

Member Communication Experience

Maximizing Profit Margins With Project and Information Management Tools

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Protecting profit margins is crucial for long-term success, and project and information management tools offer powerful solutions to streamline operations, enhance collaboration, and boost efficiency. Let's explore how these tools can transform your business and impact your bottom line.

Recognizing a return on these investments, however, requires more than just installing the software. Taking the time to align your organization's construction administration best practices with the software's capabilities will pay off in the long run.

One of the biggest challenges contractors face is managing vast amounts of project data across multiple teams and offices. Think about it: How many hours are collectively wasted each week across your teams searching for the right document, the latest version of a file, or a specific email buried in someone's inbox? Studies show that professionals can spend up to 20% of their time just looking for information. Project management software creates a central hub for all project information, including emails, documents, and contracts.

This centralization means less time wasted searching for information, reduced risk of using outdated documents, and improved collaboration across teams. For example, one construction company reported saving 30 minutes per employee daily after implementing a centralized system. Multiply that across your entire staff, and you're looking at significant time savings that translate directly to improved productivity and profitability.



In short, the less time you spend on tedious administrative tasks, the more time you have to focus on creating something extraordinary.

Here's a deeper dive into the benefits of centralized information and project management hubs:

» **Clear communication is the backbone of successful projects.**

Advanced project management tools offer features like searchable project emails, real-time document sharing, and automated notifications for updates and changes. These features help reduce misunderstandings, prevent costly errors, and keep all stakeholders on the same page. Better communication can lead to a reduction in rework, directly impacting your profit margins. However, timely communication during the construction administration (CA) review process is key to keeping the project on track.

Although automated CA software packages can greatly improve how you find and record email communication, the software is not a substitution for a human conversation. Project team members can still talk to each other outside of the software.

- » **Contract administration and other routine tasks can be time-consuming and prone to errors.** Project management software can automate many of these processes, including requests for information (RFI) and submittal workflows, document revision tracking, and change order management. One construction company slashed their submittal processing time by 75% after implementing comprehensive project management solutions. This automation not only saves time but also reduces the risk of costly mistakes.
- » **Project collaboration platforms facilitate seamless collaboration between project stakeholders,** including architects, engineers, contractors, and owners. By providing a centralized platform for communication, document sharing, and task management, these systems reduce the risk of miscommunication, errors, and delays.
- » **Project and information management platforms streamline key construction administration processes.** By automating tasks such as RFI and submittal management, document review, and change order processing, contractors can reduce administrative overhead, improve efficiency, and accelerate project delivery.
- » **Data analytics and reporting features provide valuable insights** into project performance, identify potential risks, and track key metrics such as budget, schedule, and resource utilization. By leveraging these insights, construction teams can make data-driven decisions, optimize project outcomes, and improve profitability.

And then there's the fact that work is done in the office and on location – meaning that access to project information on the go is crucial. Cloud-based project management tools offer mobile access to project data, real-time updates from jobsites, and the ability to make decisions onsite. This improved accessibility ensures that work continues smoothly, even when team members are away from the office. Choosing a platform that has mobile accessibility enables project teams to access critical information and perform key tasks from anywhere, at any time. This enhances productivity, improves responsiveness, and ensures that decisions are based on the latest available

information.

THE ROLE OF PROJECT MANAGEMENT TOOLS

Effective documentation management helps prevent costly errors, ensure compliance, minimize rework, and make project workflows more effective. By implementing robust document control practices, you can facilitate quick decision-making and maintain accurate records, all of which contribute to protecting your bottom line. And let's face it: The complete project record is key to effective risk management, which is key to protecting profit margins.

Project management tools help by tracking and managing potential risks, providing comprehensive audit trails for all changes and decisions, and ensuring compliance with industry standards and regulations – trails that include information hidden in email threads and all over the place, regardless of where the information lives. By identifying and addressing risks early, you can avoid costly delays and budget overruns. Minimizing risks helps avoid mistakes and reduce delays, which can significantly impact your financial outcomes.

Another consideration when it comes to your bottom line is labor shortages. These are pretty much an everyday reality. And they can have a profound effect on project timelines and costs. Efficient information management practices can play a key role in overcoming these challenges by improving data management, ensuring corporate memory is held on to and made accessible to new hires, and reducing turnover (we all like to be backed by a terrific tech stack).

Construction administration can be both time-consuming and costly, impacting your bottom line if not managed effectively. Improving administration practices through the adoption of purpose-built information management solutions can reduce administrative burdens, simplify workflows, and keep projects within budget. Effective administration is crucial for protecting your financial interests and ensuring project success.

Mobile information management platforms can significantly improve how these tasks are handled, enabling real-time communication, faster approvals, and better documentation. These improvements can lead to smoother project execution and higher financial returns.

Choosing a software platform that is intended for the

architecture, engineering, construction, and operations (AECO) industry and that understands AECO workflow will help all stakeholders to stay on track with ball-in-court email notifications. Many CA solutions have an automated workflow with features that enable the submittal or RFI to seamlessly travel through the review process, transferring required information and associated documents directly to the person next up for review.

CHOOSING THE RIGHT PROJECT AND INFORMATION MANAGEMENT PLATFORM


If you decide the way forward is to adopt a project and information management platform, make sure you choose one with a low barrier to entry and that is easy to learn and use. That learning curve needs to be as flat as possible.

Training in software applications is one area that is often overlooked or hurried through. There are also hidden benefits to adopting new tech. Learning a new tool (that is fun and easy to use) also allows the team to discuss and agree on people and process components, including communication protocols and workflow.

There are several areas outside of the scope of construction software solutions that project teams should address to ensure that they are getting the most value from their software investment. Taking time to address the people and process aspects of the construction administration process before logging into the software will certainly pay off.

We all know that margins are tight. Those who want to stay ahead of the curve are adopting the right project and information management tools to give you a significant competitive edge. By working smarter, not harder, you can complete projects faster, reduce costly mistakes and rework, make better use of your resources, and improve client satisfaction. All these factors contribute to healthier profit margins for your business.

As you consider adopting project and information management tools, think about the long-term benefits for your team. Beyond the immediate improvements in efficiency and profitability, these tools can position your company for future growth. They can help you handle larger, more complex projects with confidence, scale your operations more easily, and stay competitive in an increasingly digital industry.

Remember, the goal is not just to adopt new technology but to transform how your team works. With the right tools and approach, contractors can position themselves to be more nimble, efficient, and competitive in today's ever-changing construction landscape. 



About the Author

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