

TEMPLACMS

Fully integrated management software for cleaning contractors

A GUIDE TO INTEGRATED CONTRACT MANAGEMENT SYSTEMS

Are you a growing contractor?

Are you running your business with unconnected software packages and spreadsheets?

Is it time for you to consider investing in an integrated contract management system?

June 2019



TEMPLACMS

Templa Computer Systems Ltd

Technology House , Mount Pleasant, Hildenborough,

Kent , TN11 9JG, England.

Tel: +44 (0)1732 832888 | Email: business@templacms.com

Website: www.templacms.co.uk | www.templacms.com.au



TEMPLACMS

Fully integrated management software for cleaning contractors

Integrated Contract Management Systems

Table of Contents

1. CREDENTIALS.....	2
Templa Timeline.....	2
2. THE LANDSCAPE OF SME SOFTWARE IN THE SECTOR.....	3
3. KEY CHALLENGES FACED BY CONTRACTORS	4
Flexibility	4
Reporting.....	4
Control of administrative overhead	4
Case Study: Tenanted Building.....	5
4. WHAT IS THE DIFFERENCE BETWEEN INTEGRATED AND NON-INTEGRATED MANAGEMENT SOFTWARE?	6
Five reasons why an integrated system is needed for cleaning/FM	7
Accounts and payroll software share their data with the system	7
Integration with 3rd party systems	8
Perfect for portals	9
How does it benefit each individual business process?	9
Contracts.....	9
Budgets	9
Pay	9
Work-bills.....	9
Stores Control	9
Billing	9
Accounts and Payroll Integration.....	10
What it is not an integrated management system?.....	10
What is the TemplaCMS difference?	10
5. RETURN ON INVESTMENT.....	11
6. WHAT ARE THE KEY STEPS IN SWITCHING SOFTWARE?	15
Software Selection	15
7. WHAT MAKES SOFTWARE CHANGE A SUCCESS?.....	17
Ensure top level commitment	17
Appoint a project manager	17
Planning.....	17
Focus on early payback.....	17
Set targets	17
8. WHEN IS THE RIGHT TIME TO INVEST?	18
Lay the foundation for increased revenue	18
See the investment in context	18
Long term partnership.....	18



TEMPLACMS

Fully integrated management software for cleaning contractors

1. CREDENTIALS

Templa Timeline

1977	Established
1997-2008	<ul style="list-style-type: none">• Accredited resellers for two UK-developed financial accounting systems. 30 years with Chorus ERP/Financials from Advanced Computer Software Group 15 years with Access Financials from The Access Group• Majority of our client solutions are standalone financial systems, but growing number of solutions involve designing integrated systems satisfying mostly to the sales and delivery aspects of a business, but leveraging the information already available and therefore integrating with the finance software.
2009	<ul style="list-style-type: none">• UK Cleaning industry has two existing purpose-built solutions – Target Control and Cleanlink. Both products well-established, but neither with dynamic integration to finance/accounts
2009-10	<ul style="list-style-type: none">• First contract cleaning client – Millards of Charing Cross Road• Templa designs first release of TemplaCMS, a purpose-built business management software solution for cleaning/FM contractors underpinned by Access Accounts and Payroll software.
2010	<ul style="list-style-type: none">• Formally launched to market in UK
2011	<ul style="list-style-type: none">• Templa exhibit at The Cleaning Show for the first time
2014	<ul style="list-style-type: none">• Sole distributor established in Australia
2015	<ul style="list-style-type: none">• First clients in Ireland and Iceland
2016	<ul style="list-style-type: none">• Templa exhibit at InterClean, Amsterdam for the first time
2019	<ul style="list-style-type: none">• 120+ cleaning contractor clients in four countries, including many well-established UK players• Templa demonstrates to industry members that a combination of off-the-shelf standard financial software and an industry solution that leverages common data within a purpose-built software environment for cleaning/FM contractors, delivers far more tangible business benefits than multiple unconnected systems.



TEMPLACMS

Fully integrated management software for cleaning contractors

2. THE LANDSCAPE OF SME SOFTWARE IN THE SECTOR

Templa's solution is targeted at the small and medium-sized enterprises (SMEs) ranging from £2m to £500m, and during the 8 years we have been in this sector, we have built a valuable marketing database of these companies and their senior management contacts, with whom we regularly communicate. This affords us the ability to analyse these SMEs in some detail, which includes obtaining feedback on current systems in use.

