

Mike Merrill:

this is Mike Merrill. I am the host of the Mobile Workforce Podcast. And today we have an awesome conversation with Mr. Jim Welsh. Jim is a regional sales representative for payroll for construction. And Jim and I had a really nice conversation talking about what companies can do to get more prepared as they ramp up for the busy season that's coming. Now I know a lot of construction companies out there have a lot of backlog.

They're trying to get things in place, improve their systems, kind of sharpen the tool, so to speak. Jim gives some really good thoughts and ideas on how you can do that to be ready for that payroll and for those busy times a year that you're actually ramping up. So give this one a listen. I think you'll really enjoy it.

Well, welcome, Jim. Great to have you on the call today. Looking forward to the conversation.

Jim Welsh:

Thanks Mike for having me on the show today.

Mike Merrill:

You bet. So I wanted to just start off right off the bat here. We're ramping up. Spring is almost here. Busy season for construction is coming. Companies are ramping up. What are some of the most important things that you think contractors can do to really prepare for the busy season?

Jim Welsh:

So there's a lot, obviously there's many different, you know, sides to construction, especially, you know, I focus here on the payroll aspect of it. But so I'll keep my responses to that today is, is, is I, we specialize here at Payroll for Construction in payroll and ramping up for that. Obviously, you know, you talk to the maintenance guys and stuff, getting machinery ready

to go again, there's a lot of stuff involved. But when it comes to payroll, look, I mean, this is a very up and down from an employee count industry.

And I mean, for a lot, it is, you know, seasonal, you know, weather related, you know, you guys out there in Utah, us here in, in Ohio, that weather impacts us. Whereas, you know, you get into, you know, your, your sunny Florida as your California, maybe not so much there, but no matter where you're at, really, again, this is, these are things that it's just the ramp up comes and goes. And if you're stuck there doing payroll, you're kind of, you know, You're kind of a parent with teenagers out there where you're waiting for the call and you just get told things last minute. Where it's one of those things that you have to brace for that. So things I tell people to look at doing is just, you know, this is the time of year where you've just got through year end, you know, taxes, W -2s, all that stuff where you get a very short window to really analyze your payroll and look and look back at some of the painful points of the previous year, you know. You're reporting, you know.

What system are you using? I'm sure we'll get into talking technology, especially in this industry as we watch it grow. So having the right technology in place for sure, meaning whether that's a payroll service like us or if that is a construction specific accounting system. So as you get more employees, of course there's more time card standard. You guys know all about that stuff. So mobile technology, being able to say, hey, you know, We need to put something in the field hands that allows that time to flow into the office, you know, in a more timely fashion. So I would just have to say technology, you know, the processes and procedures are going to differ per company. You know, you got multi -state payroll, you know, how that flows and works is going to be a little bit different than obviously somebody who's maybe working in a smaller area. So, you know, again, there's going to be these variables of owners out there bidding jobs or you know, his estimators, getting jobs awarded. You never know.

In a perfect world, you have the same amount of jobs and employees, but that's just not how life is, especially not in this industry, where you're going to have those slow times where, you know, hey, getting payroll done is pretty simplistic. I'm doing it for a handful of people, but as that ramps up, I deal with contractors that can go from 10 to 15 employees in those winter months, and you kind of get used to that to ramping up to 50 to 100, 200 employees in the summer. Again, a lot of times that could be because of the weather and seasons. Other times, just the volume of work in the jobs you're getting awarded.

Mike Merrill:

Yeah, and I think most companies feel like when it's, excuse me, clear my throat. All right, we'll cut back into that. I think most companies will say that when they're when they're busy, their hair is on fire, they're running around like they feel like they're herding cats. It's a bad time to implement new systems. So is that accurate in your opinion or what what systems are critical anytime you can get them in place?

Jim Welsh:

100%. So I always say when you're choosing new reporting software, time capture, payroll software, you know, it's like they say with having kids or buying your first house, there's never a perfect time. You know what I mean? It's one of those things where it's like, well, hey, we need this right now, but I just don't have time to do it. You know, so that that goes to your point of, yeah, hey, listen, in the summer months, a mobile app, a powerful payroll reporting software or service to automate that back end reporting, that is the time you need it. More employees, more reporting, more time cards, all that. It's the hardest time to do it. So I always tell people, look, it's gotta be not just about the right fit, but about the right timing as well, because like right now, this is some of our, this is our busiest time of year. And you think about it, and a lot of people wanna go live January 1st. And I do deal with a lot of people towards the end of the year. Hey, that's the perfect time.

