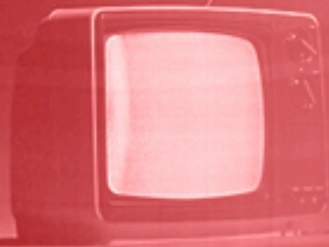


Stay in the Black: Budgets & Billing

Richard Harrington - RHED Pixel

www.RHEDPixel.com



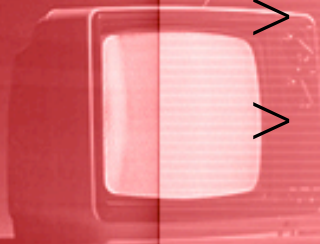
Purpose

- **Address budgets**
- **Learn office software that will make this process easier**
- **Discuss Billing Strategies**
- **Discuss Collection Strategies**

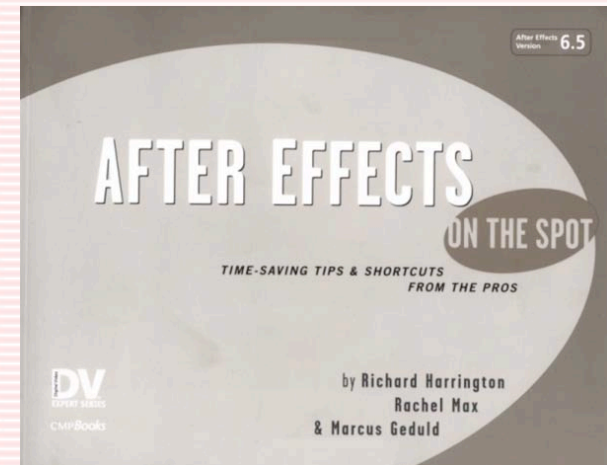
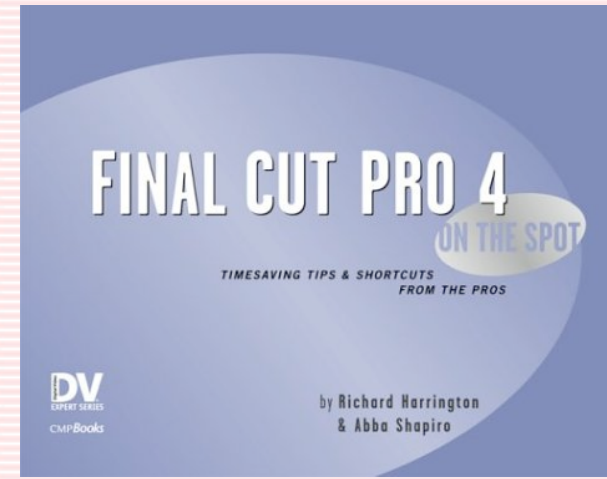
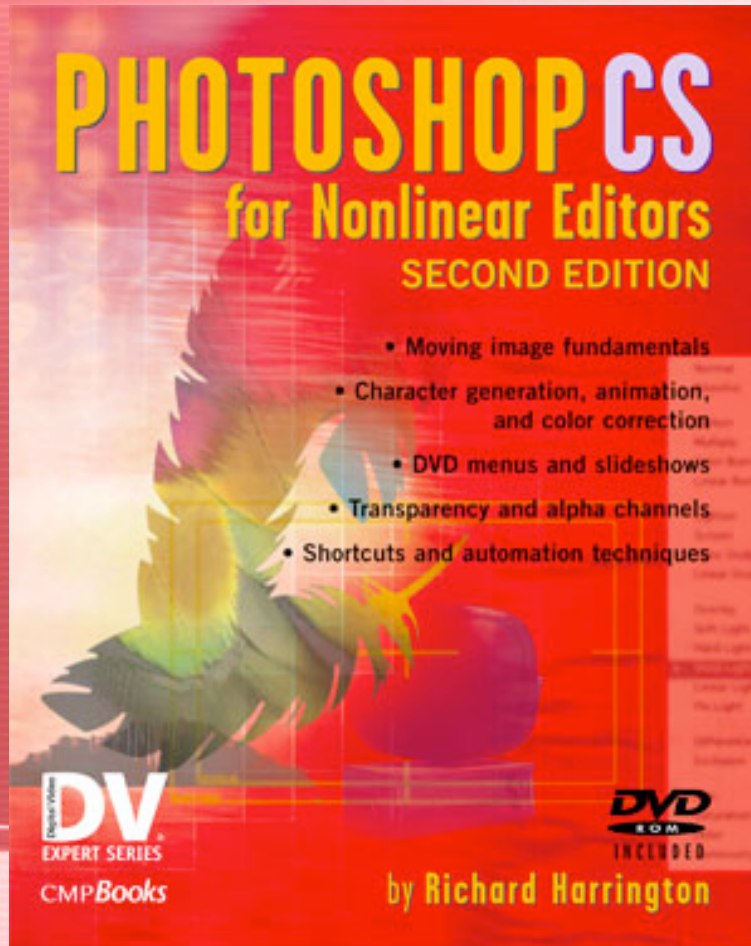