Typical software solutions in use by cleaning SMEs over last 20 years		
Turnover	Solution	Challenges
£0.5 - £5m	Off-the-shelf accounts, e.g. Sage 50, QuickBooks, Xero.	Can only be run in standalone environment. Heavy reliance on spreadsheets for many basic tasks, including timesheet completion, purchasing.
	Off-the-shelf payroll, e.g. Sage Pay, MoorePay or external payroll agency.	No automatic timesheet import facility and unable to deal with staff who work across multiple sites or on jobs with different pay rates & holiday entitlement.
	MS Excel for timesheets, budgeting, analysis, tracking one-off and subcontractor jobs.	Meaningful analysis requires downloads from software to MS Excel to compare performance against budget on any revenue or cost line, or by manager or see P&L below whole company level.
	Quality auditing is paper-based.	Ability to manage shortfalls limited by time taken to return sheets to office.
£5 - £10m	Target Control (no longer available), Cleanlink.	Enables contractors to perform advanced tasks such as purchasing.
	MS Excel for budgeting, analysis, tracking one-off and subcontractor jobs.	As above, analysis requires downloads from software to MS Excel.
	Quality auditing is paper-based.	As above, ability to manage shortfalls limited by time taken to return sheets to office.
£10m +	Higher end accounts, e.g. Sage 200, Microsoft Dynamics NAV or GP.	Popular systems, although not able to support dynamic integration to financials or other systems.
	Bespoke multi-module systems developed in-house.	Large investment with limited longevity as development of functionality time and cost-consuming.
	Off-the-shelf T&A, or scheduling software, e.g. Telelog, Ezi-Tracker, Timegate, SmartTask.	Rostering data entered once on payroll and again in T&A software. No dynamic link to payroll budgets.
	Off-the-shelf Quality Auditing software, e.g. ServiceTrac.	Popular systems, although not able to support dynamic integration to financials or other systems.



TEMPLACMS

Fully integrated management software for cleaning contractors

3. KEY CHALLENGES FACED BY CONTRACTORS

A remarkable aspect of the cleaning/FM contract sector is the mix of products and services delivered to clients. These can include daily office cleaning operating on tight margins; periodic and one-off work delivered by site cleaners, special works teams or sub-contractors; other property services such as maintenance, housekeeping, reception and post-room; hygiene and vending services; and of course the delivery to hundreds of sites of inclusive or recharged product supplies. All of this demands the continual recruitment, training and scheduling of staff; the purchase of equipment and uniforms; and the daily compliance auditing of both quality and health and safety. In Templa's 40 years in business, we have never come across such a multi-faceted service provision industry.

As if the day-to-day running of such a business were not complex enough, three further major challenges present themselves, all demonstrated by the simple case study at the end of this section.

Flexibility

A contractor must provide flexibility, offering their clients the ability to change, enhance or grow the service required. A contractor pulls out all the stops to deliver this flexibility, as it is an important USP at the point of contract extension or price renegotiation. Ideally, the contractor needs their software solution to support the flexibility too, rather than it being so inflexible as to heap pressure on the existing administrative overhead at the same time as new contracts are being brought on board.

Reporting

A contractor's profit and loss reporting relies on measurement against budget of key cost elements such as wages, holiday, periodic works, national insurance, sub-contractors, materials, and of course more recently the apprenticeship levy. However, the fluid nature of the industry means that no sooner has a budget been agreed than it becomes out of date as a client's service alters, or new clients are onboarded. The knock-on effect that a small change to a contract has on the budgets at client, area, regional or company level presents a huge headache for financial management in the industry.

Frustratingly for contractors, however, this is an area where traditional software solutions cannot work 'out-of-the-box', as they are not sophisticated enough to translate changes to employee rosters, client billing etc. in real time to either the relevant transactional area, e.g. the connected T&A system, the live timesheets, the monthly billing run, or to the related budgets.

Control of administrative overhead

If it weren't already obvious, the only way to exert any sort of management control over the fluid nature of cleaning and associated services is firstly to set up banks of spreadsheets for different costs, revenues and activities; secondly to devise ingenious ways of extracting data from different

Managing Director of a £4m turnover cleaning contractor: "Any further growth of our company is being hindered by the lack of an integrated software solution. All we can foresee is increased administration and paperwork as the turnover increases."



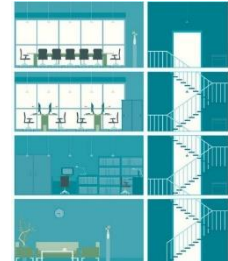
TEMPLACMS

Fully integrated management software for cleaning contractors

sources to create some sort of meaningful analysis; and thirdly to employ significant numbers of staff to update the spreadsheets and re-key or manually export data from one system to another in order to process transactions.

Case Study: Tenanted Building

An existing contract with a managing agent to clean common areas and three out of eight tenants, is changed to alter the cleaning specification of the current contract and also add the remaining five tenants. The operatives are controlled into the building using a tele-check T&A system. Not only are the changes to the operation reasonably complex, but administration changes are now required to four existing contracts' budgets, staff rosters, cleaning materials and billing, plus the introduction of five new contracts, and with all now affecting T&A.



Without integration, the administrative man hours involved are obvious: new site and employee creation; duplicating the same in the T&A system; manual update of MS-Excel which might be used for timesheets, wages budget control or materials control; unnecessary workarounds at pay period end for addressing wage variance issues as the old/new wages budgets now have to be apportioned, and similarly at month end with the old/new versions of the client billing.

A joined-up system would mean that the new sites, their staff and their rosters, once entered in the management system, would be automatically passed to the T&A system. The new budgets are entered in the management system, which understands which contract period they relate to and therefore, when reviewing a timesheet in real-time, the budget apportionment has already taken place, or similarly, the client invoice can be automatically apportioned at month end.

