customer’s needs was huge. Its ability and desire to mature its product were apparent. Its commitment to quality and stability was there.”

THE NEED FOR PROJECT MANAGEMENT SOFTWARE

Just as it became clear when Colacurcio Brothers had outgrown its current accounting software, it also became apparent when it had outgrown its current method of project management. “Dealing with a lot of disconnected systems – the binder, mail, fax, spreadsheet scenario – made it tough to keep track of a big job,” Colacurcio says. The duplicate data entry this created was a huge drain on resources. In addition, there was a great divide between Colacurcio’s accounting department and his project managers.

“There was this constant rift between the two,” he explains. “For example, my project managers would say, ‘Here’s my change order.’ My accounting staff would then come back with, ‘It’s not coded right and it doesn’t balance.’ I was constantly trying to get the project managers to reconcile with the accounting department.”

Colacurcio realized this divide was a significant factor in his decision-making process. Because of it, he says, “I wanted my project management software to integrate with my accounting system.”

Researching project management software in a similar fashion to researching accounting software, Colacurcio says, “I went and looked at every project management system I could find.”

Many systems offered integration with accounting, but on a limited scale. “Things like phase codes and scheduling were integrated,” he says, “but everything else had to be manually entered from one system to another; the financial information didn’t integrate. This was not the kind of integration I was looking for.”

Even though Dexter + Chaney offered integrated project management software, Colacurcio explored all his options before making a final decision. Ultimately, Colacurcio did find what

he was looking for in Dexter + Chaney's project management software, which integrates with his Forefront accounting package.

"Dexter + Chaney," says Colacurcio, "is not a static company. Everything it develops gets polished and matured with every new version. I knew that as good as its project management software was now, three years from now it was going to be three times better and five years from now it was going to be five times better."

In May 2000 – nearly seven years after implementing Forefront accounting software – Colacurcio Brothers implemented Forefront's integrated project management software. "Forefront offered – and delivered on – the promise of complete integration," Colacurcio states.

LIFE AFTER PROJECT MANAGEMENT SOFTWARE

Project management software is ultimately a tracking device. "Issues come up on a job and as a result, documents get generated, you receive responses, you respond to them," Colacurcio says. "The software provides a way of managing what's been done, who's been told about it, what's still hanging on, and who's got it."

Documenting job details as they occur has significantly expedited Colacurcio Brothers' change order processing. "Forefront's project management software helps us manage the change request process more effectively," says Colacurcio. "We see a three to five percent improvement in margins on change orders as a result of using the software."

"Not everybody's recollection is perfect," Colacurcio continues. "Documenting an issue that comes up on a jobsite and getting the correspondence that relates to it out right away gives everybody better recollection. This means less conflict with the owner or subs and a smoother change order process."

From an owner's standpoint, Colacurcio finds value in the overview information he now gets. "I don't want to see every little correspondence that comes through," he explains, "but I do want to see how many RFI's are out there, how long it is taking to process them. Also, where are the submittals? How many have been issued, returned, rejected? The software gives me this kind of information."

Although using project management software is common practice on general building projects, Colacurcio feels it's equally beneficial when used to manage unit price jobs. "On dirt projects," he says, "you may not be tracking issues that turn into change orders like you do on a building project. It's sometimes tempting to think that project management isn't an issue." Colacurcio suggests resisting this temptation.

"You have to deal with a lot of compliance issues over the course of a dirt job," he explains. "Soil compaction, natural materials, and types of pipe are some issues that generate correspondence between you and the engineer or owner. That information needs to be tracked and kept." Project management software tracks that information and keeps it in a consolidated space that doesn't get archived into a storage facility somewhere.

"A year down the road," says Colacurcio, "if you're trying to close out a project, you're not digging in storage for documents or trying to remember who said what when. Even two years down the road if a warranty issue comes up you'll have an easy place to find information."

On any construction job, project management software gives you a single source to access job-related information. "If you're not using project management software," warns Colacurcio, "then you're at the mercy of your own filing system. I don't like to be at the mercy of my own filing system and I certainly don't want to be at the mercy of my project managers' filing systems."

DOCUMENT IMAGING

Colacurcio Brothers will soon be adding Forefront's document imaging capability to its integrated accounting and project management systems. "Document imaging is a great idea from the get-go," Colacurcio says, who is looking forward to using document imaging so he can take advantage of his software's electronic accounts payable approval process.

"Like any other company," he continues, "we route AP invoices to this person's box and then this person's box or if there's a problem, along a slightly different path. We send a packet of invoices around and in the world that we live in, things get lost."

"Dexter + Chaney's commitment to the customer's needs was huge. Its ability and desire to mature its product were apparent. Its commitment to quality and stability was there."

Document imaging will allow Colacurcio to scan invoices, time cards, and other documents and attach them to transactions in his accounting and project management software. User-defined electronic filing cabinets will store documents that don't relate to actual transactions. A simple mouse click will retrieve documents where – on screen – they can be viewed, annotated, printed, faxed, or e-mailed.

"My staff will be able to go to their computers," says Colacurcio, "pull up a visual of an invoice, and do everything they normally would on the paper itself. Nobody will have to take an envelope full of paperwork from one place to another. And nothing will get lost."

THE INTEGRATED BOTTOM LINE

Since implementing project management software, the divide between Colacurcio's project managers and accounting staff has significantly diminished.

"Now," he says, "they look at the exact same numbers at the exact same time, with no effort on my part. My project managers look at live accounting data for their jobs instead of spreadsheets or some other manual record."

"There's never a question about whether a subcontractor has gotten a particular change order or what's been paid. Committed costs from purchase orders are right there and estimates are updated using the most recent payroll numbers. It's all in our project management software. That's huge."