How is Digitalisation in
Construction Connecting the
Site and Office?

E B O O K

Table of
Contents

Introduction

Do you know the construction industry is one of the largest sectors contributing to the world economy? According to the recently released data, about $10 trillion is spent yearly on global construction-related goods and services. Impressively, it engages about 7% of the world's working-age population.

However, the industry's global labor-productivity growth has been slow for decades. As per the recent McKinsey report, if construction productivity were to seize with the real economy, the sector's added value could increase by an estimated $1.6 trillion, improving global GDP by 2%.

So what is forcing this lag in construction labor productivity and stopping it from acquiring other industries? Experts recommend that a big part of it is due to suboptimal data sharing between the construction site and the office.

Project information shelved or not updated in real-time—associated with continuously developing compliance regulations about health, accountability, and safety—quickly makes productivity hell. As the industry shifts away from manual paper methods, it is becoming more vital than ever for companies to execute leading technology solutions to help enhance this—eventually saving time and money.

Such a strategy can put your struggles at serious risk. As suggested by McKinsey, digital culture is interchangeable with decision culture. In other words, digital tools make your decision-making procedure more accurate and effective. This will be the key to most of the different stakeholders' obstacles as a construction project develops.

Undoubtedly, a digital strategy isn't a therapy on its own. Proactive initiatives, heavy investment, and a visionary mindset are considered a must-have to sidestep outstretched confusion across the supply chain.

Construction digitalization is the primary driver of productivity and safety compliance on site.

Digital technologies in construction offer site and office teams rich data insights into sub-contractor, workforce, and site operations, delivering greater visibility and intelligent insights to make the correct decisions throughout the build process.

What Has Impacted Productivity?

Over the decades, labor productivity in construction has risen just 1%. This is the complete opposite of other industries, such as manufacturing, which has grown 3.6% simultaneously. Also, the average worker in every other industry adds $37 worth of value for every hour worked.

Unlikely, the average construction worker only adds $25. This raises the question: how is it that other industries have operated to work smarter, not harder? Despite these alarming statistics, a potential $1.6 trillion that can be added to the global economy, the industry is offered a unique opportunity.

To boost productivity, the construction industry must follow suit with other industries and adopt new technology to help energize and modernize the sector. By more reasonably connecting the site and the office, businesses have the opportunity to improve workflows and simplify processes dramatically.

The industry could significantly benefit from technology that consolidates data and incorporates real-time data to help increase visibility and collaboration—and eventually, productivity.

Many terms define the construction industry's productivity, including production rate, unit person-hour, and performance aspect. Traditionally, productivity in multiple industries, including construction, has been assessed as the ratio of input versus output, i.e., the quantity of the input delivered by a particular resource against the amount of the value produced by that resource.

Quantitatively, there are numerous ways to determine productivity, including physical metrics such as the amount of concrete flowed in an hour by a single unit of labor.

The two key metrics of labor productivity are:

- **Effectiveness** is the amount of work a labor unit can accomplish in a construction process.

- **Efficiency** is the quantity of work completed by a unit of labor in a given period.

More than labor effectiveness, labor efficiency is used in the construction industry to determine the overall outcome of the resources spent. Efficiency is generally used to calculate and monitor performance.

The U.S. Bureau of Labor Statistics offers a construction productivity growth study, and we have listed the following four factors that hamper precise measurement of productivity growth in the construction industry:

- The likelihood that government statistical companies have used improper methods for estimating construction productivity trends

- Inherent inadequate or harmful difficulties within the industry render a combination of the issues associated with productivity growth.

- There may be a routine shift of resources toward the lower pieces of construction industry productivity.

- The negative productivity growth within the industry may be linked in part, at least slightly, to an upsurge in governmental environmental regulations and tactical workplace modifications.

How to Bridge the Site-to-Office Gap

Teamwork between the site and office in construction begins with exceptional communication. The two partakers must communicate confidential information quickly to get the best results. The flow of data between the office and construction site is vital to a project, and any deficiency in communication produces avoidable and undesirable stressors in handling construction.

When two groups work on one project, mistakes are inevitable, and when they do, the responsibility is often passed around to various departments, creating internal conflict. This excessive breakdown in communication can dramatically slow a project and restrict your business.

Why Is Seamless Communication Crucial in Construction?

Office and site communication is essential to a well-run project. However, it feels like the office and field teams manage their world times. However, office personnel may never set foot on a construction site because they are not required.

Concurrently, laborers on the job site may never be able to resolve the back-end challenges without collaborating with designers, architects, engineers, suppliers, and owners- all on a single platform.

While the office team is critical to coordinating all aspects of the project behind the scenes, nothing will ever get completed or done right without the skill set and commitment of the boots on the ground. Each domain contributes its skills to the construction project, and it's essential to boost the respect and trust between the various players.