Finance Director quote from an FM company grown from £30m to £200m in 6 years:

“Three years ago, our growth plans took on another level, but our back-office systems had been struggling for ages. Payroll was a huge admin drain taking days to complete. Selecting our integrated management system at the time has proven to be the right decision, helping us move forward with its ability to adapt to our ever-changing group-wide requirements in cleaning, security, ambulance make ready, water hygiene and catering.

With our volumes, its automation and exception management have been vital and the financial controls it delivers are exemplary in helping us manage the business. Payroll takes significantly less time, our employee count has doubled, whilst our admin team headcount has remained the same. Plus, we have made vast improvements within admin and operations using other aspects of the system.”

The upfront investment made in such a system therefore delivers flexibility to the business going forward. Growth in business, and therefore contracts, does not necessarily mean corresponding growth in the administrative overhead. Indeed, the volume of data being handled per capita in the admin team can increase substantially within an integrated solution.



TEMPLACMS

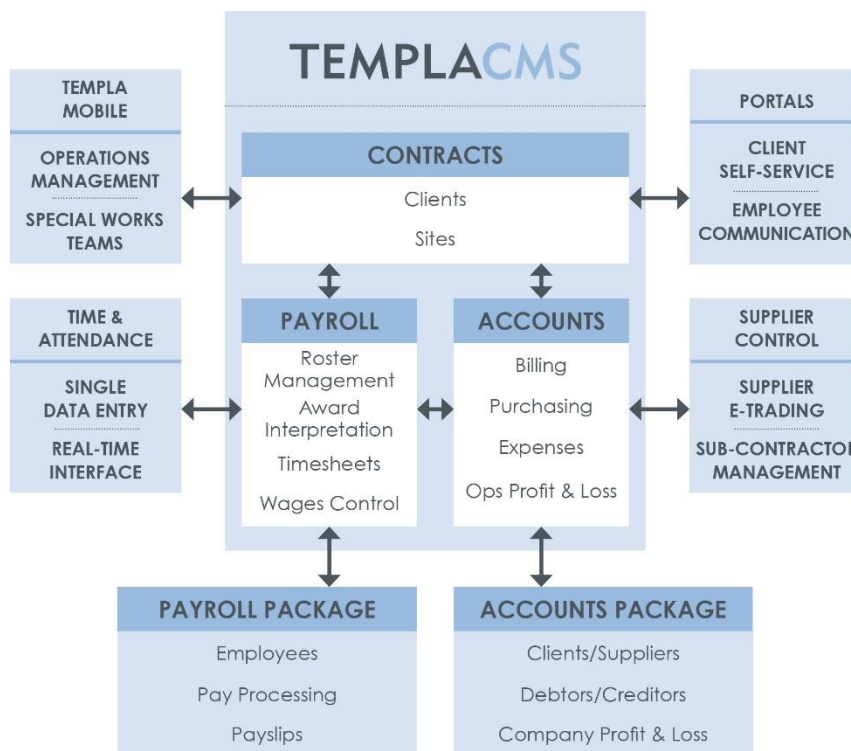
Fully integrated management software for cleaning contractors

4. WHAT IS THE DIFFERENCE BETWEEN INTEGRATED AND NON-INTEGRATED MANAGEMENT SOFTWARE?

The diagram below shows the TemplaCMS integrated software management system. Its fundamental features are:

1. There is only one single resource of data (a single central database) used to feed and power every business process module within the system.
2. The data is shared dynamically across the system, in other words in real time and without the need for file imports and exports.

The opposite - in other words a non-integrated system - is where each business module relies on its own separate version of a database to process transactions, usually because it runs on an individual piece of software with no scope for interfacing to another system; and secondly the updating of any data or the introduction of new data to be used across multiple systems must therefore happen in every location where it is used, which may mean a significant delay before up-to-date information is visible for use in company-wide analysis and decision making.





TEMPLACMS

Fully integrated management software for cleaning contractors

Five reasons why an integrated system is needed for cleaning/FM

1. The same piece of data is often used by many different processes (e.g. an employee name is used for HR, RTW checks, training, rostering, payroll and communications). This being the case, it obviously saves time, is more accurate and reduces the potential for error if the piece of data only has to be entered in one place, rather than in several different places.
2. There is a constant churn of data - contracts start, terminate, or are amended; staff start, leave, are used on different sites and have their T&Cs updated; equipment is PAT tested and maintained; suppliers update price lists and so it goes on. Without an integrated system, the task of updating changes to all the right locations each time places a huge burden on the admin team.
3. So many cleaning activities involve more than one resource, e.g. a project to deep clean a client's kitchen involves labour on a certain date, cleaning products and equipment, potentially a subcontractor, and the creation of a one-off works order and invoice for the job. To manage this type of work by pulling data from different places on to a new spreadsheet or form, ensuring it happens on the right date and then tracking completion, invoicing and payment is cumbersome and hugely time-consuming.
4. Many of cleaning's important management tasks should ideally take place out in the field. Area managers should not have to visit the office to fill out timesheets or complete starter forms and they clearly need to be completing quality audits whilst on site. Delivery drivers must be able to see their schedules and manage their activity whilst on the road. Integrated software has made these tasks possible via the mobile app.
5. Informed decision making is vital in cleaning – no-one wants to release their payroll, only to find out a week later that it was 5% over budget. Without an integrated system, not only is it a major effort to update budgets and analyse performance against budget, it is virtually impossible, without the use of reams of spreadsheets, to analyse performance at different levels within the organisation, e.g. site, client, area, region, whole company.

