

How Effective CAD Standards Deliver Profits

by Barrie Mathews

For the businessman, what do Cad Standards have to do with increasing revenues, decreasing costs, maximizing the return on company assets, and creating working capital? The answer is that it actually has a lot to do with it. Like a transportation service needs scheduled routes, a taxi service a dispatcher, and vehicles need directing, designers deliver drawings. Drawings are a large part of the product on which the business will be valued and without them, no operations. If you are the business manager you'll be looking for continuing improvement to current operations that will increase profits to maintain and finance growth of the business. I will give you some comprehension on what you can expect to achieve from implementing an effective cad standards development process.

Increasing Revenues

With effective cad standards you will be able to design and implement automated processes tailored as needed for your daily operation. This will include the best mix of predefined setups that will enable anyone to send the desired, properly scaled, output to your printer. You will also more easily develop built-in processes employing fail-safe tools to perform regular drawing functions.

You can out-perform most of your competitors delivering greater perfection that is instant, accurate, and always reliable. Your focus on design can be less fettered by cad functions, and new horizons will be opened. More business will be conducted with the same staff. With a structured management system in place, you will be able to modify your system to apply new technology and capitalize on the collective experience of your staff in finding even better ways to utilize your software. Being able to focus on improvement produces measurable increases in production, sustained by established infrastructure that will grow.

Decreasing Expenses

Here's a few of the things that cost you money:

- People staring intently at their computer screens for hours on end with not enough to show for it
- Piles of check prints with only minor advances in the work
- Communicating minor drawing work to techs that could be performed by the lead designer with equal quality
- Re-work due to mis-communication on a marked up print or sketch
- Stress and overtime
- Delays due to time over-runs, missed deadlines, and scheduling foul-ups

With effective cad standards development you will establish standard procedures, everyone can be kept in the know, cad work can be simplified, errors reduced, deployment of staff made more flexible, and schedules will be met. It will save you time and money that is measurable by your average cost per sheet. The savings can be applied exponentially to provide even greater efficiencies, profits, and further growth.

Getting Higher Returns on Software and Human Assets

There is always room for improvement in any undertaking, but it is almost impossible to sustain any improvement, and certainly not measure, a process that is fluid. The particulars of your process must be developed in writing before you can be sure that it is logical and fully understood. You cannot improve a moving target. Decisions on incremental revisions have to be viewed with affect upon the whole. You must test the logic before you officially revise the process.

A process is the bringing together of all of your resources and human talent to work as a team. The process will affect how people do their every day work, and so input on how to meet your objectives must be sought from all of the participants. What you are doing is institutionalizing staff ingenuity and talent ongoing, to the benefit of the entire organization. Good team work produces the highest returns by arousing higher interest and good rapport. You will also gather up and assemble a pool of standard drawings to power your operation by way of copy and re-use. You must document all of the initial procedures and then improve them within the whole. Consistency, integration, and increased performance evolves by trial and revision. The process becomes a capital asset.

Creating Working Capital - Improving Your Cash Position

What is the age of your accounts receivable? Here's a useful yardstick that will measure your company's performance by determining the number of days you are carrying your accounts receivable.

No. of Days = $\frac{\text{The average amount of your accounts receivable for the previous 12 months}}{\text{Your average billings per day over the previous 12 months}}$

If you are carrying \$200,000 and your average billings per day are \$4000, then the age of your accounts receivable is 50 days. When you are able to shorten this by 10 days on a regular basis, you free up \$40,000 of working capital that can be re-invested in processes to improve your performance even more. For an example, re-work that is non-billable or delays reaching milestones for progress payments require more working capital. Effective cad standards development improves your reliability in meeting schedules, reduces non-billable time, and increases your working capital.

Getting it Going

Using outside resources to help you through the decision making process will make the job easy. By classifying procedures, applying the right naming conventions, breaking things into manageable components, documenting, and revising, you will develop a workable management program. Then you must review and upgrade the system on 6 month intervals. The best person to head up your cad standards development process is a person with good people skills who can nurture your personnel in the direction that will provide the greatest benefit overall.

I hope this has improved your understanding on what you can expect to achieve from implementing an effective cad standards development process. If you have any questions on this topic or would like more information on developing the best process for your company, you are welcome to email me at barrie.mathews@softcosys.com or call me toll free at 1.888.811.9994. (N.America).

For information on S-Man cad standards development systems for cad managers, [Click Here](#).

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