



Customer Case Study: SelectBuild

VALUE CREATED

Increased Superintendent Productivity
Streamlines review and approval process by 92%

Improved Payroll Productivity
Eliminates manual data entry of timecards and reduces payroll processing time by 62%

Increased Accuracy of Timecards
By selecting Employees & Job data from goLabor, accurate timecards increased 28%

Enhanced Visibility – Job Labor
Greatly improved budget accuracy & project management due to daily labor cost information

Business trends and volume change, but ROI never goes out of style

In any business and with any market climate, a five-month return on a technology investment is a good one. SelectBuild, a division of BMHC, has recently gained that return with Equential’s goLabor product and seeks to spread those results further across the business.

SelectBuild provides turnkey construction services to high-volume production homebuilders, including concrete, plumbing, framing, HVAC, stucco and other services.

Leveraging laptops, SelectBuild now electronically captures labor, job and payroll information in the field and subsequently can generate daily reports on job cost and production, all with significantly improved accuracy and good business return.

How much benefit from seemingly simple field-tool automation?

Plenty, according to SelectBuild’s Kari Lopez, business systems program director. “During the discovery part of our pilot phase, we learned how much time it took at every level to handle daily and weekly activities associated with collecting data in the field on labor and jobs.”

“We’ve been collecting field data the way most companies in our industry do,” said Lopez. “But, we’re always looking for ways to improve.”

“After learning the field challenges around this manual process, we worked with Equential on the best solution and a field pilot as a proving ground,” she said. “When we evaluated our results, we were able to deliver a five-month return on investment – a very good value.”

How does goLabor help?

GoLabor allows companies to put data from their ERP system directly into field users’ hands. Traditionally, a foreman recorded time on a blank, paper form. Today, he or she electronically accesses a list of their employees, along with relevant job codes and materials.

It’s as if the foreman walked into the main company office each morning, went into a room called ERP and took several very large reference books off the ERP bookshelf. He then attached them to his clipboard and went to the job site for the day.

Except, the foreman never goes to the office. The up-to-date information he needs from the ERP system is available via whatever mobile device the company provides. And, the information he records against that data doesn’t have to be physically returned to the office. He sends it in by electronically synchronizing it.



“Fully using some of these evolving mobile technologies brings us dramatic improvements quickly. It’s one reason we are so interested in rolling out Equential’s goLabor at more SelectBuild locations,” added Lopez.

Within several weeks of implementation, SelectBuild’s accuracy of employee time data and the associated job and cost codes increased by 15 percent. During peak construction cycles, the increase in accuracy has represented a savings of up to 290 hours per week in one location.

The Before and After Picture

Prior to using goLabor, SelectBuild’s foreman collected time and job information on paper in the field, handed that information to a supervisor for review who then handed it to someone else to key into their ERP system. The potential for missing information, transposed job

code numbers or missed translations back in the office was great.

Now, with goLabor, time is entered directly from the field into tablet laptop PCs. Drop down selections provide more tailored information to field users and drive more accurate information. Employee, hours, and job cost information is then ready for next level review, approval and importing into their ERP.



Payroll staff and managers no longer have to spend hours deciphering handwritten labor sheets, manually keying in labor information, and validating correct entry of data to produce payroll checks. And, SelectBuild achieved increased job cost accuracy by capturing actual labor versus estimates by lot.

Field supervisors spend substantially less time collecting, reviewing, coding, and approving employee time and labor budgets—enabling them to focus their energy, attention and experience in managing construction delivery and quality for customers.

One SelectBuild supervisor commented that goLabor reduces workload by 50 percent through automating manual processes of reviewing, approving and entering labor and job information into their ERP system. In addition, job codes are always accurate.

Another supervisor likes that goLabor "automatically calculates time, saving hours each week."

One unexpected benefit for one location involves incorporating an electronic signature capture process. These supervisors now ensure communication of that weekly paycheck happens up front with an electronic signature in the field gaining the agreement of the worker that the time is accurate. This signature acceptance saves time on the back end with questions and possible payroll changes.

Another location realized an increase in payroll accuracy because the new automated process allowed them to

collect and estimate timecards on Friday afternoon instead of Thursday morning by 11 a.m. This team believes they are much more accurately estimating the work completed now.

What is Next?

"All over our business, we are looking for ways to slim SG&A costs and increase our efficiency," said Lopez. "If someone doesn't see time as the biggest priority, then we can talk in terms of streamlining SG&A costs. If we can show one trade saves three hours per week, what does that look like for seven trades and multiple locations?"

"Now that we've shared our initial results, interest is building across the company," added Lopez. "I foresee as many as 500 goLabor users in the future, all reaping time savings and sharing more accurate information."

ABOUT SELECTBUILD

SelectBuild's mission is to build the highest quality projects in the most efficient way. By integrating select trades and supply chain activities, construction efficiency and product quality are optimized. Delivering single family, multi-family, and light commercial, SelectBuild provides a single point of contact for its clients and excels in operational efficiency, quality control, risk management and customer service.

Servicing 19 of the top 25 largest home-builders in the United States, SelectBuild seeks to make its customers successful by delivering the highest quality product, shortest construction cycle time, lowest risk and most competitive price for its comprehensive services.

A wholly owned subsidiary of Building Materials Holding Corporation (NYSE: BLG), SelectBuild currently employs more than 10,000 people in the Pacific, Southwest, Southeast, Mid-Atlantic, and Chicago areas engaged in the construction of more than 50,000 residential and commercial units per year.

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