About Me

- **Richard Harrington, PMP**
 - > **RHED Pixel (www.rhedpixel.com)**
 - > **Adobe Certified Expert**
 - > **Apple Certified Trainer**
 - > **Avid Certified Instructor & Master Editor**
 - > **Project Management Professional**
 - > **AVMP Top Producer List 2004**
 - > **Teach courses on digital media production and web content creation**

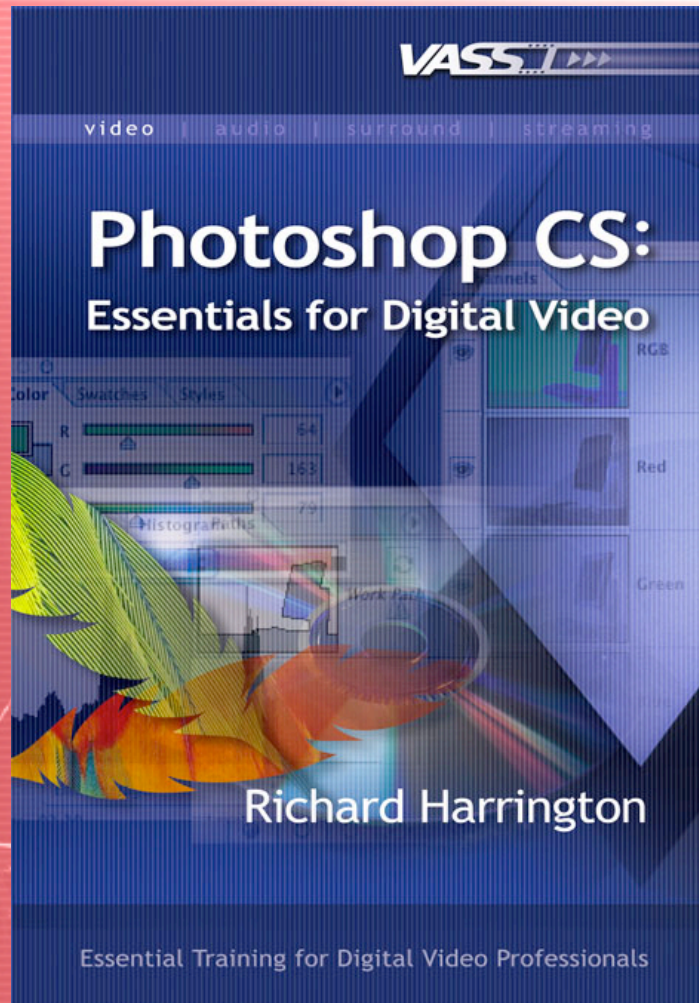


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About You

- **Primary Job**
 - > **Video Production/Post**
 - > **Motion Graphics**
 - > **Web/Multimedia**
 - > **Management**
- **Work in Project Management**
 - > **1 year or less?**
 - > **2-3 years**
 - > **3-5 years**
 - > **5 or more years**

The Essentials



The Essentials

- **Budgets**
- **Management**
- **Billing**
- **Collections**



Creating Budgets



Creating Budgets

- **Rates for Services**
- **Time Estimates**
- **Material Costs**
- **Overhead**
- **Collective Knowledge**



Rates for Services

- **Competitive Analysis**
- **Financial Need**
 - > **40-60% Billable Time**
- **Three Components**
 - > **People/Gear/Facility**
- **Charge for the Assumptions**

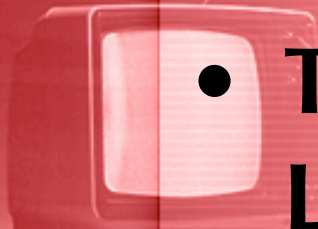


Time Estimates

- **Historical Data**
- **$(1O+4M+1P)\div 6$**
- **Peer Review**
- **External Review**