And it is. It is a nice time. The year restarts. It's, you know, easy for billing, for annual tracking of this stuff. So that stuff is good. But I also tell people, hey, if you're that contractor that towards, you know, the end of

October, you guys are still going at it, you know, pretty hard, meaning whatever the weather by you, the jobs just haven't stopped, the work still coming in. Maybe it's not the time to do it for January 1st. And that's where we do get a lot of these folks that are super successful this time of the year because they do catch, albeit maybe a very short period, a few weeks to a month, but they catch a bit of that breathing room where they get through the year end, they've got W -2s out, they can really analyze their current procedures and look for a product that could help them. And most importantly, not that just can help them, but they can implement it, that is key.

Mike Merrill:

Yeah, I think the other thing that's really common is companies will come to us and historically have done so and say, hey, we're looking at doing this next year. Well, then next year becomes the following year, becomes the following year. Pretty soon it's been five or six years of next years and they never got around to it. And so the common feedback we hear later is, man, we should have done this a long time ago. And so it tells me that there's never a bad time to improve a process or to replace a manual or a dated system. But you also have to take into account that when you do get busy and you've got a lot of backlog and you just don't ever feel like you have any time for anything, you really just have to take a time out and just solve the problem or at least start taking those steps as soon as it's on your mind and you recognize there's a need.

Jim Welsh:

100 % and that's what I tell people too. Meaning, I always say, you know, there's a right time, but it's not just going to magically appear. You got to kind of make that tough decision to say, hey, whether it's, hey, we're in busy season and we're just going to do this because we need it that bad, you know, be a little bit more painful. But again, it's all for the greater good. Meaning any of these products you put in place, you got to keep in mind that there's going to be that...

Little bit of a painful point there where it's, hey, I got to get this up and running. But once you do, it's again to streamline your time reporting, your payroll processes, all of those things where now moving forward, you can start looking at other areas in the business. You know,

payroll, that time collection, it bogs down a ton of the business. And it's you get to the point of do I hire more bodies or?

Do we look for more modern software and technology ways to do this? And people are just finding it's much more efficient and much, you know, from, from both from cost and from a, a just receiving real time data to invest into these, these, these mobiles, payroll services and reporting softwares that were designed for again, not just anybody, you know, you don't want that. Well, we have some construction clients or, or no, we got a construction client. No, no all construction that are so focused in on what you do and as your industry changes, they're changing with you. Those are the key things because a product that works for you today but isn't going to keep up with the future of what you're doing in your business is doing tomorrow. It's just you're going to have to make that change again.

Mike Merrill:

That's a great point. Also, you coming from the payroll side of things, especially for construction, there are certainly cases where we have companies come to us frantically and say, we just got this huge audit. We're getting fined. There are investigations because of compliance issues and not just the state of California, although there's there's a lot that happened there. What what do you tell companies? About getting those things in alignment as soon as possible. So it's not like trying to buy insurance after the accident, right?

Jim Welsh:

Yeah, yeah, and that is the tough part. And Mike, to be honest, a lot of times I'm getting him in that situation too. You know, where it's, didn't think we needed it, thought we had everything in place. So there are certain things that people do ask me and as their payroll service, I say, hey, listen, I'm not a California law person. Meaning we can set it up, we can track it, make sure it's right, keep you compliant. Your system can do a lot. Your mobile app does a lot of that. That's why we work together so well. We, you know, we're family now. So it's one of those things where,

There are certain times that I have no problem as a salesperson saying, hey listen, you're gonna wanna speak with this person on this. But it does happen

where it's like, I hear all the time, next year we're gonna go after more of this type of work that comes with some of this red tape and compliance. And that's where it's like, it's the people that are getting out in front of it and say, Jim, I don't know how much. The owner told me we're gonna go after more of this or I am the owner of this business and I am gonna bid more of these jobs.

