Seven Steps to Buying Software

by Joe Stoddard

As the price of computer hardware continues to plummet, more and more contractors are giving in and buying new machines and software to help them run their businesses. Worn down by the media blitz and ad campaigns, and by the increasing appearance of "dot com" in the logo of brand name construction products, even staunch holdouts have been dragged, kicking and screaming, into the Computer Age. They figure that with a couple of cheap computers and some software from the trade show, all of their problems will be solved. In no time at all, they'll be doing their own structural engineering, printing out income statements, designing in 3-D photo-realism, and teaching their secretaries to do all those estimates they've been laboring over through years of nights and weekends.

Unfortunately, nothing could be further from the truth. Recently, I discussed the issues new computer users face with the people on the other end of the computer business — software dealers, developers, and tech support people. Before you unpack that new PC, consider this list of common problems computer novices must overcome.

1. Learn the Basics

Contractors are famous for throwing away assembly instructions and figuring things out for themselves. But a computer is much more complex than any other power tool you'll ever own. Before you can effectively put your computer to use, you should at least know something about how your computer hardware works. You'll also need to master the basics of the operating system, which these days is most likely to be Windows 95 or 98, along with the fundamentals of computer file management.

If you can't distinguish a mouse from a modem, or don't know a "click" from a "double-click" or a "right-click," do yourself a favor and enroll in a group class at your local computer center. The background knowledge you gain will come in handy later when you talk with tech support people about hardware or software problems. Just as it's easier for you to communicate with a client who knows the difference between a joist and a rafter, it will be easier for tech support people to help you if you know the lingo and understand the basics of how computers and software work.

2. Start Simple

If you've just started using a computer, begin with a scaled-down "office suite" like Microsoft Works, which includes word processing software, a spreadsheet program, and a simple database. While learning how to write letters, contracts, and specs with the word processor, you'll also gain a deeper understanding of how to store, retrieve, and organize electronic files. With the spreadsheet, you'll be able to do your accounting and create estimates, and the database will help you keep track of all the vital information you need to contact clients, subs, and vendors. Not only will you have all the software you need to run your company, you'll have spent less time learning how to use it and more time putting it to work for you. By the time you've exhausted the capabilities of an entry-level office suite, you'll be proficient enough on the computer to know exactly what you need when it comes time to buy more sophisticated software.

Then again, you may never need to buy more complex software. With a little ingenuity, you can turn a word processor into a project management system, and a spreadsheet into a solid estimating tool. Learning to squeeze the most out of simple software is a much better approach than spinning your wheels with software that's way over your head.

3. There Are No Shortcuts

The typical contractor serves as accountant, project manager, estimator, legal assistant, draftsman, and public relations specialist — all careers you could spend four or five years going to school to learn. Software, no matter how good it is, won't provide any of the specialized knowledge required to run your business. If you don't understand basic accounting principles, for instance, QuickBooks Pro isn't going to do you much good, despite TV ads that say, "If you can write a check you can use QuickBooks." I field a lot of questions from contractors who think that CAD software will transform them into award-winning designers, that estimating software will eliminate the need to hire an estimator, or that Microsoft Project will get their jobs back on schedule. Sorry, but it doesn't work that way. Software will not make you any better at any of these tasks than you are now. In fact, computerizing an operation you don't really understand could do more

harm than good, because you won't recognize when the computer is feeding you bogus information.

If you need help with design work, team up with an architect or a designer, or take some design classes. If you're a lousy estimator, hire somebody who's good at it. If you don't understand accounting, hire a consultant to set up your accounting software. The computer is merely a tool. It can increase efficiency and speed only if the person using it has mastered manual systems.

4. Shop Twice, Buy Once

I wish I had a nickel for every piece of software I've purchased that just didn't work out. It's not so bad when you discover that the $50 shrink-wrap software you bought at the mall won't do the job. But buying the wrong high-end construction-specific software could cost you thousands of dollars.

If this sounds like an exaggeration, do the math. Depending on whom you talk to, the initial price of the software represents only between 5% and 15% of the total cost. The rest of the money is spent training you and your staff to use the software, buying updates and tech support, and upgrading the computer hardware needed to run the software. Most expensive, but hardest to calculate, is the cost of changing the way you do things to accommodate your new business partner — your software. So, if the software costs $1,000, it may ultimately cost you $10,000 to get it up and running. If something goes haywire — you're penalized by the IRS because you make a mistake entering initial balances into your accounting software, or you lose money on a job because you didn't understand how to use the estimating software — your costs could be much higher.

My advice is to arrange to have the software you're considering professionally demonstrated to you by a manufacturer's rep. Then insist on a no-strings, 30-day trial so you can use the software on your own projects in your own environment. You may sit through demonstrations for six months before you find the software you want, but that's nothing compared to years of struggling with the wrong product.

5. Budget for Training

The more powerful and complex the software, the more training you'll need. If you believe the salesman who told you the last money you were going to spend on the software is the check you cut to him, I've got some oceanfront property in Arizona I'd like to sell to you. The fact is, training is the fastest and cheapest way to climb the software learning curve. Even if you're the type of person who likes to tinker with software on your own after hours, what about your staff? Do you really want them to muddle through that new accounting package while the time clock is running? A dollar spent on training is likely to save you $10 long-term. If you think of it this way, a $500 training session isn't an expense, it's an investment you can't afford not to make.

Manuals are not training. A lot of contractors expect the manuals that come with the software to teach them how to use the program, but that's not what manuals are for. Just as the manual that comes with your new table saw won't teach you how to be a master cabinetmaker, or the manual that comes with your cooktop won't turn you into a gourmet chef, software manuals won't teach you anything except what happens when you click the buttons on the screen. It's unrealistic to expect anything more.

Instead, purchase one of the good after-market books, training CDs, or videotapes that are available for many software packages. These are often a cost-effective way to bring training materials into your office.

One source who consistently produces good computer training materials is IDG, publisher of the yellow "Dummies" book series (www.idg.com). Multimedia training for specific applications is available from several vendors, including: Design/Build Technology (www.dbtec.com) for Chief Architect; EaglePoint (www.eaglepoint.com) for SolidBuilder; Synapse (www.synapsesoftware.com) for GCWorks; Digital Property (www.digitalproperty.com) for CADestimator; and Construct Software (www.constructsoftware.com) for WinEst LT. There are many others as well, so be sure to ask what's available before you buy the software.

6. Check Out the Vendor

The more specialized the software, the more important it is that the company that makes it has its own house in order. This is especially true for "mission-critical" applications like your estimating or accounting software.

I've always made it a point to meet or at least talk on the phone with product managers to find out if they have a vision or are simply out to make a quick buck. Financial stability is important, too, because there are more software companies in financial trouble than you'd suspect. If you're going to invest substantial money and time in a product, it's wise to check the company's financial health just as you would any business partner.

7. You Get What You Pay For

On the surface, $300 software often looks very similar to $6,000 software, but there are usually substantial differences. Some are obvious, like whether on-site tech support is available; others are more subtle and harder to quantify, like the software's "usability," the vendor's research and development efforts, and whether the program really does integrate well with other high-end products.

If you're working at the level where a mistake on a bid or a drawing could cost you several years' profit, spending $6,000 on a top-notch estimating package or CAD system can be cheap insurance. No contractor has ever regretted investing in the best tools he or she could afford, and software is no different.

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