Seven Must-Have Features of Construction Contract Software
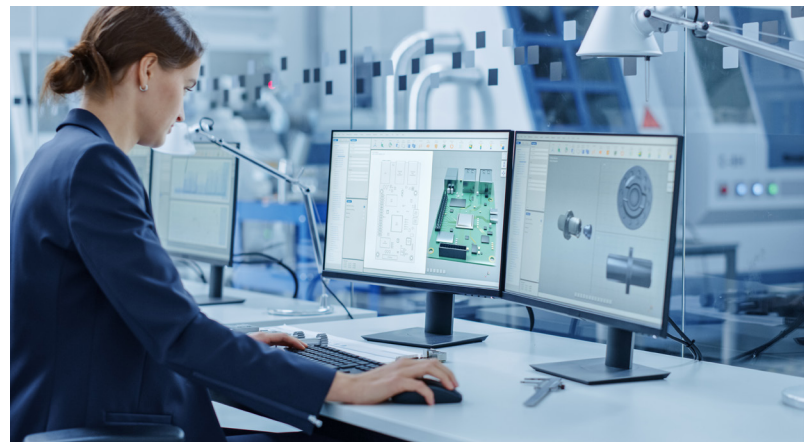
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It wasn't that long ago when a capital project contract, typified by manual touchpoints throughout its life cycle, was a 100% paper-based deliverable.

We've come a long way since then. Yet, while it might be natural to think that any software would be an improvement over more traditional contract management processes, when investing in something as vital to your business's success as construction contract software, there are certain things you don't want to skimp on. After all, your contracts can make or break your project, and in some cases, your business.

The following is a helpful checklist of seven of the more critical capabilities you'll want to have for your best project outcomes. Though some may seem like no-brainers at first as they're fairly common in most contract software, you'll want to pay close attention to all seven of them when you're working with large capital projects.

#1 Security through construction contract software

Naturally, construction contract software doesn't experience the same security issues that befall hard copy files, such as loss, theft, and water, fire, or physical damage. What once required merely a lock and key to protect valuable project information now requires cybersecurity measures, particularly now that that information is being digitized, stored, and shared. And as that data grows exponentially throughout a project's life cycle and across a construction company's portfolio, those security measures revolve more around access to certain files and information — such as employment data, financial records, or sensitive information that is proprietary to a particular capital project, for example. Toward that end, the capabilities construction contract software should include:

» Password protection to access the software or individual documents

» Dual authentication — also known as two-factor authentication and two-step verification — that goes a step further than passwords by requiring a couple different forms of verification

» Permissions-based access that restricts viewing and editing of contractual documents to those with approved job roles that can be set up in the system

One more thing to consider — integration. While this wouldn't be considered a "feature," per se, it's safer to rely on an integrated platform that uses the same security structure. Why? The more disconnected point solutions are used, each with their own security features, the more vulnerable your data is to unauthorized access or outside hackers.

#2 Content and contract libraries with no limitations

You might think that if no two projects are exactly alike, then why use the same contracts? Truth is, those contracts often share the same structure and information, including many of the same clauses covering scope of work, insurance, change orders, and hazardous materials, for example. These commonly used pre-approved clauses and full contract templates are found in content and contract libraries of more robust construction contract software. And they can quickly become a contract administrator's best friend.

So why not leverage what's already been created? Those contracts are complicated enough without having to manually revise them over and over again. Templates can save an immense amount of time and help ensure nothing is overlooked that will protect your business interests and that there are no unintended errors. Some construction contract software may even offer the option of uploading your own previously created contracts as templates as well.

Keep in mind, some software providers put a monetary limit data storage, the volume of contracts and documents to upload (which can vary based on the different levels of plans they may offer), the number of templates available to download, and the number of e-signatures. We all know how quickly contractual documents and data can proliferate even just at the beginning of a capital project. So, the last thing any construction company wants to encounter part way into a long build is discovering they're reaching their limit on documents or users. Look for unlimited capabilities or plans for continued productivity and peace of mind.

#3 Cloud-based storage through construction contract software

Construction projects are notorious for generating volumes of paperwork, and contract-related documentation is no exception. Housing everything on local servers may not be the best idea, though. Cloud technology gives you the ability to store large amounts of contracts and supporting documentation in an easy-to-organize and -navigate structure. Not only that, those contractual files can now be accessible from anywhere by those who are authorized to do so, from the legal team to the project's signing parties including contractors, subcontractors, vendors, and owners.

Also think beyond just storing the volume of data found in executed contracts. Is your construction company in growth mode? Is it taking on more or larger capital projects? Cloud storage will be your best bet for scaling along with you.

#4 Collaboration

Contract creation, whether assembled from scratch or from a template, is still going to require some collaboration in the form of negotiating contractual points, asking questions and providing clarification, or requesting review and approval signatures. Now multiply that by the number of contracts within each project, the number of people who may need to provide input, and again by the number of projects in your portfolio. That's a lot of communication to keep track of — especially if email is being used to move these tasks along. Look for tools within construction contract software that bypass email's lag time and inefficiency by enabling real-time collaboration and accelerating contract execution.

#5 Integration with non-platform systems

Point solutions, produced by many software developers, have proliferated in the contract management space. Quite often, there's a point solution for just one individual stage of the contract process — creation, negotiation, approval, execution, storage, and analytics. The benefits were real: They're easily

implemented, inexpensive, and perform one function well. For some companies, it was easier to adopt one "function" at a time, rather than a whole end-to-end system at once. But then came the challenges, particularly as those companies grew and needed to continue adding specific-function solutions. Why? Because they're often siloed programs that don't always work together because they were created without integration in mind. And it's still an ongoing issue today.

How do you overcome this? Find a construction contract software platform that integrates with not just popular business software like Microsoft Word® and Excel®, but also those that produce non-platform contracts, too. Integration is a big thing these days. Your best option, especially if you work with large-scale, complex projects, is to adopt software that already has the contract phases integrated within one platform.

#6 User-friendly workflow and interface through construction contract software

There's a lot to be said for streamlining the workflow of a complicated process like contract management. Look for construction contract software that automates the workflow, allowing you to assign next-step tasks to another project team member, and then check off those tasks when done. It not only expedites executing on the contract, it increases accountability too.

Aside from collaboration tools and contract libraries, it really comes down to having an understandable interface that is intuitive enough to help you navigate through the software. Think of it like a built-in efficiency booster. Keep in mind the interface design has to be responsive across all devices, from desktop to tablet to a smartphone. And that interface should be consistent and predictable throughout all phases of the contract management process, and straightforward enough to create a user experience that focuses time and effort on managing the contract, not managing the software.

#7 Customization

This one might sound like another nice-to-have. But in reality, no solution is ever really one-size-fits-all. So, you want the ability to tailor documents like templates, cover letters and other contract forms not only with specific content unique to the projects you work on, but also with your company's logo, font, and contact information. You should have the ability to structure how those documents are organized within the construction contract software in a way that makes sense for how your company manages its projects.

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