Using Outlook for Scheduling

by Keith Kelly

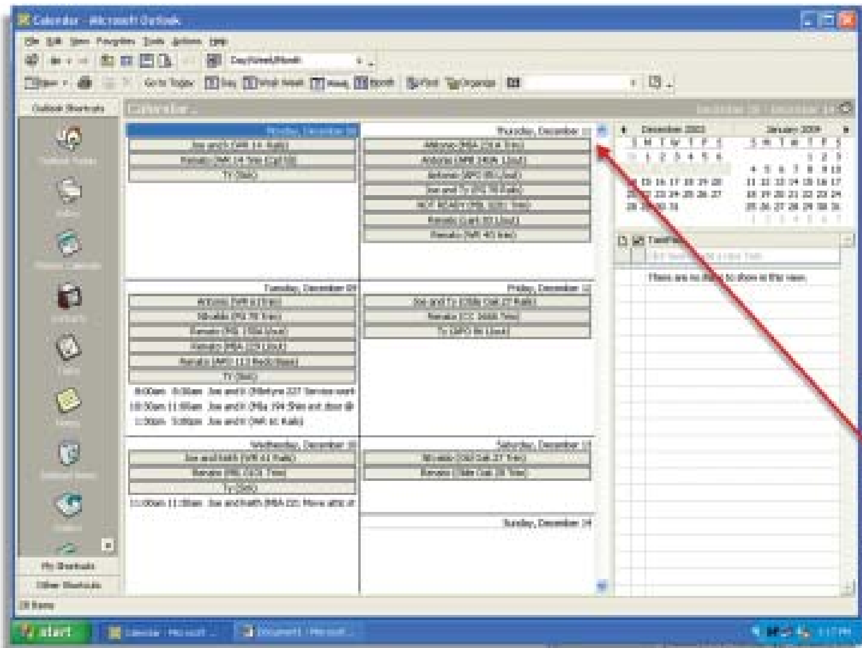
My own experience with computers tells me that I'm not likely to start using a new piece of software in my business unless it's very similar to the process that I'm trying to improve. For example, we used to keep all business transactions in a checkbook. Meanwhile, our accountant was advising us to start using an accounting program that we thought only a bookkeeper could understand. But then along came Quickbooks, with its entry system that felt like a checkbook. Although I've been told many times that "it's not real accounting," our accountant, ten years later, is still perfectly happy with the reports we send him for preparing our taxes.

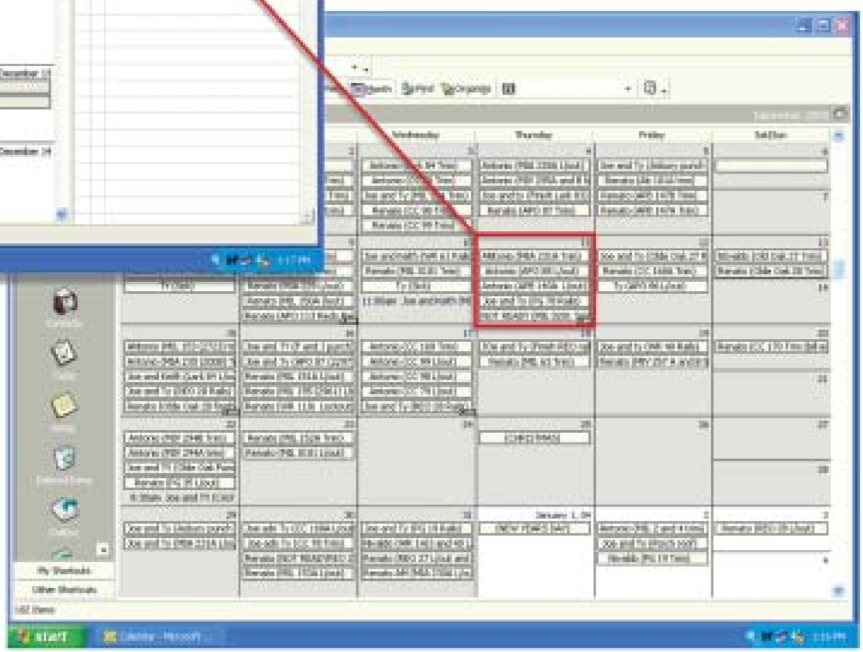
Likewise, we hit upon using Outlook for scheduling by accident, because it looked like something we were already using — namely paper calendar pages. My partner and I run a production trim carpentry business in Charlotte, N.C. We've built up a steady volume of work from national production builders operating in the area. In a typical week, we will install trim in anywhere from 7 to 12 houses. This is on average, mind you; on some days we may have seven houses scheduled and none the next. Keeping up with several crews, material deliveries, payroll, and invoices necessitated a computerized approach. But for us to adopt it, it would have to be straightforward.