I don't know how many of them I'll get, but I just want to be ready. Those are the people we never have to have that tough conversation with where I'm sitting there talking to them explaining, well, hey, I know you just got nailed for this huge fine and you guys are out this, but hey, if you were with us, that wouldn't happen because look at this. You know, again, I'd rather help them before that happens, just like you, you know what I mean? I'd rather be there before, but for those folks, you know, I just tell them, hey, this is something that...

Once you have in place, it can't hurt you. Mobile app, always just going to save you time. Construction specific service, whether I need all these reports or that, it's not going to hurt you. These are all. And I even say apparel services kind of it's an insurance policy as well. You're making sure that we're all humans. You know, you could have your payroll person who's done it for 20 or 30 years and. They're not going to intentionally take money from you or miss a federal tax deposit or something along those lines, you know.

Same as, hey, I'm hand keying in time. I have a bunch of union employees. Whoops, I forgot to enter time for Bob today. You may not have done it intentionally, but the ramifications, the things that come afterwards from unions, from government, state agencies, it's, hey, you gotta pay us. We know it was a mistake, it's unfortunate, but these are things that we tell people, hey, there are things out there nowadays to help with those types of things in those construction solutions.

Mike Merrill:

So what are some of the things that you run into commonly that seem to be drivers for companies to say, okay, uncle, I'm gonna solve this now. What are those triggers that seem to push them in your direction?

Jim Welsh:

Sure. A lot of it is, again, some of those bad things that happen. Sometimes it is, hey, just too much on my plate. You know what I mean? That payroll person, as that company starts to grow, well, hey, I started, I was the payroll person. I was doing payroll. I could do some billing. We went from 10 employees to 20 employees. For a lot of people, they're like, well, that's not that big of a company. You have doubled. You have doubled. To think that that person can then...

Continued it now again as owners and people it's like hey I wish I still paid the same price from you know same thing for a gallon of milk today as I did that many years ago you know 10 -15 years ago just doesn't happen this stuff evolves grows things go up so To think that that person you know I always make the joke well hey do you pay that person double what you paid them last year when they were doing ten employees? Well, no, okay, I get it. I understand that but The workload goes up and those things need to go up so what I see people is workload just going way too much. We get to that point of owner, hey, I gotta make, we either gotta get another body in here or we gotta figure something out. So usually, and you know this too Mike, these are usually all reactionary things. It's when it happens, you know what I mean? It's when your payroll person has 50 time cards on their desk and is ready to walk out because there's just too much on their plate that finally, they talk to owner or owner says, hey, I'm doing this myself. I got to be out in the field more, watching jobs more. We got to get some automation here. But fact is, and that's just who we are as humans, just a lot of reactionary. You know what I mean? None of us are out there always working out a ton when we're in our teens and we're all, you know, two kicks, but it's like, hey, we all get older and you know, gravity, life changes where it's like, hey, I probably, you know, I went to the doc, doc said, hey, you need to start running, working out, doing something.

So, it's I always tell people that are in those situations like glad you at least came and and now you want to take a look at some of this stuff. So it's just too much work. Just they want a life or again. It's that insurance blanket of hey the employee is responsible for entering their time and getting it to me. There's some accountability there. The payroll company no matter what if my payroll person goes on vacation is out sick

up and leaves for whatever reason I have that covered with this technology.

Mike Merrill:

Nice. So what are some other things that you really tell companies they should pay specific attention to when looking to solve this challenge for payroll for construction specifically? Like to move up from a QuickBooks or some other non -construction -esque type system to what your team offers?

Jim Welsh:

Sure, so it lines up with you guys as well a bit here. So look, I always say construction. I'm a construction company. We do get calls, hey, Jim, I found you online, or Jim, I'm looking at outsource payroll. Tell me what's going on, meaning there's more to it. So if somebody comes and says, well, I just need you to pay my employees in taxes. OK. You don't have any multi-state. You don't have any certified payroll. You don't have any complex unions. You don't need job costing.