Managing Director of a Templa client going through a phase of rapid growth:

“In the past it was like driving through fog with the headlights off. It was alright when we were travelling at 5mph, but now we are travelling at 70mph we need to see more clearly!”

Accounts and payroll software share their data with the system

With the contracts database at its heart, TemplaCMS dynamically shares the existing financial software's information, thus eliminating the need to re-key basic data into the central database relating to clients, suppliers, settlement terms, nominal ledger analysis, VAT details, aged debt, etc. Similarly, it shares the existing payroll software's information, such as multiple pay runs, employees,



TEMPLACMS

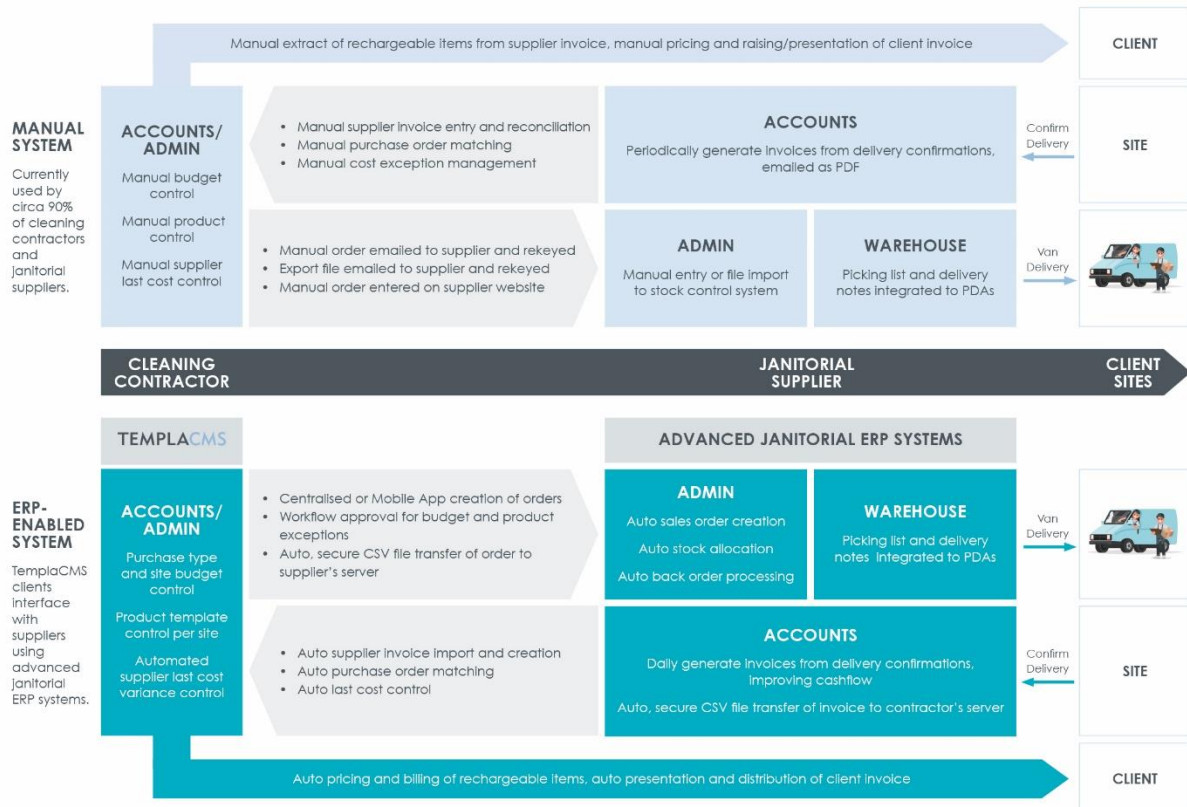
Fully integrated management software for cleaning contractors

etc. The contract record in the software's central database is therefore retrieving clients and employees dynamically from the underlying finance and payroll databases, which can support a multi-company and multi-payroll environment.

Integration with 3rd party systems

Dynamic data sharing means that T&A software is also controlled by the central system, ensuring mirrored databases, with actual clock in/out times being retrieved instantly to real-time timesheets.

Elsewhere, the stores ordering of materials, consumables, equipment, etc. is simplified and speeded up by the passing of purchase orders and invoices between the contractor and their preferred janitorial suppliers. The top half of the diagram below shows how the majority of cleaning contractors and their janitorial suppliers interact to manage the process in what is basically a manual process. The lower half of the diagram shows how reality now looks for a growing band of contractors who were already using an ERP system to manage their own businesses but are now interfacing with their janitorial supplier's own ERP system to streamline the relationship.





TEMPLACMS

Fully integrated management software for cleaning contractors

Perfect for portals

Another key benefit of integration is portal access, i.e. enabling the contractor's clients, suppliers or staff to have access to their own data in the contractor's database. There are many standalone portal solution providers, but it makes far more sense to have a portal purpose-built to understand and just view the existing data, without any rekeying of data into another 'portal' database. This then also offers a platform for portal users to create new transactions and pass them to the central management system, e.g. in the form of client helpdesk requests or supplier queries.

