

Recognizing Constructech Capabilities

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FIVE PAIN POINTS MADE EASIER WITH NEW TECHNOLOGY

It has been nearly two years of challenges for construction business owners — halted projects, materials shortages, and a tight labor market have made it difficult to stay on track and be efficient.

These factors, combined with a landmark infrastructure bill, have forced a need for new technology more quickly than most in the industry anticipated. The growth that experts expected to see take place over a three-year period has actually occurred within the last nine months. While this shift has helped many increase their efficiency, it also pushed many to adopt technology too quickly.

Incorporating new technology is critically important but can't be rushed, especially in construction. Historically, construction has relied heavily on manual processes and legacy software.

However, many are now looking at how they can incorporate new software as a service (SaaS) solutions for greater efficiency. The key to successful technology implementation is understanding the needs of your business and carefully evaluating solutions that can meet your current demands and scale with you.

Incorporating SaaS technology effectively can be broken down into three key areas:



- » Understanding the benefits of scalable technology
- » Areas of use in construction operations
- » Ways to manage growth effectively

The Benefits of Scalable Technology

Technology that has been widely used in the construction industry isn't always designed for the specific industry itself. Adopting technology could mean that you drastically must change existing processes or significantly modify the technology to adapt to the needs of the company. This has forced the hand of some larger construction companies and material producers, leading them to create their own homegrown internal systems. After all, who knows your operations better than your own team? Initially, this may work well — it is certainly an improvement over no technology at all. However, as time goes on, many of these homegrown solutions will require significant time and resources to ensure the solution grows with the business putting a strain on internal information technology (IT) teams.

There are lots of new SaaS platforms that are designed specifically for the construction industry and built with scalability in mind. To get the maximum long-term benefits, it is important to view your technology provider as a partner. SaaS offers low-risk and high-reward but requires change management to properly implement. You'll need to get your team on board to receive the full benefits of any solution. A trusted partner can help you introduce technology and train your team. The best part is that SaaS gives construction leaders the opportunity to start seeing value right away. These platforms are also regularly updated by providers, so there does not have to be keen oversight of the system in-house or costly overhauls.

Technological development is a full-time endeavor that can be overwhelming for even the best internal team. Trusted SaaS providers can take on the heavy lifting, allowing construction business owners to stay focused on the core of their business.

Areas of Use in Operations

Third-party tech platforms help drive efficiency in several areas. There are five common pain points for that can be easily resolved with new technology:

 Scheduling and dispatching – Whiteboards, spreadsheets, phone calls and (more recently) text messages are used for scheduling and dispatching because that's what has always been done. New technology can make a difference on day one by digitizing these traditional methods, allowing dispatchers to schedule more efficiently, spend less time taking phone calls and more time focused on customer service. Real-time GPS tracking, route optimization, and centralized communication capabilities are all common features in SaaS platforms that reduce time spent on manual tasks, provide actionable insights and improve efficiency.

- 2. Operational visibility You can't manage what you can't measure. SaaS platforms help manage operations with granular data that couldn't be uncovered by manual processes alone. Insights from platforms help reduce inefficiencies in the back office, on the road, and on the jobsite quickly and in one place so leaders can act immediately. SaaS platforms can also give you a window into third-party logistics that would have previously been impossible to manage.
- Asset utilization SaaS platforms quickly identify the pieces of equipment that are being underutilized and where best to use them for maximum efficiency. Doing so saves time and day-to-day costs. In the long run, it can also improve scheduling and relationships with third-party logistics providers.
- E-ticketing/Load slips E-ticketing is gaining steam in the industry, though managing state-by-state regulations and reworking operations to accommodate it is a challenge.
 Platforms manage all Department of Transportation (DOT) regulations and explain exactly what a business needs to comply with and can handle ticket/slip uploads in the process.
- Hauling invoicing Organizing and collecting invoices from your third-party haulers is not an easy task and can incur unnecessary costs if mishandled. With technology, digital invoicing builds operational efficiencies and contributes to more transparent business processes, reducing errors and fraud.

Effectively Managing Growth

Once you understand the benefits of scalable, third-party technology, it is time to turn your attention to how to introduce the technology to your team in a way that promotes initial adoption and long-term success.

Clearly communicate to all teams the technology the company is implementing — and why. Expect that there will be questions. This isn't a negative sign. It shows you that your employees are invested in your business, need to understand the changes and want to have guidance around your expectations of them. Acknowledge their concerns, explain how SaaS will work within their existing workflows, give opportunities for them to ask questions and leave ample time for training. Your technology provider should be able to provide helpful resources to you.

Finally, technology should not ever have a "set it and forget it" approach. If you want to see the long-term value, you'll have to have dedicated resources to ensure the technology is continually performing well, that each person interacting with the technology is doing what is expected of them, and that bugs/issues are quickly identified and relayed to the technology provider. Once your team has adjusted to the initial technology change and is able to see an improvement in their day-to-day lives, subsequent technology will become much easier to manage and sell the team on. The key is to think ahead and identify what will drive the greatest efficiencies and cost savings for the company and build from there. Overall, construction business owners need to know that they can be technologically savvy without changing everything about their business all at once. They don't need to develop technology in-house or self-manage their solutions if they aren't ready to do so. SaaS and third-party platforms are designed to ease the industry into a technologically advanced future at a comfortable pace, without sacrificing competitive advantage. Amid labor shortages, material scarcity, and an influx of projects coming from the infrastructure bill, construction companies must plan their growth strategy now to remain nimble.

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About the Author

Bart Ronan is the CEO of Trux, a SaaS solution designed to help material producers, trucking companies, and contractors streamline truck scheduling, driver communication and back-office processes. Ronan holds a degree in political science from Williams College and a Master of Business Administration from Babson College. Visit <u>truxnow.com</u>.

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