That's different. That's not us. Meaning, I would happily refer them to, hey, give this company or that company a call. They line up for you, even though, you know, I would tell other construction companies, hey, here's why you want to go with us. It is those more complex things. Multi -state, union, government, prevailing wage. And the same goes for you guys. If somebody picked up the phone and said, I don't care about tracking them by job or if they're really there or that. I just...

Well, that doesn't line up. You know what I mean? It's like, so it's more we're finding the most complex payroll out there. The people that have to follow these rules and the compliance. And again, it starts cutting out of profitability for for ownership. Because if you're not actually, you know, all these reports, all this red tape, California, you know, hey, union breaks and the tracking of that stuff. If you don't have things in place for that or doing that manually, it.

It puts you at a disadvantage as a company because these other companies, again, they're running a tighter ship and they have these processes automated. So I just see people come to us when it's like, hey, help, what's wrong with payroll? And the reality is, the funny

thing is, Mike, I also still take a couple of calls a week where I get on the phone with me and I say, what's going on with payroll? Okay, we use Workmax to collect the data. Okay, that's a check. You know, you're, so far.

You're ahead of most other people out there. We use foundation. We use a construction specific accounting system. Okay. You're getting those reports you need and we use it. Sometimes it's not even my product or sometimes they are. And it's just like, what's going on? Well, employees entered it wrong or did this or that. And I'm just like, guys, I always make the joke. You're not going to like my answer here, but the reality is if you want to get away from some of the mess that you're dealing with as a payroll person here get out of construction. If that's not the answer, meaning, hey, if you're the owner of that business, shut it down, open something else up. Hey, if you're the, I can't do that, Jim, it's my husband or wife who owns the company, so I'm not going anywhere. Well, blame them, you know, but there is a, there are elements to this that you can't clean up. It's the only type of payroll where you're tracking different locations, could be different states, different unions, different schedule of rates or collective bargaining agreements. A different state for income tax. This isn't like us. We report to an office every day, you know, whether I'm on a phone call or I'm writing an email or doing this, I'm being paid this amount. There are just so many moving pieces. But in short, to the people out there that think there's no better way to do this other than, you your quick books or your generic time capture system, there is. It's just, you know, you gotta look and the problem I think that we face is there's just, I call it the double edged sword, meaning, hey, when somebody's coming from one of my competitors, the good news is, is when I show what we have to offer, it clicks quickly. If they line up and they're a fit, which they don't get to our calendars usually, if they're not, if they are a fit, it is clear as day. However, the other side of that is, is that they've been burned by so many other people that.

And these are the big name people, the household names that are like, hey, this company can't do it. How could this? So it is one of those things where there are a lot of people that have tried to use a mobile app. There are a lot of people that have tried to outsource payroll and they've had a bad experience. So what I tell people is, hey, listen, just because you know, you got scorned one time doesn't mean everybody, but

it means next time around, do your homework more. Meaning, yeah, get in there, ask, ask for references. You know what I mean? Not just again. Well,

If I pass you three references that are construction companies, but you're a heavy union construction company in California, and these are all three non-union companies, great. They may love our product, but it doesn't apply to you. So you want to make sure that these people you're speaking with, you know, do what you do.

Mike Merrill:

So tell me this, what are some of the feedback items that you hear once a company's come to the sunny side of the things that you're offering that are unique or specific to the P4C solution? What are those comments made about? What situations are they pleasantly surprised or do they feel like, wow, I'm really glad that you've solved this for me now because it was a real headache before.

Jim Welsh:

Sure, I mean time savings. Meaning that's the, you know, the generic overview. But basically it is cutting down on mistakes. Meaning you have technology that can control things by job. Probably the biggest thing that I see services struggle with goes back to again. You hire Jim Welsh today. Jim Welsh, what city and state do you live in? Jim Welsh, we've agreed to pay you this much money. That's it. They control this stuff by the employee's record. Whereas, no, depending on where you're working, what you're doing, I mean, I'm not even touching workers' compensation yet. I mean, shoot, you're a construction company and you guys are roofers? Well, your workers' comp rate, I'm sure, is a lot different when they're down in the ground driving or they're up. And depending on how high up that roof, what the pitch is, there are so many variables here. Where, and it's just...

