



Why Do You Need Access To Advanced Construction Management Software Technology?



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Introduction

The Construction Industry was slow when it came to the adoption of technology. But the pandemic only added to the urgency of the need for access to advanced construction management software technology in the aftermath.

When it comes to budget construction, revenue building, and cash flow access- construction technology can pay huge dividends. Moreover, having access to advanced construction software can enhance the company's productivity cycle as well.

According to McKinsey, the construction technology ecosystem is shifting towards integrated software that can cater to customer requirements. In turn, this is helping construction businesses achieve the desired value and can help them deliver projects on time.

Understanding the construction technology landscape also reveals a significant shift that many construction players are swiftly adapting to technology. Many are looking for all-in-one construction solutions as this is leading to a boost in productivity and also ensure safety of the workers.

COVID-19 also accelerated the switch to software solutions because construction businesses realized the need for the highest possible value in all the processes. The pandemic introduced labor shortages and digital technology helped enterprises to work remotely.

The adoption of niche-specific products such as construction software is helping companies to absorb COVID-19 induced shocks. To be more specific, construction managers, civil constructors, and commercial contractors are still experiencing the after-effects of the pandemic.

Today, businesses need construction accounting software that can handle all complexities and scale to all sizes. A good ERP (Enterprise Resource Planning) and Construction Project Management (CRM) software provide opportunity data at your fingertips! This is why it is imperative to switch to technology now.

As per McKinsey, disruptors can strike an annual **profit pool of \$265 billion** and it truly awaits anyone to strike gold in the construction arena.





Labor Market Limitations

Much of the construction industry has evolved at a glacial pace and small businesses find it harder to achieve the desired value. Labor market limitations can significantly impact and hamper the growth of the construction industry.

According to Businesswire, the construction management software market is estimated to **grow by USD 724.88 million during 2020-2024**. Early adoption of construction accounting software can handle many woes that have plagued the construction business in the past.

As the pandemic continues to loom its shadow, there is a concern to keep the revolving door of skilled labor happy. Besides, it is a well-known fact that skilled labor is hard to come by. Also, construction business owners have realized the need to keep their on-site employees safe.

Hence, pandemic only served as a 'push' for up-gradation as architects, contractors, had to shift to collaborate and work digitally. Now a lot of work orders happen digitally be it filling online bids and holding video-call site meetings.

To serve the needs of civil engineers and laborers, the construction business took to innovating drastically. Enterprises can keep up if they transition to advanced software that can keep track of labor data, as labor is one of the most expensive aspects of a construction project.

With the help of construction technology, monitoring leaves, work hours, payroll can become way easier. For field productivity, automation to accounting software businesses can enjoy strong financial control and improve their financial management process.

Besides, construction accounting software can process certified payroll reports and even work on tasks related to WH-347 Reporting, AIA Billings, etc.

The other limitation that technology can address is that it can diversify the workforce. **Over 90% of the construction industry is male but deploying tech on-site can bring opportunities for women in construction.**

With the coming of robotics, the construction ecosystem will gradually become less labor-intensive and make it safer.

So tech investments in the form of construction management software can be seen as long-term insurance. In uncertain times, the young workforce has stopped considering construction as an occupation that will pay bills. Hence, to hedge against labor shortage, businesses should adapt to construction technology.

Small and mid-size businesses (SMBs) can consider construction accounting software as they face the problem of larger competitors poaching or attracting skilled labor. This can streamline the business and can reduce the effort it takes to access meaningful construction data.

A robust software equipped with analytical and reporting capabilities can keep a cap on skyrocketing costs. By ensuring workers aren't spending time on tasks that could be automated, construction firms can limit labor costs. This can also reduce headcount requirements by businesses and can help SMBs stay on top of competition as well.

Effects of Rising Raw Materials Costs

Raw material cost escalation for the construction business is a daunting reality! Estimates may be completely off once the contractor starts working on the project.

One of the problems that put a halt in production is the effects of rising material costs. For construction firms already festered with the problem of slim margins, this can be a huge challenge.

Issues like price fluctuations, efficiency during the design cycle, and planning and estimating quantities during the preconstruction phase have to be taken into consideration. Thereby, to create predictability in the process one can rely on construction tech to predict accurate quantities.

Raw materials like iron, steel, lumber, and fuel have seen drastic increases. Coupled with these are trade and tariff restrictions, there is a need to keep abreast with advanced construction management software solutions to navigate the correctness of invoices.

A construction software also gives a unified view of all metrics that are important for construction owners. It also helps with resource allocation and looks into the process of manpower requirements.

Working closely with technology is one way to grapple with this problem. As the software can help to keep project timelines in sync and schedule and can help to cut costs. Some software like ProjectPro has an inbuilt capability for the Job Material Planning process that will suggest items that need to be purchased and create purchase orders as well.

The Sustainability Factor

Construction and real estate are regarded to produce a significant amount of waste and are held responsible for a third of Carbon Dioxide (CO₂) emissions.

While technology may not be regarded as a solution but plays a huge role in bettering the value chain.

By monitoring equipment resource utilization and also by tracking what resources are used or not used on job sites, tech can be a savior.

Besides green construction technology is also becoming one of the upcoming trends in the construction industry. By relying on accounting software, remodelers and architects can put thought into sustainable designs that will enhance the living experience of those who will reside in such buildings.

How to fix operational woes?

Contractors can fix operational woes by investing in advanced construction management software to take their business a notch up the competition.