The Paper Past

Like most small business owners, my partner and I started our business out of the back of a pickup truck — actually, two pickup trucks. We spent all our time together trimming houses — usually six days a week, often seven. Our main concern was finding more work for the following week. The few builders we worked for knew where to find us and we knew where to find them. Our schedule was pretty much predetermined: If you didn't see drywall in a house one week, chances are you'd have no work the following week. This was the pattern for the first couple of years.

However, over time, the phone started to ring with people looking for good trim crews. They would normally





Outlook allows you to quickly switch from a one-month view (right) to a weekly view (above), which displays more detail.

be referrals, from a superintendent who had changed companies, for example, or a sales agent who had moved to a new neighborhood. We first concentrated on improving our production speed, but the extra work we executed generated even more work. We began to have problems keeping track of which crews were doing which houses, so we could pay them accurately but also bill accurately. And when we took control of supplying our own materials, we had the further headache of accurately scheduling deliveries.

So we started with a simple paper schedule. Rather then write a trim date down on a crumpled receipt in the truck, we took a blank sheet of copy paper, turned it on its side, and created a grid with the days of the weeks down the side and columns for the jobs and crews across the top. We photocopied a bunch of these so that we only had to fill in the job names and the date. We were proud of our ingeniousness, but within a couple of months the system was beginning to show its weaknesses.

Like all good schedules, dates had to be constantly moved. This meant scratching out a house and filling it back in. Some weeks the schedule had more cross-outs in black pen than actual work. Plus, if we moved a crew to a different job, we had to make a new note about who actually did the work and then cross out another note. After a few months we had a section of the filing cabinet filled with dirty, messy, practically illegible paper schedules. In addition to the schedules, we also kept separate paper records of who trimmed which houses, in case we had warranty issues. We also wanted to keep an accurate count of the houses we trimmed in any given period, so we could monitor productivity. All the information we needed was in the file cabinet, but we didn't have the time to retrieve it and make sense of it.

About this time my wife and I bought a new PC for our home. In addition to being loaded with Microsoft Office, it came with a birthday card program that uses Outlook to keep track of dates. As my wife entered the birthdays of friends and family, little reminders to send someone a card kept popping up. One day I got tired of it and opened the program to see if I could shut it off. As I began to explore Outlook, it seemed like the program had been made specifically for our business.

Drag-and-Drop Calendar

The basic layout of Outlook is simple. Using the *Calendar* function, you can choose which view you want to see — one day, five days, one week, or a month. I kept it simple and started with the one-week view. Now I have something that looks exactly like our handwritten schedules, only better. When a superintendent calls us up to move a house further in the week, it's as simple as dropping and dragging the data to the appropriate date. Entering the data is also a breeze. By double-clicking on the date, we can enter the crew's name under the *Subject* header, and the lot number and neighborhood under *Location*.

We can move trim dates and deliveries very easily. More important, we can now also accurately track which crews trimmed which house, very important for payroll. With our old system, it was easy to pay a crew twice for the same house. Now, that's virtually impossible. When it's time to pay a crew for their work, all we do is print out the calendar during the pay period in question. We then simply highlight the houses that the crew in question (named after the crew leader) did during the period — no more disputes about partial days or confusion over who did which houses. The system has become efficient enough that we only use our workers' notes to double-check our data entry.

We also use the schedule for invoicing our customers. At the end of the week, we print out the schedule and invoice the correct builder for each job we have entered in Outlook. By doing this methodically, there is almost no way of not billing a house that we have actually completed.

Quick Info Retrieval

Another feature we like is the *Find* function. We use a shorthand code for the various developments we work in, entered under the *Location* header. For example, we'll enter PG 45 to indicate the Providence Glen neighborhood, Lot 45. By entering all our data the same way, we can use the *Find* key to retrieve all the entries for that house, to quickly see who trimmed the house, and when. No more digging through the filing cabinet and sifting through stacks of paper.