When people are like, wow, that's awesome. You can control that by job and do this and do that. It all boils down to, hey guys, this was originally built like you guys. This was originally built and intended for this purpose from day one, not taken and said, well, hey, we could spin this down this avenue and we could

technically make this work for industry X. That's what it boils down to, but it's certified payroll.

My clients in California love the fact that, hey, they use your app. It controls all those rules. OT, correct breaks, keeping them compliant, their data sinking into our system. And then it doesn't matter to them whether they're running 20 employees or 50. We're paying them. We're getting them their checks. There's no extra paper printing, distributing. I mean, shoot, most of these folks can see this stuff online nowadays. And then their reports, our clients.

When I hear people say, oh my gosh, we can do 10 to 20 % prevailing wage. And man, when we do that, when we get up to that 20%, we're feeling it, at least in the office with us, I tell them, it wouldn't matter if one of your jobs or 100 of your jobs were prevailing wage or you worked across one union or a hundred unions. If you have the right system, it's as simple as, hey, click a button, upload the certified payroll file to the California DIR.

LCP tracker, whoever, and they're done. So, I mean, point is that in construction, there's just a, you know, and this is a direct result of, you know, some of the bigger companies that are like, we'll make our app work for anybody, or these payroll companies. Well, we can make it work. There's this over, you know, there's this thought out there that... we're construction. We couldn't even consider using payroll or a mobile application. They just don't get it. And you're right. Most don't. But if you really look and find the ones that are in the construction spaces, going to trade shows, right? We're at trade shows all the time to let people know, hey, we're here. We exist. And there are products that were built from you from day one. They're just far and few between.

Mike Merrill:

Yeah, and then of course, one of the final points and one that I never want to skip discussing is, and you've alluded to this a couple of times, the importance of a true integration between those systems so that you're not recreating and reinventing processes by different people within your team, right?

Jim Welsh:

Oh yeah, yep, and that's one of those things where you gotta bridge the gap a bit. Connect field and office. Everybody's got their duties, their jobs, owner, make money, bid jobs, get jobs. But what people forget is that it all affects one another. Meaning field employees write down time, you have to hand key it in. They write it down wrong, you have to fix it. So these pieces of software, getting people to buy into them to say, hey,

This will help you out here, but immensely help me out here. You're going to get a correct paycheck every week. How does that sound? No more shorted eight hours or wrong this, wrong that. Again, it's hard to see that, but the integration part is key. And when you talk to companies, I always tell people don't stop at the word integration. No, we integrate with them. Okay, there is, trust me, I am in sales. And to leave it at that with no other explanation, it's like, okay, but you really want to explain. So for example, integrate. Okay, if I can export time and import it from system A to system B, okay, great. That's what you do want. You know, I mean, trust me, I hear a lot of people out there using apps and they're still hand keying it into systems. Not for me to not sure why, but either way, it's like integration. You want a full talk back and forth as you're entering new employees and jobs and setting a budget of cost codes to a job. Why do I want to do that?

My ERP, my payroll software, and then go do it in the application. And trust me, more you know as well as I do, Mike, more often than not a lot of these apps, that's the way it works. It's a simple export time, import it in, but you're managing back and forth multiple systems. That is where you really got to look into that stuff. And that is where even us, like we've for years we've known that, hey our products work really well together, let's make this. Because we want to make our clients lives easier and happier, not just stop with that. But again, our focus is on nothing but complex construction payroll and all the way from data gathering to processing to paying the employees, providing compliance reports, project management, forms, all that from start to finish. We just focus on construction.

Mike Merrill:

Are there any ROI numbers that you can share that you hear companies moving from an incapable or incomplete system to something like you're offering?

Jim Welsh:

It's tough Mike. I don't. I mean I love that you guys have your thing and it makes complete sense. You got the APA that can kind of back up some of that stuff. Whereas with us, it is so... It's hard. And that's where when I go through the sales process and somebody's like, how much time you think is gonna save me Jim? I look at them and I say, hey, you gotta get with your payroll person. Here's how we work start to finish. And it's just, if they line up from a fit standpoint, it's just there and apparent. You know what I mean? Meaning...