How does it benefit each individual business process?

To answer this question, let's just walk through some of the specific functional areas every contractor has to deal with, and then examine the solution that a centralised, dynamically integrated management system would then deliver in these areas.

Contracts

A centralised real-time contract database offers instant securable information to staff at all levels, i.e. one version of the truth. Managing this in a timely manner means all other functional areas are instantly updated.

Budgets

Integrating these accurately across all expenditure areas offers meaningful comparison of budget and actual spend within pay and purchasing, this can potentially save contractors £000s.

Pay

Integrated 'live' timesheets for use by the payroll department and operations managers alike, plus the ability to use workflow for line manager approval, radically improves pay cycle completion. Wage variance control, management of holidays and national insurance, along with dynamic links to a T&A system, ensure the major costs in the business are under full control. Just a small percentage point saving across any of these wage costs resulting from tighter control can contribute a significant increase in a contractor's bottom line.

Work-bills

Having integrated management of periodic and one-off work ensures staff or sub- contractors are paid efficiently and clients invoiced promptly, in addition to which each job of work will benefit from discrete profit and loss reporting, as well as measurement against budget. One-off work can contribute significantly to a contractor's bottom line, so having integrated control of this revenue stream is vital.

Stores Control

Full purchasing control, including budget management of all key costs in the business, combined with the ability to use workflow for line manager approval, will reduce unnecessary expenditure. Integrating electronic order and invoice exchange with key suppliers also reduces the admin overhead, i.e. no more month end reconciliation of the janitorial supply invoices.

Billing

Being able to consolidate the client billing requirement for contract invoices, one-off work and



TEMPLACMS

Fully integrated management software for cleaning contractors

rechargeable consumables into an integrated process, means no lost revenue, faster invoice production and a positive effect on cash flow.

Accounts and Payroll Integration

Whether a single contractor or a multi-company/payroll environment, having dynamic integration with a standard finance and payroll solution delivers multiple benefits:

- Data is entered once
- Duplication is eradicated and therefore the risk of data errors mitigated
- Security of user access is consistent
- The administrative overhead is optimised
- The ability to consolidate business information and reporting is in-built

What it is not an integrated management system?

The litmus tests we use to determine whether a contractor's system is integrated are firstly how much MS-Excel is used within the business, and secondly how many unconnected systems there are. When a contractor starts to grow their business, they start with small software solutions and then append others. For example, Sage 50 is a great start-up solution for finance and payroll, but timesheets can only be managed manually, ideally in MS-Excel, but typically with pieces of paper. One-off work then starts to increase, so another manual system is required, or the contractor purchases a low-cost job costing system. The problem is that employees working on these jobs now have to be paid and clients have to be billed separately. This simple example explains how data is being duplicated, how the two payroll and billing systems have to be reconciled with the job costing system, therefore adding burden to the admin team. Extend that scenario to stores ordering, T&A, quality audits, etc. and you can see the challenges that growing contractors ultimately face.

The next step would be to find a specialist solution that can do a lot of these things in one place, but with the Sage 50 example, this is a product with which it is extremely difficult, if not impossible, to deliver dynamic integration. So, the specialist solution now has to provide export files to move, for example, payroll and finance transactions into Sage 50, but this is not dynamic integration.

Where bespoke systems are concerned, much of the integration can be achieved by the contractor themselves, but everything they do has to be paid for. Moreover, they have no control over future software releases and the cost of reapplying bespoke changes going forward.

What is the TemplaCMS difference?

Our clear objective in product design is for dynamic integration of data and software whenever possible, as manual file export and import is unreliable and time consuming. As well as being more accurate, dynamic integration saves valuable time both in field operations and administration. It makes information more immediately available, to the right people at the right time, presenting a professional image to staff and clients alike. TemplaCMS is the ultimate solution to the complex world of the cleaning contractor.