Material Costs

- **Constantly Change**
 - **Look for Savings**
 - **Think Bulk/Group Leverage**
 - > DVPA
 - > User Groups
 - **Build Costs In**
 - **Track Usage at Employee Level**
- 

Overhead

- **Rent**
- **Leases**
- **Utilities (Especially Communications)**
- **Marketing**
- **Employee Benefits/ Recruitment**

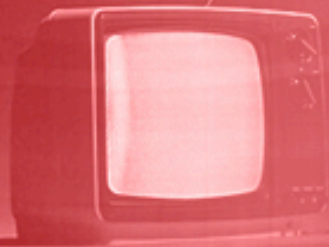


Collective Knowledge

- Time Estimation
- Incremental Improvement
- Vendor Selection
- Risk Management



Management



Management

- **Project Based Billing**
- **Time Tracking**
- **Expendable Tracking**
- **Shipping and Outside Costs**



Billing



Billing

- **Bid**
- **Budget**
- **Change Orders**
- **Final Bill**



Delivering the Bill

- **PDF**
- **Hard Copy**
- **Fax**
- **With Deliverables**
- **Face-to-Face**



Accepting the Bill

- **Review Changes**
- **Use Discounts**
- **Use Deadlines**



Fixed Price Contracts



Fixed Price Contracts

- **Growing in Popularity**
- **Protect both parties if written properly**
- **Frequently favor the client, not vendor**
- **Important to CLEARLY define the product and service to be delivered**



Fixed Price Contracts

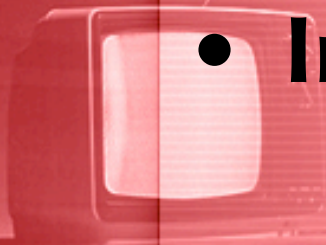
- **Need to provide protection to you if the scope of the project changes**
- **Keep accurate time records**
- **Bottom Line:**
 - > **Say what you are going to do**
 - > **Do what you say**
 - > **Update along the way**
 - > **Track changes and get approval for each as they arise**

Collections



Collections

- **Run Accounts Receivable Reports**
- **Call Accounts Payable**
- **Be Polite**
- **Call in Advance**
- **Place into Contracts**
- **Incremental Billing/Deposits**



Resources



Resources

- www.pmi.org
- www.intuit.com
- www.creativecow.net
- www.dv.com
- www.rhedpixel.com

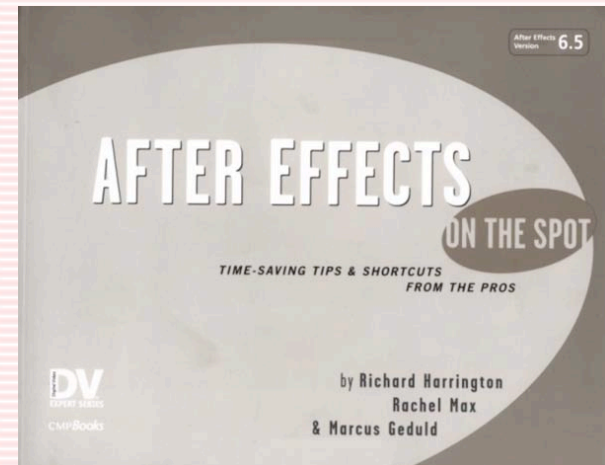
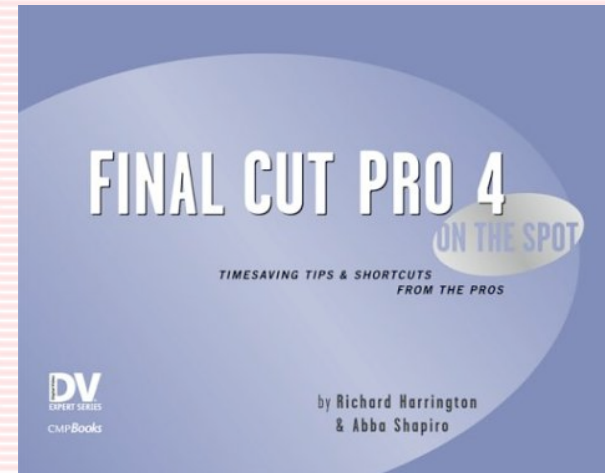
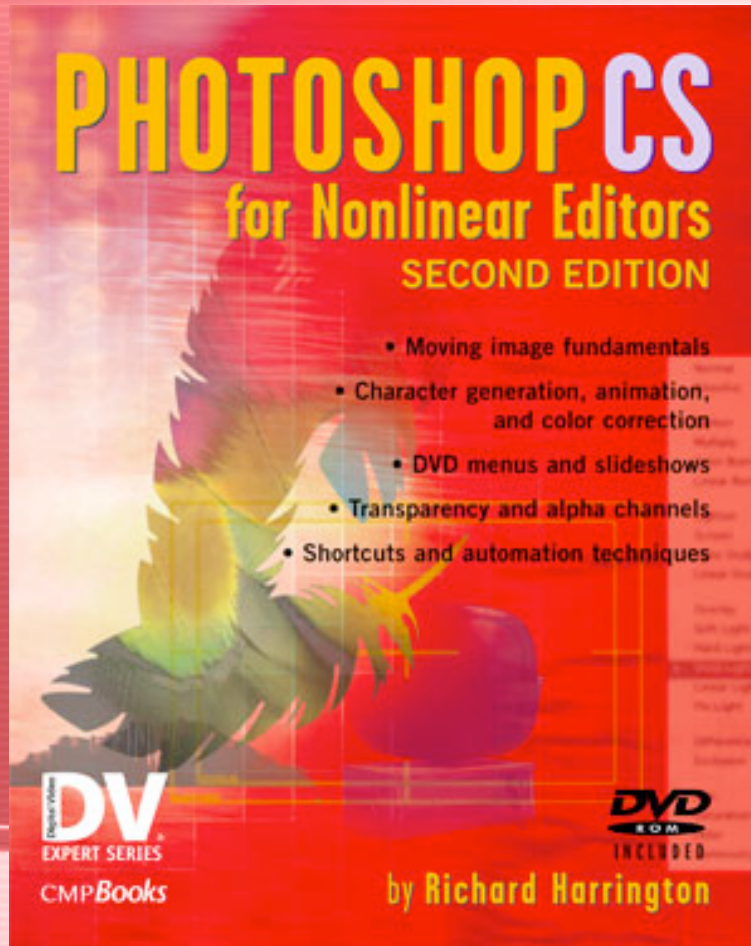


