



Best Practices Guide:
Empowering Estimators

CONTROLLING COSTS AND INCREASING PROFIT MARGINS

THROUGH BETTER ESTIMATING FOR MEP

VIEWPOINT
CONSTRUCTION SOFTWARE®

PROFIT STARTS IN PRE-CONSTRUCTION

Contractors can save money throughout a project's lifecycle by improving efforts in the preconstruction phase. Seamless software for takeoff and estimating is a worthwhile investment for construction businesses seeking to increase speed, accuracy, savings, and profit on every job.

Controlling Costs

A project's success can be measured, in large part, by its costs. From the outset, project and construction cost estimating is critical to ensure that the anticipated project and construction costs meet budget expectations.

Cost management throughout the design phase helps to avoid cost overruns and maximize potential returns on investment. During the estimating phase, project teams should determine which tools and techniques they can employ to make the estimate more accurate and to properly forecast budget and materials needed through completion.¹

Best Practice Advice

With an investment in technology as a means to control costs and increase profit, here are seven points of more detailed, practical advice.

1 Eliminate mess and expense of paper blueprints.

You can free up desk space while saving on paper and printing. Clean out the clutter of your office that's filled with rolls and rolls of paper plans. Save time and cost of printing out sheets and versions. Use software to perform takeoff directly on your screen, which is quicker, more accurate, and saves desk space from disorder of blueprints.

2 Be flexible.

When performing takeoff, are you able to make changes on the fly? Whether it is a unique assembly needed for the work you are estimating or a specific design specification, your software needs to be flexible and allow for changes as they happen.

3 Double check addendums.

Since change is constant, you can expect your plans to change. And if they change suddenly, you need to be able to easily compare the new plans to the older version. With digital takeoff software, you should leverage the feature that allows you to manage sheet revisions quickly and easily.

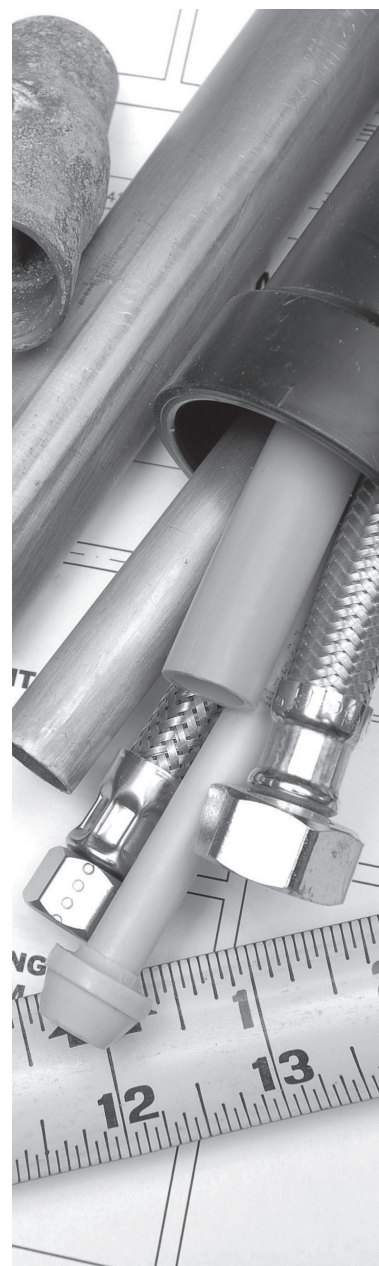
4 Breaking down estimates.

Whether you need to see your estimate broken up by Systems or Zones, you need the flexibility to organize and expand on these breakouts. Having options to breakdown an Estimate by Drawing, Area, Building, Cost Code, Phase, etc. will help manage your Job from start to finish.

5 Exploit your strengths.

You are good at certain things and great at certain things... things that impact your profit! Do you know exactly what they are? Estimating software can help you see what tasks make up the most labor on a job and easily alter the labor unit to the strength of your crews. Having that knowledge and insight into performance will help you be more competitive, as well as stay on budget and on schedule.

¹ Construction Business Owner, March 2013.