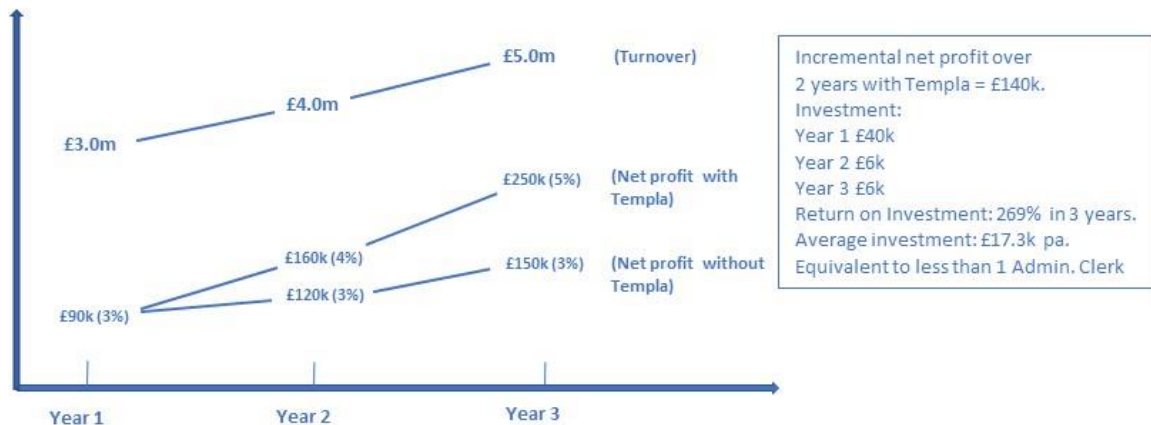


TEMPLACMS

Fully integrated management software for cleaning contractors

5. RETURN ON INVESTMENT

Each contractor we meet wants to differentiate their service offer from their competitors, but when it comes to financial control, they all crave the same thing, whatever the size of their business. They want to be able to trust their administration and financial control, releasing the owners and senior management to press on confidently with contract innovation and profitable sales growth. The return on investment is provided by controlling overhead whilst revenues grow, as shown in the example below.



In the following ‘before and after’ quotes from Templa clients, whilst we cannot divulge the actual monetary value of benefits gained, the financial advantages and payback of an integrated management system are clear.

Nviro, Portsmouth – Wanted to reduce payroll admin



Before:

We were experiencing a growing volume of manual timesheets for processing during a fortnightly payroll cycle. Admin hours were growing to meet demand. The timesheet process required manual paperwork distribution to service managers in the field, after which each manager would write adjustments on their printed timesheets, including new contract starts or variations. At the end of the payroll period managers posted them back to payroll to be re-keyed into our old system.

After:

The TemplaCMS Pay module gives us real-time timesheets. It removes the need for paperwork and the overhead associated with a manual process. At the start of the payroll cycle timesheets are assigned automatically to service managers from their contract records. Managers access them centrally or remotely for update, controlled by system security. Site timesheets are then adjusted for employee’s contracted, periodic or one-off hours in real-time, under full budgetary control. New, amended or terminated contracts automatically updated to timesheets.

Financial benefit:

“In the first twelve months we recouped our total investment in the software purely with the improvements we had made to the payroll process.”



TEMPLACMS

Fully integrated management software for cleaning contractors

Regular Cleaning Services, London – High volume of specialist work and consumables sales



Before:

For us the problem was not so much lack of financial control as the high cost of delivering it. With so much turnover going through work bills and consumables sales in particular, we had no option but to implement a raft of manual checking procedures. Just when the company was targeting rapid sales growth, the directors could only foresee overheads rising in tandem with sales, rather than proportionately reducing.

After:

Three years later we are enjoying the strong financial control that comes with automated processes, built-in authorisation procedures and real time reporting. We have been able to control our central overhead during a period of 24% revenue growth.

Most importantly we are using the software to aid client retention by empowering field managers and by promoting transparency in their client relationships through the sharing of key contract data. Over the three years, we have worked with Templa to develop the software's functionality, providing us with a tool that is without comparison in the contract cleaning market.

Financial Benefit:

TemplaCMS has enabled us to grow the business significantly whilst actually reducing central overhead.

DOC Cleaning, Bishops Stortford – Problems budgeting NIC contributions



Before:

In today's ultra-competitive cleaning market, tenders are won and lost on the smallest of margins. Exceeding a rival on price by as little as 0.5% – which can easily happen by over estimating NIC – was enough for us to lose a bid. However, we felt we were undercharging clients because we had not correctly budgeted the NIC figure in the first place.

After:

Detailed analysis of this specific overhead using TemplaCMS showed that we were not recouping the full cost of ERS NIC when submitting tenders, resulting in us overspending our Employers NIC budget by more than 50% over a twelve-month period.

Financial benefit:

Obviously, we now factor in the accurate figures to our costings and so the challenge has become about finding efficiencies in other areas to ensure we stay competitive. All of which makes it important to be accurate in costing this element of the tender.



TEMPLACMS

Fully integrated management software for cleaning contractors

Fluid Options UK, New Malden - Wanted more flexibility and control



Before:

With our previous software we felt that in many areas vital to our business the software did not provide sufficient control. So much of our work is carried out on a mini-project basis that budgeting and analysis is of critical importance to us. Yet reporting was totally inflexible and restricted to a few off-the-shelf options.

In addition, payroll was slow and quality audit score sheets all looked the same even though the different buildings we clean meant we needed to be scoring totally different things in each one.

After:

Fluid has seen major improvement in three key areas.

With payroll, managers now benefit from being able to access their timesheets online and in real time. Everything is so much quicker and more efficient. we know exactly where we stand against budget before we press the button.

For quality auditing, we now design audit sheets bespoke to the type of building being cleaned. The managers receive their schedule of audits electronically at the start of the month and perform the audits on their iPads. Our clients love the way we can attach photos to demonstrate particular issues.

With Templa's Advanced Workbills module we can generate a profit and loss account for each one-off specialist job.

Financial benefit:

We have invested in software for financial reward. During a period when the business is seeing rapid revenue growth, the company is managing to keep overheads in check and, at the same time, take client relationships to a new level.

Chamberlaine Cleaning Services, London – Had outgrown their legacy systems



Before:

In common with many contractors our size, we had reached a stage where the combination of legacy systems - running everything from pay and purchasing to quality auditing and accounts - was resulting in poor visibility of financial and operational performance at anything beneath whole company level. We needed more control.