Real estate developers and construction business owners can take an innovative leap forward to tackle structural issues in terms of profit margins, growth, and productivity.

To fix operational woes, invest in construction-specific software that helps with the following:



Easier and Effective Project Management

To bring in efficiency and to allow no chance of miscalculation, a good software will allow owners to keep everything under control. From project delivery to resource management, it's not possible to run a construction business without project management.



Moreover, the solution should be easy for project owners to understand easily and run operations efficiently. Also, monitoring progress reports and provides centralized data that can be accessed anywhere is of supreme importance.

Besides, saving time and money is an important factor along with keeping the visibility of the finances of the business.

Cloud-based solution

Cloud-based software allows mobility and businesses can handle global operations. Hence retrieving information becomes easier as the data is simply a click away!

With the help of digital devices construction firms can access valuable accounting data whenever they want. This reduces paperwork and also eliminates time-consuming spreadsheet analysis.

Few clicks and the data is available for construction enterprises to keep a track of all processes.

Subcontractor Management

A lot of time is spent on managing contracts for subcontractors, retention values, certificates of insurance, and change orders. Even businesses need to keep track of lien release waivers, monitoring work performance also becomes necessary.

Managing all project-related data with extreme precision and ease becomes simple with construction accounting software as it helps the business to navigate these murky waters effortlessly.

Greater accuracy and compliance

Say goodbye to operation woes as a centralized solution streamlines the business. Also offers adequate control of the operations of the office and on the field.



Whether it's handling payroll and compensation or budget planning, software should enable owners to make sound decisions and ensure greater accuracy. By setting the pace to ensure deliverables are met on time, also ensures greater compliance.

Manage Budgetary Requirements

Generating invoices, keeping a tab on project costs, finance data, and managing accounts can be entrusted to software.

It is essential for a contractor to keep an eye on cash flows and if the budget is not handled properly then it may result in a financial crisis. To avoid this from happening, construction software will prevent unnecessary errors from happening.

A zero error process that prevents duplicate entries is a boon for this industry. Besides, budget and revenue can be monitored at all times to check the financial viability of a product.

Certified Process For Added Security

Select a certified process that can rollout payroll reports and has surety bonding. For instance, ProjectPro, an all-in-one construction software, is certified by Microsoft Dynamics 365 Business Central and endorsed by construction enthusiasts.

Investing in software that ensures security and prevents profit leaks is a must now. So choose carefully as this ensures significant returns.

Actionable Insights and Project Analytics

To keep operational problems at bay a contractor should be able to compare estimated costs and current projections along with project progress. By keeping a record of every detail of the project one can keep an eye on each aspect to take immediate action when needed.



All-in-one solution

Good software can help in assessing job mishap planning, cutting unnecessary costs, managing inventory, and facilitating business transactions is the best bet for construction owners.

ProjectPro too carries out financial statement analysis, analyzing transactions, or planning taxes. In addition to this, it can process certified payroll reports and even work on tasks related to WH-347 Reporting, AIA Billings.

So when choosing a solution it is always better to opt for construction-specific software as it has a support team that will address any of your queries.

To take the construction business to heights and do away with operational inefficiency, the right technological tool can help a business with added productivity and also ensure an increase in profits.

Conclusion

There is a lot to unpack but the key point is if the construction business is facing challenges that can be automated, it's time to take the drastic step to adopt advanced construction technology to take the construction business to new heights.

This can help the construction industry to bounce back from the pandemic-driven crisis and quickly address structural issues. It's correct to assume that COVID-19 has added a net acceleration to an ecosystem like construction space to adopt the technology.

The construction software can soon turn this industry to embrace an integrated, consolidated, and more standardized approach. Historically, this has been a fragmented, project-based industry and a highly complex one to top it all. But digital transformation is necessary for it to thrive and succeed in a competitive scenario.

Companies will have to reinvent themselves by automating tasks and doing away with manual bookkeeping.

With the help of extensive automation, these businesses are able to save time and become agile and proactive.

Moreover to manage cost pressures, new materials, skill shortages, the contractor needs a robust capability solution. And to stay ahead and afloat in uncertain times, digitalization is a must.

Keep the construction business booming by taking care of clients' needs and taking care of invoices through tech.

When it comes to productivity performance data on global construction is not uniform as there are regional variations. But, those players will succeed that will continue to collect data to make informed choices to clinch crucial deals.

However, to reap future benefits it will require the participation of all players. With the help of more productive construction software one can be more productive by lowering costs and with higher schedule reliability.

Therefore, the future entails finding a way to build a business pipeline that will help construction firms to scale their businesses. Advanced construction software can help businesses finish jobs quickly, improve administrative controls and solve reporting issues and errors.

By taking on digital solutions, a new pathway is getting created for existing users to address the basic needs of their enterprises. ProjectPro is one such integrated solution that is creating value for both strategic and financial investors and is widely known for construction proficiency for two decades.

It's time to say yes to technology uptake!

About ProjectPro


Based on Microsoft Dynamics 365 Business Central, ProjectPro is an accounting software for construction companies, contractors, and sub-contractors. It can help construction firms manage resources for labor, streamline business processes, control costs, and save time, resulting in improved profit margins and increased productivity. It also provides intelligent transaction processing, integrated data, and robust capabilities in developing analytical reports. Doesn't matter if you plan to grow your revenue, deliver quality projects, capture business opportunities, or want to do it all, ProjectPro can be your one-stop solution to design and achieve your business goals.

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