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Simple to use ...
... Easy to learn

Labour Pricing

Before you commence setting up labour, it is important that we first describe the options that are available. Then we will move on and discuss each of the areas that may be involved in completing the labour pricing set up.

Note: If you are going to use labour as your method of pricing, you must ensure that you have nominated it from within the **Pricing/Markups** page in **Pricing** category as illustrated below left.

If you are going to base your pricing on labour, then within the **Pricing** page you will work with three databases.

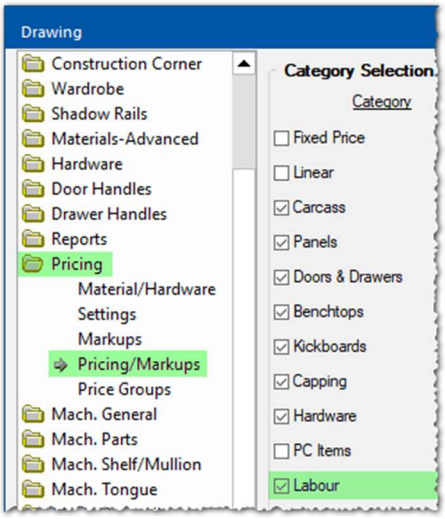
1. Labour – **Cost** Manager
2. Labour – **Area Rate** Manager
3. Labour – **Part Rate** Manager

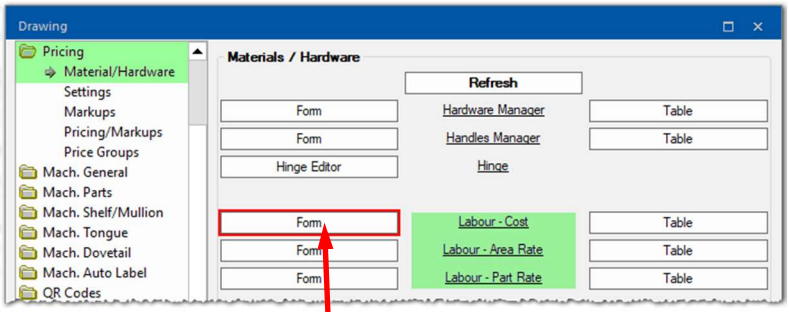
The first question that we need to answer is how you are going to measure your labour cost. Are you going to:

1. Measure labour based on the time it takes **for each part**? – Refer Tutorial 1
2. Measure labour based on the time it takes **to complete each task** at cabinet level? – Refer Tutorial 2
3. Measure labour based on a total labour **cost per cabinet**? – Refer Tutorial 3
4. Measure labour based on the **material** square size of a part? – Refer Tutorial 4

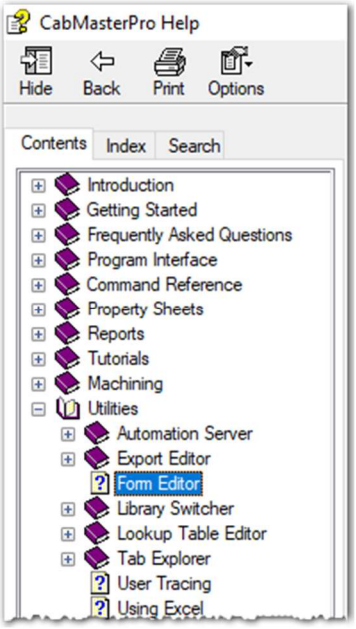
Each of the above will be addressed in the following four tutorials.

To make any changes, it is strongly recommended that you make all changes by using the **Form** button as illustrated below.





To get started, click here



For more on Using the Form Editor, see CabMaster Help topics [F1] from within your software as shown →

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Tutorial 1

Labour based on time it takes for each part

The first thing we must do is determine the tables that we need to work with.

- Since we are working at part level, the **Impact** must be set to **By Part**.
- Since the cost is based on time, the **Mode** must be set to **By Time**.