After:

We are now able to run the numbers over regions, areas or individual client contracts without downloading data from different systems into a single spreadsheet – what used to be a highly manual and time-consuming task. Whereas before the problem was that the various systems didn't talk to each other, now everything is linked and updated automatically.

Financial benefit:

With the TemplaCMS central contract database and its integrated business processes and straightforward analysis facility, it means that the day-to-day information managers need in order to run the business is all to hand. Critical budgets like payroll are easier to control and even something as simple as stores ordering is more effectively managed, because the permitted products and monthly budgets for each site are all pre-loaded onto the system.



TEMPLACMS

Fully integrated management software for cleaning contractors

Minster Cleaning Services, Birmingham – supporting a national franchise network of 40 trading companies



Before:

Our branches have relied on a combination of spreadsheets and paper-based scheduling to manage their staff, calculate gross pay and run their payroll.

After:

With TemplaCMS, they will now have access to sophisticated rostering software, as well as online, real-time timesheet completion and consolidated payslips for staff working across multi locations and at different pay rates.

Financial benefit:

It's a big change for them, but they are about to notice a welcome reduction in payroll errors and benefit from much tighter control over their labour budgets. By also using the TemplaCMS Billing and Stores Control modules from day one, they will be able to produce invoices in the format that clients prefer and with one consolidated invoice for the different services they provide.



TEMPLACMS

Fully integrated management software for cleaning contractors

6. WHAT ARE THE KEY STEPS IN SWITCHING SOFTWARE?

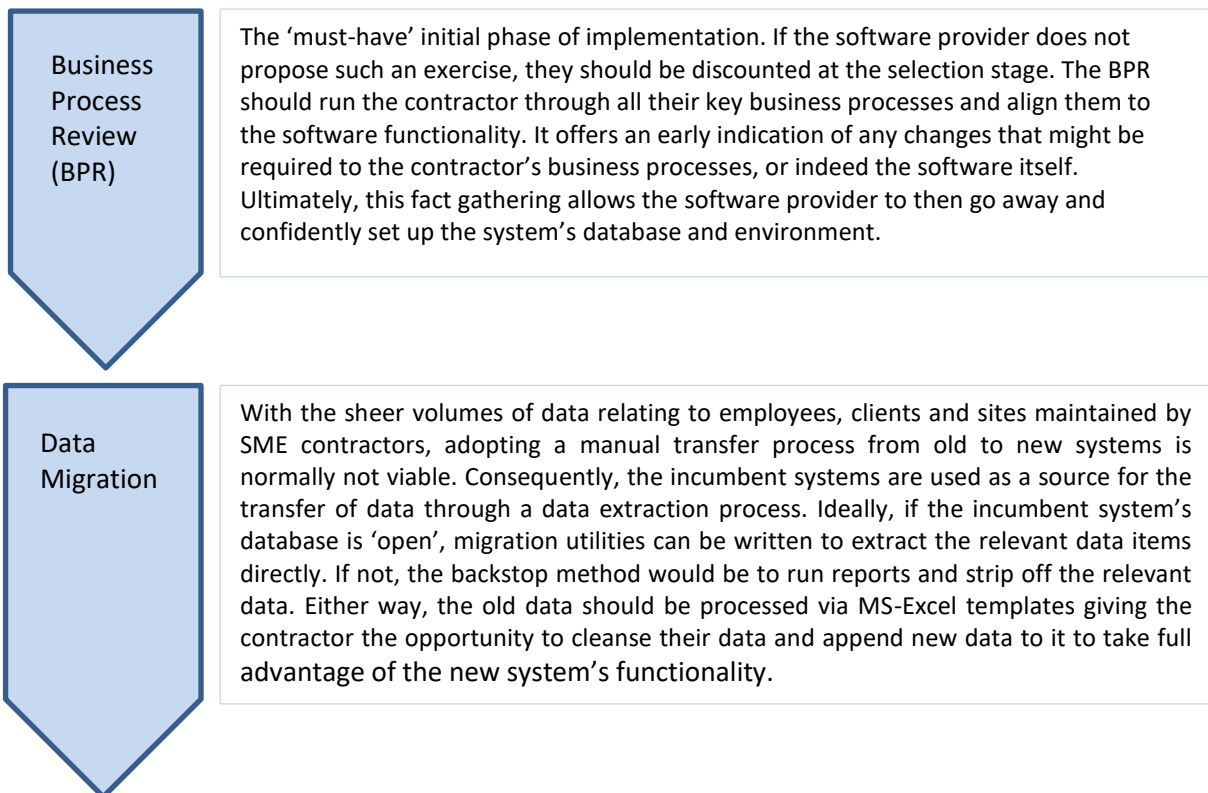
Software Selection

Ideally, the process of selecting a software system to support your business should be the same as when a potential new client issues a tender or 'request for proposal' for a cleaning/FM service. In other words, a clear list of service requirements and a prescribed way of laying out the proposal and pricing in the bid documentation. This offers the client the ability to clearly measure prospective contractors' offerings against each other.

