Why **Excel and Construction Software** Don't Work Together

E B O O K

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Introduction

Do you know that approximately 1.2 billion people use Microsoft Office? This means one in 7 people. A massive portion of the world's economy is managed through Microsoft, regardless of whether you own a small construction business or a large one. Despite its popularity, Excel has its fair share of critics.

You might have been using Excel sheets for years and think it is harsh to defame them. Still, we want to show you the dangers of using Excel in your business and help you understand how you can save yourself, your company, and your data from what the big research industry refers to as "the scariest software on the earth."

Raise your hand if you have ever felt personally oppressed by an Excel schedule planner, budget template, or another state of construction management sheet hell. Are you beginning to see red flags at every reference or N/A you see? Do you anxiously grit your teeth every time you have to enter the exact data into numerous sheets? Are your formulas rushing numbers that don't make sense? Take a deep breath and think this quick thought; a construction company without Excel.
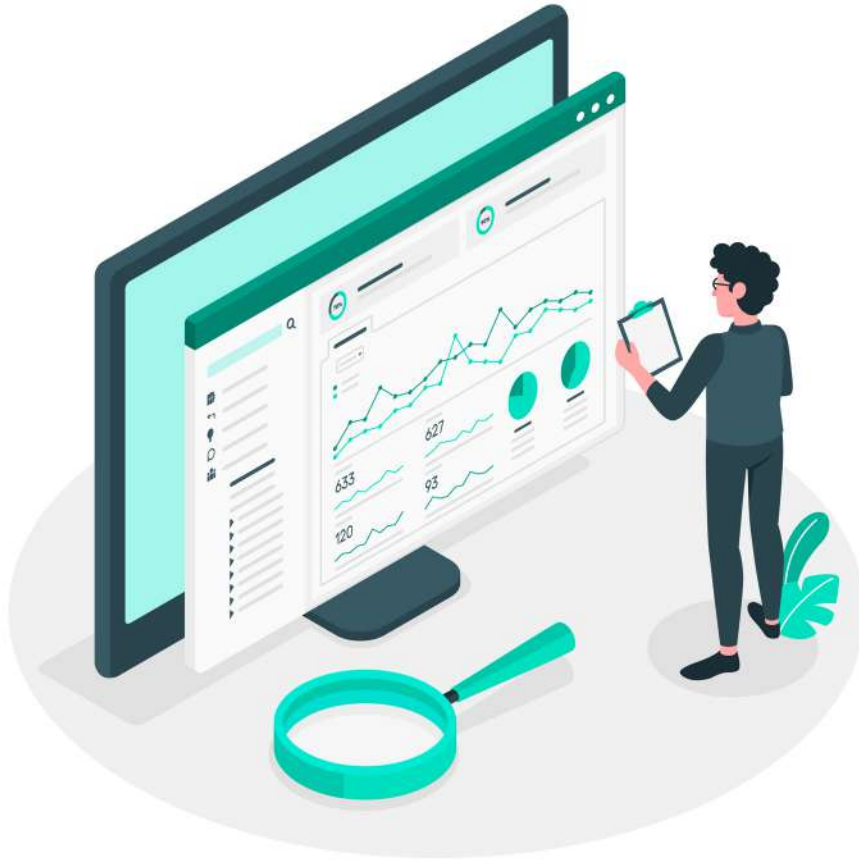
You might think, "Wait, you suggest not using Excel?" Yes–and it's simpler to do than you think.

Excel was a game changer in the past. In fact, introduced originally in 1985, Excel is about 33 years old, and the time has arrived for your company to force this software into premature retirement. Compared to how accounting paper ledgers did the job before the dawn of digital, they are no longer adequate and appropriate to current accountants with advanced and easy-to-use construction accounting software.

You need to let go of the days of tracking, managing, and taking responsibility with pristine Excel in construction companies. It is ending with mobile and cloud-based construction software rolling out.

For instance, if you continue using an Excel budget template or any other spreadsheet in your construction company, your project could cause severe and avoidable inefficiencies. Excel and spreadsheets should no longer be part of your construction tech suite. Rather, switch to construction software to improve your project productivity.