Miscommunication and disagreement on the job site are not surprising, it happens everywhere. Maybe it's not new, but that doesn't mean you'll end up having conflicts constantly. Because in the end, no one needs the pressure of managing these issues and handling the construction project simultaneously.

Also, these happen to be very costly. One study reported that the average cost of a dispute on a job site was $10,948.00! And that was just the standard. A dispute might even cost you hundreds of thousands of dollars if not addressed promptly and accurately.

● Say Goodbye to Excel Sheets

In an avant-garde industry such as construction, it is crucial to focus on real-time solutions to your workplace communication problems. Old technology solutions, such as Excel, might not cut it either, mainly when you're not operating with a system or software that lets the entire team access the same applications and files.

Technology alone is not the answer to this puzzle— it's the right technology that lets all the staff members centralize data and communication, such as project management software designed for the construction business. When everyone accesses all the necessary information in real-time, coordination and collaboration are accelerated between groups.

● Swap to a Mobile-First Approach

Seamless mobile access to all plans, documents, and systems is vital for connecting the office with the field. This allows employees to access real-time information, whether at the job site, office, or home.

Job sites normally operate outside the standard working hours. If you have a substantial change after office hours, your office staff may also require notification to make alternate configurations for the workday.

Even if your existing technology promises a mobile-friendly feature, look into what that implies. By selecting the software that aligns with your construction team management, the better options for the office and field can connect when you need them..

● Get on the Cloud

As we already know, several cloud-based mobile apps have been introduced in market that offer real-time communication. So today, it's not only about installing these apps on personal mobile phones or devices; it's more about allowing an app that each person connects to the major information they need.

Even though various web-based construction management tools in market are ideal for construction experts, it is preferred to opt for the ones that feature cloud technology.

Make the Latest Technology Standard

Field-specific technology isn't usually compatible with project management-specific technology. Therefore, information may get lost or inaccessible when team members need it the most. Integrating a solution that consolidates and collaborates field and project management workflows can keep everything in place.

Moreover, standardized technology and procedures are critical for your business. If you have no technology, programs, or workflows, you will lose construction projects. Ultimately, your employees will run with their preferences and won't have real-time information about anyone.

No matter how unimportant it may seem, standards can marvel at keeping consistent information and improving communication efforts.

Develop Shared Tasks and Objectives

Developing shared tasks and goals that each member is informed about and follows to create a more streamlined project flow for any given project. While the project's completion is the apparent end goal, maintaining it at the vanguard and demonstrating definite tasks will assist each team member to have a common overall goal in mind as they function through the project.
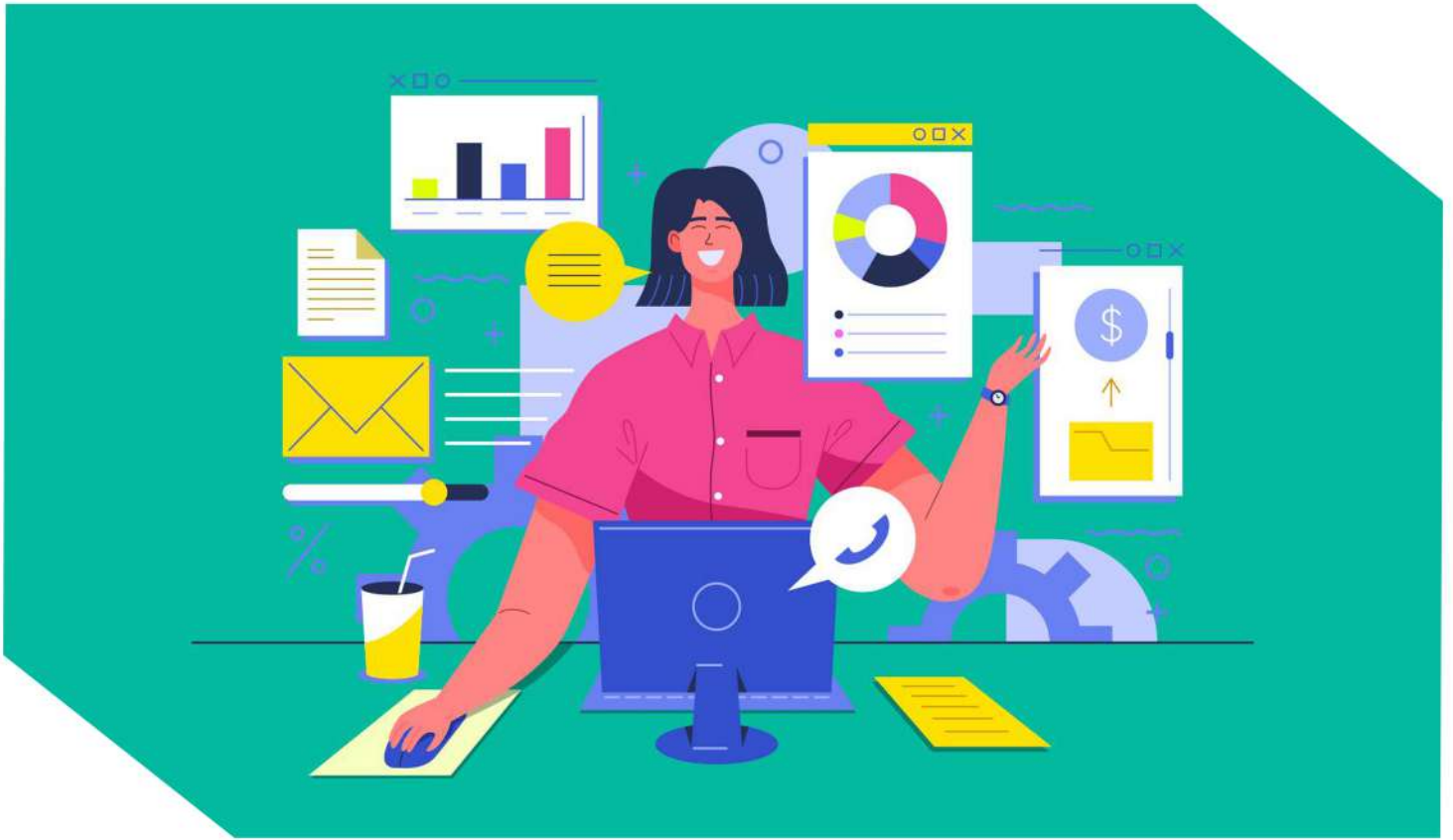
Often, several workers have their own goals— finishing a part of a project or just keeping up with their schedules. Usually, for the worse, these personal goals have a way of clashing with one another. Utilizing construction accounting software task features can help teams develop shared goals and track tasks at each step.