However, when it comes to evaluating the different options for investing in business management software, the majority of contractors we've met do not follow a structured process. The risk of not having clear selection criteria is that the decision is based on one or two short presentations, perhaps a client reference, and then only during the contract phase do service gaps or implementation issues emerge, with the potential to derail the relationship and the contractor's confidence in the software going forward.

By comparison, spending time and thought on a formal software selection process will reap significant dividends for the contractor and save time and money downstream.

The key stages to look for in a proposal from a software supplier offering a full business management software system are as follows:





TEMPLACMS

Fully integrated management software for cleaning contractors

Training

As part of the BPR, the phasing of the project and therefore an implementation schedule will have been agreed, dovetailing into the contractor's key processes; payroll and billing. This then allows for a training plan to be designed to meet the various milestones of user interaction with the software.

We are sometimes surprised at how some contractors do not take back office staff training seriously, yet with operations it is the bedrock of their service delivery. Training should not only take place at the outset, but also when new staff arrive or new functionality is delivered.

Parallel Run and Go-live

Any IT expert will tell you that migrating to new financial and payroll systems requires the undertaking of a parallel run in the key areas of the business, i.e. the pay and billing runs.

This can be a considerable overhead for the contractor's admin staff, as they have to process their incumbent system as normal, then replicate the same with the new system. However, it will provide all project stakeholders with the confidence that the new system delivers as promised, and conforms to any statutory obligations, e.g. the payroll tax and national insurance calculations are consistent.

Once a parallel run has been signed off, the process is effectively now live, offering a fairly seamless transition from old to new at that stage, albeit a lot of hard work during the data migration, training and parallel run stages has taken place.



TEMPLACMS

Fully integrated management software for cleaning contractors

7. WHAT MAKES SOFTWARE CHANGE A SUCCESS?

Ensure top level commitment

The key driver for change has to come from the top, so we would expect the contractor owner and/or senior directors to be sponsoring the entire project. Whilst in some instances the solution may not directly impact the roles and responsibilities of certain directors, they must acknowledge the fact that it will benefit the business as a whole and therefore positively impact their area. One board member should be nominated as the sponsor, through whom the project is communicated.

Appoint a project manager

On a day-to-day basis, you will need a project manager who is responsible for delivering implementation of the software solution, and who will therefore become the 'owner' of the software in the business or 'guru'. Project management is not a full-time job, but experience has shown that it is best retained within the business. This person will build a significant investment in software knowledge during the implementation, so would then naturally be the ideal nominee to become the systems administrator and central point of contact going forward. They will be the conduit through which communication takes place to the software provider for post go-live support, as well as for software change, new business requirements and so on. Some contractors have split this role across two persons: one with admin/finance focus and the other with operations.

Your project manager, in conjunction with the software provider's own sponsor and project management personnel, will form the team that significantly influences the successful outcome of the project.

Planning

Planning the implementation is vital, as the multi-faceted nature of the business means there are many departments and processes that could be affected. Normally, payroll will be phase one as this is the key process with any contractor. This would be shortly followed by client billing and accounts, which run alongside purchasing, the ad-hoc billing of one-off work and the recharging of consumables. Either separately or in parallel, other operational areas can be implemented, such as quality auditing, the integrated mobile app that lets field managers carry out some admin tasks, or the customer service help desk.

Focus on early payback

Implementation should also consider where the quickest payback to the business can be achieved. This should be determined during the Business Process Review and fed into the planning stage.

Set targets

At the outset, the directors should set targets that the project must achieve; not just in terms of the timescale for rollout, but in areas such as the speed of payroll processing at pay period end, or the promptness with which client invoices are sent out. Within a few months of going live, analytics can



TEMPLACMS

Fully integrated management software for cleaning contractors

then be undertaken on site profitability, or one-off work and information is now readily available to apply meaningful business targets going forward at different levels within the company. For example, equipped with an immediate reporting capability, the directors might now offer commission to operations managers on incremental monthly revenue.

8. WHEN IS THE RIGHT TIME TO INVEST?

Lay the foundation for increased revenue

Experience shows that many contractors make the decision to upgrade software during rapid growth of the business, or when they are planning for that growth. Under normal circumstances, winning new contracts results directly in an increased workload placed on the existing admin team, often resulting in the need to recruit. In contrast, with an integrated solution that delivers the benefits discussed above, growth in sales does not necessarily require a corresponding increase in back office staff.

See the investment in context

The investment required in a new company-wide software system can appear daunting when viewed in isolation and against the backdrop of pressurised cash flow due to new contract awards, or staff busy with mobilisation activity.

However, when it comes to making a change that will contribute to the long-term success of the business, a serious commitment is called for. An integrated management system will provide a solid foundation from which to grow, and underpin the financial control and therefore strength of the business for many years to come. It is a brave decision by the contractor/owner to make the move, but one that they should not need to make again for a long time.

Long term partnership

History has shown that an excellent partnership evolves between the contractor and the software provider, especially when enhanced by the close community spirit that exists between contractors in this specialised contractor marketplace. Taken together, these benefits will continuously add value to the owner's original decision.

If you are a contractor and growing, running multiple unconnected systems, then invest now and build for the future.

Rick Stoor
Managing Director
Templa
www.templacms.co.uk

To see a simple explanation of how TemplaCMS works, have a look at our video.
www.templacms.co.uk