The secret to all this is constant revision. Throughout the week I carry a printed copy of the schedule in my truck. If I move a crew to a different house or a job is not ready, I'll mark it on the paper schedule. Then, when I go back to the office, I'll change the information in the computer. My partner does the same. Because we're consistent, the data stays updated and accurate.

This is not exactly rocket science; for those who already use some type of planning program, it probably seems pretty elementary. But for anybody out there who works alone or, like us, is merely scheduling a task and not an entire job sequence, I can't think of an easier, faster transition from handwritten schedules. As we've become more comfortable with the program, we've transferred our book of business cards to the *Contacts* section, and all our email comes through the program as well. We don't use the *Tasks* feature yet, but it may help in the future: Our idea was to start simple and take it from there.

***Keith Kelly** runs AMK Construction in Charlotte, N.C., along with his partner, Wally Ackerson.*

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Protect Yourself Against Plywood Price Hikes

Who knows when we'll see an end to the sudden jumps in structural panel prices? What was thought to be a temporary spike last fall has turned into a seemingly permanent hike with short-term surges thrown in on top. Because there's no end in sight to the current material shortage, the volatility is likely to continue. Here are a couple of contract clauses that may help, courtesy of *Nations Building News* (www.nbnnews.com/NBN/issues/2003-10-20/Business+Management/2.html), the online newsletter of the National Association of Homebuilders.

—*The Editors*

ESCALATION CLAUSE FOR PANELIZED LUMBER

The house will require approximately _______ square feet of_________ (describe material—plywood, OSB, other). As of the date of this contract, the Builder's cost of ________________ (describe material) is_________ (price) per thousand square feet, based on ____________________________ (describe basis for determining cost—name of supplier). The stated consideration to be paid under this contract is based on current material costs without margin for fluctuations in the price of __________ (describe material). The current market for _________ (describe material) is considered to be volatile, and sudden price increases could occur. The Builder does agree to use his best efforts to obtain the lowest possible price from available building material suppliers. But, should there be an increase in the price of ____________ (describe material) purchased after execution of this contract for use in the construction of this house, in order to avoid inequities, the Owner agrees to pay this cost increase to the Builder. Any claim by the Builder for payment of a cost increase, as provided above, shall require written notice delivered by the Builder to the Owner stating both the increased cost and the source of supply, supported by invoices or bills of sale.

SPECIAL CIRCUMSTANCES – RIGHT OF TERMINATION

Should there be a rise in the cost of _________ (describe material), exclusive of any other price changes, that would cause the total contract price to increase by more than ___________ (%) percent, the Builder shall, before making any additional purchase of ____________________ (describe material), provide to the Owner a written statement expressing both the percentage increase of the contract price and the dollar amount of the increase. The Owner may then, at his option, terminate this contract by providing within ______ business days both written notice of termination to the Builder and payment to the Builder for all costs expended in performance of the contract up to the date of termination, plus payment of a prorated percentage of profits based on the percent of completion. Should both notice of termination and full payment, as provided above, not be forthcoming within _______ business days, the Builder may proceed to purchase the _____________ (describe material) at the increased price, and the Owner shall be required to pay the increased cost as provided herein.

Taking Credit Cards

by Stacey Dean

After getting numerous requests from customers, we decided to look into taking credit cards. My husband and I use frequent-flyer miles to get free airline tickets, so we could understand why our clients would want to pay for building and remodeling projects with credit and earn miles along the way.

After a bit of research and an extensive credit check, we signed up with Nova (Nova Information Systems; www.novainfo.com). The electronic card machine cost us $549, and we pay a transaction fee of around 10¢ per charge. On top of that, it costs us 2% to 3% per transaction. There is a limit on the amount of individual charges as well as a total monthly limit.

The funds get deposited into our account the next day if I do the transaction by 1:00 p.m. Eastern Time. We have never had a disputed charge.

Because our company allows for credit payments, we can't ever know for sure whether a customer will choose to take advantage of the policy. So we include an extra 3% in every job to cover the possibility, whether the client ends up using a credit card or not.

Our customers have been happy with the choice of using credit. The biggest advantage to them, besides some cashflow flexibility, is that it allows them to earn those flyer miles. Most Alaskans leave the state to visit family and enjoy a warmer climate at least once a year. On occasion, the customers have made a deposit on credit, then used the miles earned to travel while we remodeled their home.

Stacey Dean *and her husband, Cody Lee, own Grayling Construction, a residential and commercial general contractor in Anchorage, Alaska.*