Contact Me

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- **RHED Pixel - www.rhedpixel.com**
- **Creative Cow Photoshop Forum-**
www.creativecow.net
- **Future Media Concepts -**
www.fmctraining.com

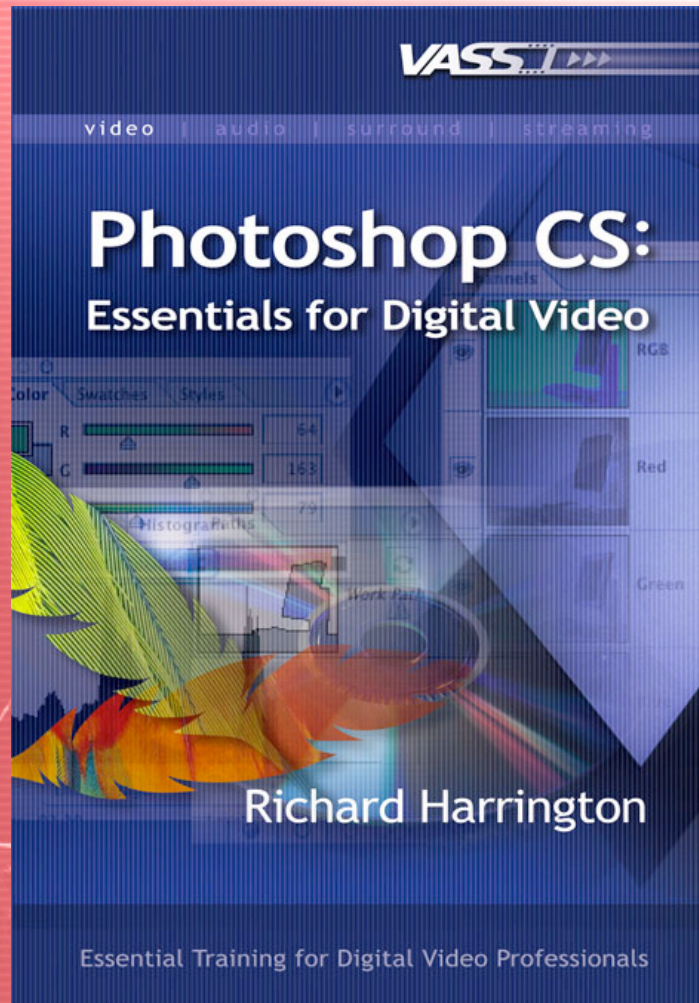


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Questions & Answers



Stay on Target: Project Management for the Video Industry

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