Therefore we will be working with the following:

- ✓ Labour – Cost Rate Manager
- ✓ Labour – Part Rate Manager

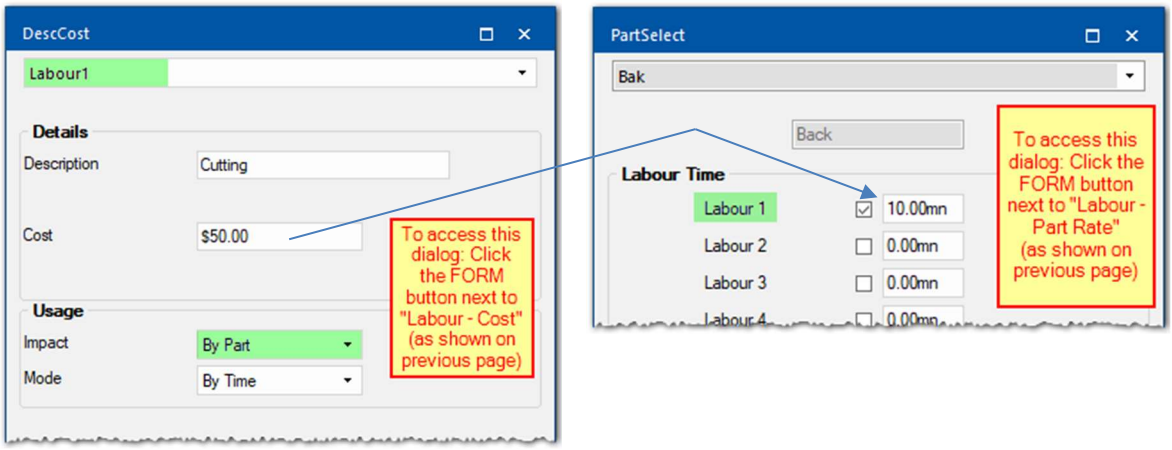
In the Part Rate Manager form, go through and nominate which Part requires the task to be performed**.**

For example:

- Go through each part and nominate if the task is applicable and then enter the amount of time estimated for each.
  - Labour1 is ”Cutting”.
  - Complete this for each of the 12 Labour types.

- Now add the Hourly Cost in the **Cost** textbox within the **Labour – Cost** form.

Let’s take a look at an example. **Impact** determines where time is referenced, and **Mode** determines the rate that is applied to these tasks.



Result: Since “Cutting” is selected for the Part called “Bak”, the 10.00-minute time is applied against the hourly rate. Therefore the labour cost of this part would be $8.30.

Explanation of Edit Fields

Description: This field can be changed to whatever the user would like to use to describe the Task being preformed.

Cost: This is the **Per Hour cost** of this task. A dollar symbol must be used with all entries. If the value is 50 cents you need to enter this as $0.50.

Impact: This field is used to determine whether the Task is based on.
(1) **By Cabinet** will utilise the data that is stored at cabinet level.
(2) **By Part** will be calculated for each part that is selected.

Mode: This field nominates what cost rate is being used.
(1) **By Area:** Cost is calculated by the area.
(2) **By Time:** Cost is calculated by time *(measured as minutes*).

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Tutorial 2

Labour based on time taken to complete each task at cabinet level

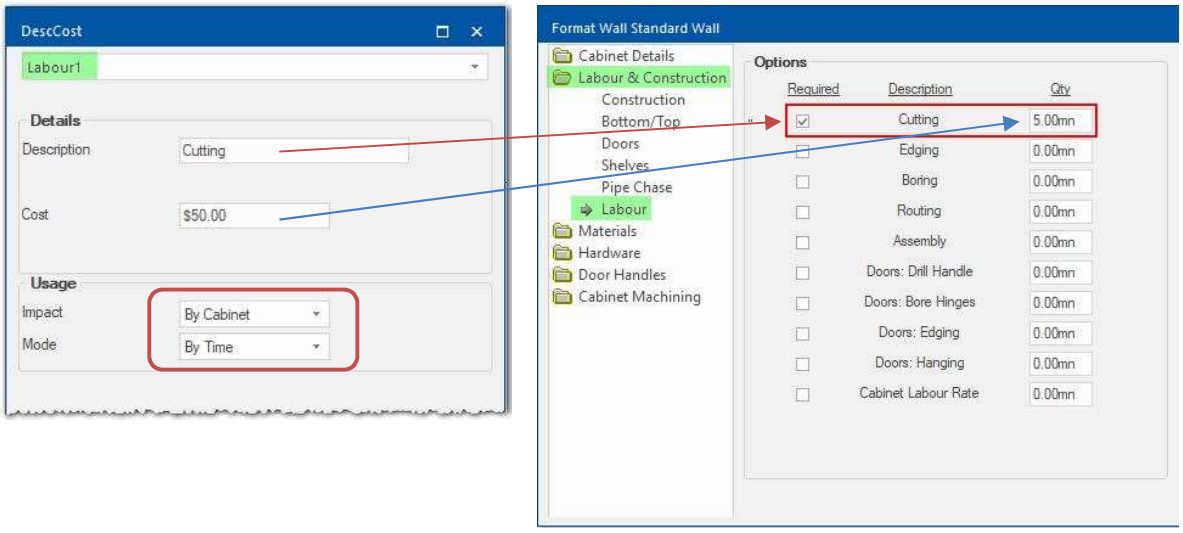
The first thing we must do it determine the tables that we need to work with.