Centralized Data Storage

Rework is expensive, be it in terms of time or money. According to a recent survey, 48% of all rework is caused by miscommunication. When there's a data-driven culture, contractors will witness a reduced probability of losing data in the shuffle.

Driving the change in the work culture that allows all points to tie means, you'll reduce the chances of conflict, enhance the team's overall productivity, and decrease costly errors in rework.

One of the common reasons there are communication issues between the office and the site is that neither side comprehends what the other party does. This includes visual aids, such as photos and videos, in your reports, and being connected to a presentation can alleviate this issue significantly.

How can Using One Platform Boost Productivity?

Experts suggest that in the near future, massive growth is anticipated for the construction sector globally. This means that the need for construction technology is at an all-time high. With companies under stress to finish projects more efficiently, contractors are looking for both simple and scalable technology.

Moreover, such technology must offer rich capabilities and be easily accessible. Just as important is implementing solutions that work 'for purpose.' This results in more of a 'platform' type of technology that suits the numerous functions across a construction project's lifecycle—from project management to financials. With openly incorporated technology with tremendous flexibility and better connectivity between the site and the office.

Conclusion

With standardized processes and streamlined workflows, all-in-one solutions directly lead to improved communication and remarkable consistency between project teams and clients. As a result, projects progress more efficiently, enthusiasm skyrockets, and productivity dramatically improves.

This is where ProjectPro comes into action. ProjectPro is designed explicitly for construction firms and is powered by Microsoft Dynamics Business Central to ensure you get the most out of your business software. Netsmartz LLC has the software, knowledge, and means to provide your business with the most powerful yet user-friendly construction accounting system available using the latest Microsoft technologies.

ProjectPro helps businesses streamline their processes with better insights into the overall project costs, resource requirement, and allocation, which offers precise and timely information. Integrate all of your project accounting, management, labor & resources management, material planning, and customer relationship management through a dedicated solution. ProjectPro provides a smarter and better way for your construction company to thrive in terms of productivity.

Streamline accounting processes and strengthen control of your organization's projects with ProjectPro. With

About ProjectPro

ProjectPro is a division of Netsmartz LLC global group of companies. ProjectPro is specifically designed for construction firms and powered by Microsoft Dynamics 365 Business Central to make sure you get the most out of your business software.

Stand out of the league by streamlining your business processes, controlling costs, and offering timely and accurate information. ProjectPro holds the potential to integrate your crucial job quoting, project accounting, resource management for labor and equipment, and much more all in a single database.

With integrated data, intelligent transaction processing, and robust analytical and reporting capabilities, you can reduce the time and effort it takes to access meaningful information necessary to make good business decisions.

REQUEST A DEMO

✉ sales@projectpro365.com

🌐 www.projectpro365.com

📞 1-647-696-4534