It's never going to be, I think this will save us five, 10, I mean, no, we're talking companies minimum and depending on size, I would say hours a week, hours a week, two days a week, depending on the size of that company, what roles, what duties and stuff like that is. And then again, it's just, there's all these little things that become tough too. It's like, you can't think about.

Okay, I can see that I upload the certified so that physical hand keying I can eliminate and say it was taking me two hours a week to do that. It's gonna take me two minutes here It's all the little things though. I forgot to change his raid or I forgot to put in the union rolls They're all these little teeny things that I tell people Take all those and take all those crumbs and build them up and it it turns into a lot It's just hard to see it's those big things of integration, costing, time collection, certified payroll, correct union calculations that they really see the time savings in.

Mike Merrill:

Yeah, that makes perfect sense, which I think most companies, they're really trying to just recapture some of that lost time that's wasted and put that resource to work on something else important instead of physically keying data. I mean, that's what we hear most of the time, right? They want to get people in their backpack.

Jim Welsh:

Oh yeah, yeah, I always say that that beginning part of payroll is probably what I see the most. But again, how we tie in is like, all right, great. You have this mobile app. Now, now let's send that data somewhere viable. Click a button, employees, cost codes and stuff going back in there. So it definitely, you want to go with, you know, this is what we've promoted. You promoted many years, best of breed, but you got to make sure they talk to each other. So, you know, perfect world, one place has the best everything, but you know as well as I do, it's like, hey, if this is the best payroll for me, and this is the best mobile app, and this is the best this, fine, you'll want to make sure that they talk together. And again, that integration to what level? That way, again, you're not fighting each other in different business areas. Because again, you want what's best for the field, you want what's best for the office, and you want what's best for ownership.

So that really digging in and finding those companies that that's all they strive for as well. That's what we do with, you know, foundation payroll for construction work, Max. Those are the things we do pretty well at.

Mike Merrill:

Yeah, you want to make sure your customers walk away saying, my life is better because I'm utilizing these products and I've partnered with these technology partners, right?

Jim Welsh:

Oh yeah, and the people that you're dealing with will tell you when it's not. Meaning I have conversations where I'm like, Hey, I don't know how well this will line up for you because you only do this once every few years. So you know what I mean? Making sure that you're dealing with somebody that doesn't just want the sale long-term relationship. Cause moving this stuff, changing this stuff isn't fun. I don't care. Changing mobile app providers, changing payroll providers. It is all very.

Detailed and tangled stuff that affects the lives of everybody in the business whether they're doing the payroll or not That's how they get paid and that's what keeps them coming to work the more you have to change this stuff the more frustrating

and the more chances for Things to be you know fall through the cracks. So Absolutely, you know, just make sure you know who you're talking to and working with You

Mike Merrill:

Love it. Well, this has been a very insightful conversation. I've learned a few things and I'm positive that our audience will have picked up some nuggets as well. Jim, what's the one thing you really hope people take away from this conversation today?

Jim Welsh:

Say we take it back to the beginning meaning well this you got to make the time because if you're thinking about it then you know things can be more streamlined meaning if it's there and you're finding yourself oh my gosh the collection of this time the processing once I'm done I'm not done because I have all these reports I have to do if you know what you know it again making time finding the right time for sure but making the time to look at this stuff because again, it's, you know, it's like changing home car insurance and all this stuff. It's like, hey, it's not fun doing it and getting there, but the money savings, you know, the, in this case, the time savings, the everything that comes there afterwards is well worth it. It's just getting there. So just making the time. But as we say, this was all about busy season, ramping up, getting ready for it.

This is usually not for everybody, but a good time of year to say, hey, we got, you know, these things take a couple months to get in place depending on what you're getting, but we have the time now to have this before we really start ramping up mid April. So that's why we like doing these types of conversations podcast this time of year to just say, hey, what are you waiting for? Jump in, take a look. And then once you get it in place, life's easier.

Mike Merrill:

Love it. Well, thank you. Great conversation. Have to have you back on down the road. We've appreciated having you on as a guest.

Jim Welsh:

Yes sir, Mike, thank you so much as always and looking forward to talking to you soon and happy to come back on anytime. Thank you. Bye -bye.

Mike Merrill:

Thanks, Jim. See ya.