- Since we are working at Cabinet Level the **Impact** must be set to **By Cabinet**.
- Since the cost is based on Time the **Mode** must be set to **By Time**. (Refer Tutorial 1 for explanation of Description, Cost, Impact and Mode.)

Therefore we will be working with the following:

- ✓ Labour – Cost Rate Manager
- ✓ **Labour** page of the **Labour & Construction** category of the Cabinet.

In the **Labour & Construction** category, on the **Labour** page, go through and nominate which tasks need to be performed along with the time.



Result: The task *Cutting* has been nominated and a quantity of 5 minutes. This is applied to the Hourly Cost of $50.00. Therefore the cost associated to cutting this cabinet is $4.16.

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Tutorial 3

Labour based on total labour cost per cabinet

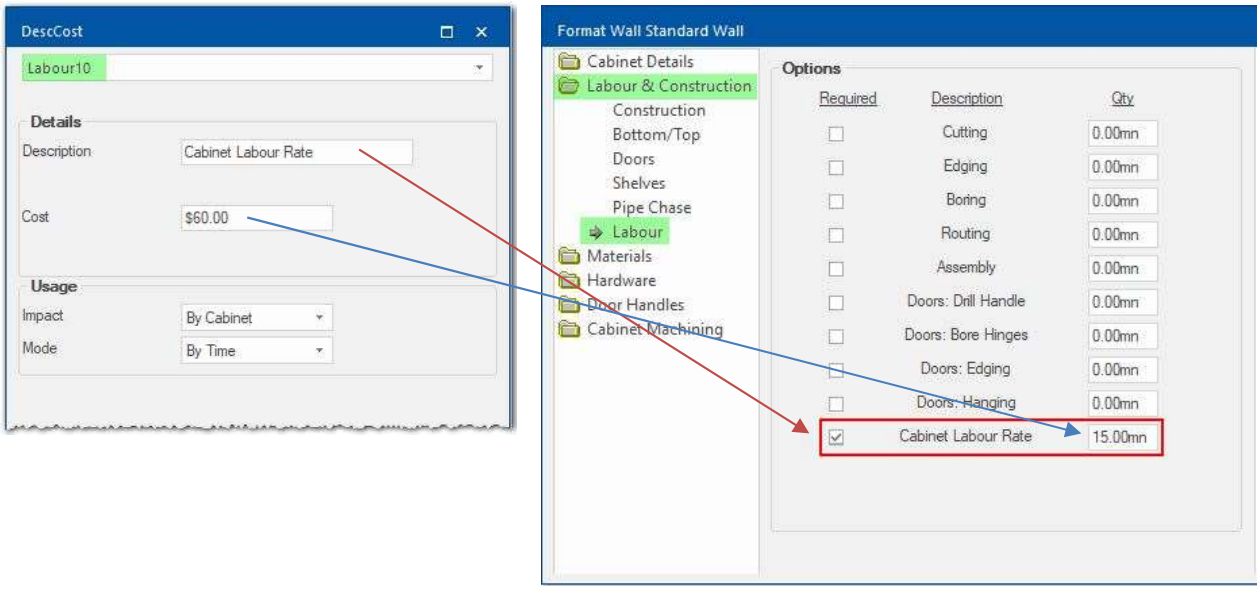
The first thing we must do it determine the tables that we need to work with.

- Since we are working at Cabinet Level the **Impact** must be set to **By Cabinet**.
- Since the cost is based on Time the **Mode** must be set to **By Time**. (Refer Tutorial 1 for explanation of Description, Cost, Impact and Mode.)

Therefore we will be working with the following:

- ✓ Labour – Cost Rate Manager
- ✓ **Labour** page of the **Labour & Construction** category of the Cabinet.