6 Keep your suppliers close.

You want to be facilitating easy information sharing between your business and your suppliers because it decreases the possibility of miscommunication. Estimating software allows you to do that quickly and easily. By sending and receiving information electronically, you save significant time as well as reduce the possibility of a lost document, a smudged fax or a missed phone call — all factors that could affect your ability to win a job.

7 Manage your change orders.

Large change orders usually demand plan takeoff. But why not manage all change orders using the estimating features used for base estimate? Because change orders can drastically impact the profitability on a project, some contractors have seen their takeoff software pay for itself with a single won change order!



BOTTOM LINE: MORE BIDS IN LESS TIME

In order to apply those best practices, you want to be sure your business leverages technology to its greatest capacity. Many construction businesses are in the same situation: less work available for bid, increased competition, and decreased win percentages. That has prompted MEP contractors to bid more jobs to maintain win percentages needed to keep the team busy and the company profitable. Technology is the tool to streamline efforts, save time, and cut costs and so complete more bids in less time, and be poised to win more work.

Think about how your business could benefit – from pre-construction phase and through project execution — by using seamless takeoff and estimating software that equips you to:

- **Spend less time building a bid and more time analyzing it.** Software makes it easy to estimate with details and accuracy, so you minimize costly mistakes and leave less money on the table
- **Protect against possible delay claims** because your material pricing will be updated automatically — critically important in today's market when prices can change daily
- **Identify and compare 'what-if' scenarios** by considering how you might change design specifications to save money
- **Bid the jobs your business can perform the best.** With the ability to track work activities and having job history at your fingertips, you'll know what type of work your crews do well. This allows you to spend your estimating time wisely, bidding those jobs you're most likely to win and execute profitably

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TAILORED TECHNOLOGY THAT FITS YOUR TRADE

As a contractor in the Mechanical, Electrical, Plumbing, or HVAC trade, you face challenges unique to your type of work and require technology designed to meet your unique needs as a specialty and/or subcontractor.

When evaluating an estimating solution, you should look for software that allows you to:

- **Increase speed and accuracy** of takeoffs, while reducing costly mistakes and measuring quantities with great precision
- **Work quickly using pre-built and customizable databases** (tailored to your specialty and based on industry standard labor units), so you can easily determine materials, labor, and equipment needs for any job
- **Simplify and expedite estimating** using real-time pricing, assemblies, and multi-level breakouts, as well as cost jobs properly considering variables such as workers' skill, weather conditions, full-time and seasonal labor force, etc.
- **Finish professional estimates and customized proposals** with great efficiency, and produce reports quickly and easily to perform detailed analysis, so you can make truly informed business decisions
- **Gain complete control** over the estimating process, and ultimately bid more accurately and increase profitability

Critically valuable to you, whatever your trade, is the ability to manage the entire lifecycle and all components of a job electronically, which helps your business achieve the best efficiency and accuracy.

Conclusion

It comes down to mitigating risk and maximizing reward. To do so, you must consistently perform accurate takeoffs, prepare detailed estimates efficiently, and submit on-target bids for jobs you can win and execute profitably.

By implementing takeoff and estimating software, your business will have the valuable tools needed to streamline efforts and help maintain a pipeline of opportunities.



Work with increased speed and accuracy throughout your bidding process, save time on paperwork, and achieve greater overall efficiency and cost savings.

Best Practices Guide Series

This article is part of Viewpoint's *Best Practices Guide* series, the aim of which is to provide straightforward, actionable, and detailed advice on the business and technology topics that are most important to construction firms. The advice is synthesized from conversations with leaders of construction firms of all sizes and in all industry segments.

ABOUT VIEWPOINT

Viewpoint, a leader in meeting the collaborative and information needs of the AEC industry offers construction-specific solutions for a variety of professionals including small, medium, large and enterprise contractors. Viewpoint solutions include takeoff and estimating, project management, accounting solutions, enterprise resource planning, project and BIM collaboration, mobile field-to-office and enterprise content management. Viewpoint customers include more than 30 percent of the ENR 400 and have the most technology partnerships with the top 50 mechanical and electrical contractors in the United States. Viewpoint serves as the technology partner of choice to the construction industry and delivers the right solutions on the right platform, including cloud, SaaS and on premise solutions and provides customers improved accountability, efficiency and productivity throughout the U.S., Canada, the United Kingdom, Europe, the Middle East and Australia.





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