In the **Labour & Construction** category, on the **Labour** page, tick the checkbox beside *Cabinet Labour Rate*. For example, the total labour expressed in minutes for the cabinet over the page is 15.00. Now add the Hourly Cost in the *Cost* column within the Desc table. For this labour type, you only need to add the rate to Labour10: *Cabinet Labour Rate*.



Result: In the example above, since the *Cabinet Labour Rate* check box is active, the cabinet will reference the Cabinet Labour Rate. Therefore the cabinet labour cost would be $15.00.

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Tutorial 4

Labour based on material size of a part

The first thing we must do it determine the tables that we need to work with.

- Since we are working at Part Level, the **Impact** must be set to **By Part.**
- Since the cost is based on Material Size, the **Mode** must be set to **By Area**. (Refer Tutorial 1 for explanation of Description, Cost, Impact and Mode)

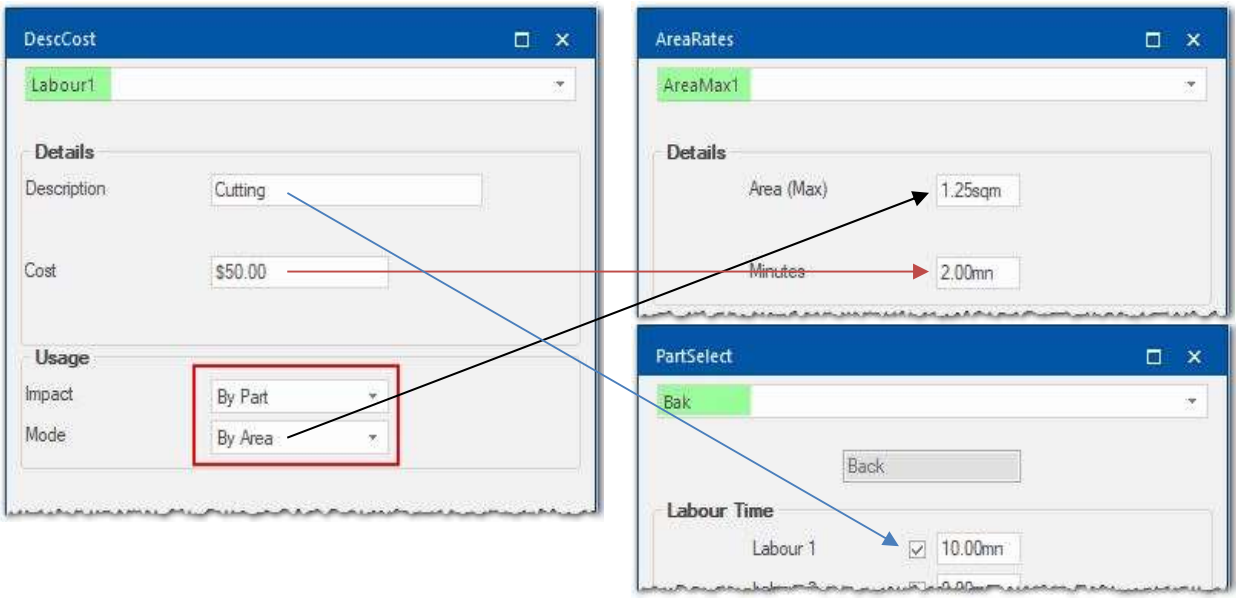
Therefore we will be working with the following tables:

- ✓ Labour – Cost Rate Manager
- ✓ Labour – Area Rates Manager
- ✓ Labour – Part Select Manager

Enter the material volume (in square metres) in the LabourAreaMax column. In the PartSelect table, nominate which parts is to include the various Task by nominating YES or NO. In DescCost, input the Hourly Rate.

Example:

1. In the **Labour Cost** form, enter the Hourly Rate, i.e. $50.00
2. In the **Labour Area** Rates form, enter the material volume (in square metres), i.e. 1.25sqm in Area(Max) edit field
3. In the **Labour Part** Rates form nominate which parts is to include the various Task, i.e. nominate by ticking the relevant box.



In the illustration above, **Labour 1: Cutting** has been activated for the **Back** (see Labour Part Rates).

Result: Since the Back is greater than 0.75sqm and not greater than 1.25sqm, the table references the time required – 2.00 minutes – and then applies this to the hourly rate divided by 60. Therefore the labour cost for the Back would be $1.66.