Below, we'll explain some of the significant drawbacks of having Excel in your organization and how and why you should switch to a robust construction accounting software. This will help you make a viable decision for your construction business and achieve success in the market.

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The 4 Critical Concerns about using Excel for your Construction business

As mentioned above, Excel was a transformative invention for the world earlier. But if you continue to be dependent on it even now, you'll never be able to improve the efficiency of your construction business.

Having a streamlined process is the need of the hour for construction companies to achieve project goals. However, because of managing excel or other time-consuming and repetitive processes, contractors lack focus on core activities. Let's see the critical concerns you need to consider when using Excel:

1. It's not as effortless as it seems to be

If it were feasible to use Excel with 0% mistakes, the effectiveness and power of the program might be challenging to argue with. But even the most skilled user makes mistakes, and Excel was not designed to be tolerant of errors. Audits have shown that about 90% of all extensive spreadsheets (determined by the auditors as spreadsheets with more than 150 rows) comprise severe mistakes and that users have up to a 1.79% possibility of making a blunder per cell.

Those statistics indicate that when a spreadsheet extends to tens of thousands of cells, numerous mistakes will occur, with expensive repercussions.

2. Trash in, Trash out

Excel does what is directed in the construction industry, which means it will perform the tasks entered, whether they are factual or not. The lack of an automatic self-checking element implies that users must test their own formulas' authenticity. This, again, consumes a lot of time and increases the possibility of error. Many large corporations discovered this the hard way.

In 2012, JP Morgan Chase mourned a $6.2 billion trading loss that was traced to a quantitative analyst in London who was manually copy-pasting data from one spreadsheet to another.

The second spreadsheet, a VaR (Value at Risk) model that was designed to help JP Morgan Chase define the risks and bonuses of trading, had a user blunder in it that ushered risk officers at the bank to accept that credit derivative chances were half as risky as they truly were. This thrashing, now termed the 'London Whalee', cost the bank billions of dollars and damaged its reputation on a global level.

3. They're not ideal for a collaborative period

Spreadsheets are usually collective struggles made across teams. But without the ability to keep track of changes in Excel, users may insert duplicate data without other users' understanding. It's such a typical issue that the tech industry has stamped the term: '"dueling spreadsheets.'"

Excel doesn't operate in the same way as a database—the program slows down drastically when burdened with data, and the rigid limit of cells you're entitled to create in an Excel spreadsheet can result in lost data when attempting to input more than the paper can handle.

4. High risk of data loss

Due to an innate lack of control over who can edit cells and the comfort of changing values without being caught, Excel exposes its data to the case of fraud. Excel is released with unseen weaknesses like any software until hackers have already exploited them.

In December 2014, a vulnerability in Excel permitted attackers to gain the same user rights as the individual using the spreadsheet at the time. If that person was logged on with organizational user rights, a hacker could install programs, change, view, or delete data; or create a new account with full user rights. While Microsoft does its best to fix these vulnerabilities, the damage to a company might already be done.

Exactly what you should be looking for in a construction management platform

As we all know, construction companies work on razor-thin margins. To deliver thriving, promising projects, you need to manage costs efficiently. And this ethic isn't learned overnight — it comes with knowledge, on-site management, and numerous mistakes.

Every contractor understands that the cost-effectiveness of pending on-site issues, unexpected budgeting mistakes, and design changes can quickly grow out of control. Correctly gauging a project's financial health is crucial to project success.

Discovering excellent construction management software can usually be a difficult task. It seems a new solution enters the construction market every day. You need a tool built to satisfy your team's needs, both in the present and the future.

How do you know which platform suits your construction projects and your firm? The best construction management software will never ask you to settle. You won't have to give up one to get another. Rather, it will check every box on your wishlist.

1. Get Everything in One Place

The basis of construction is created through collaboration. Each construction project has numerous stakeholders who need to function efficiently together to deliver the expected results. Each party is connected around the shared goal of offering value to the end customers, ensuring effective collaboration for an uphill battle.
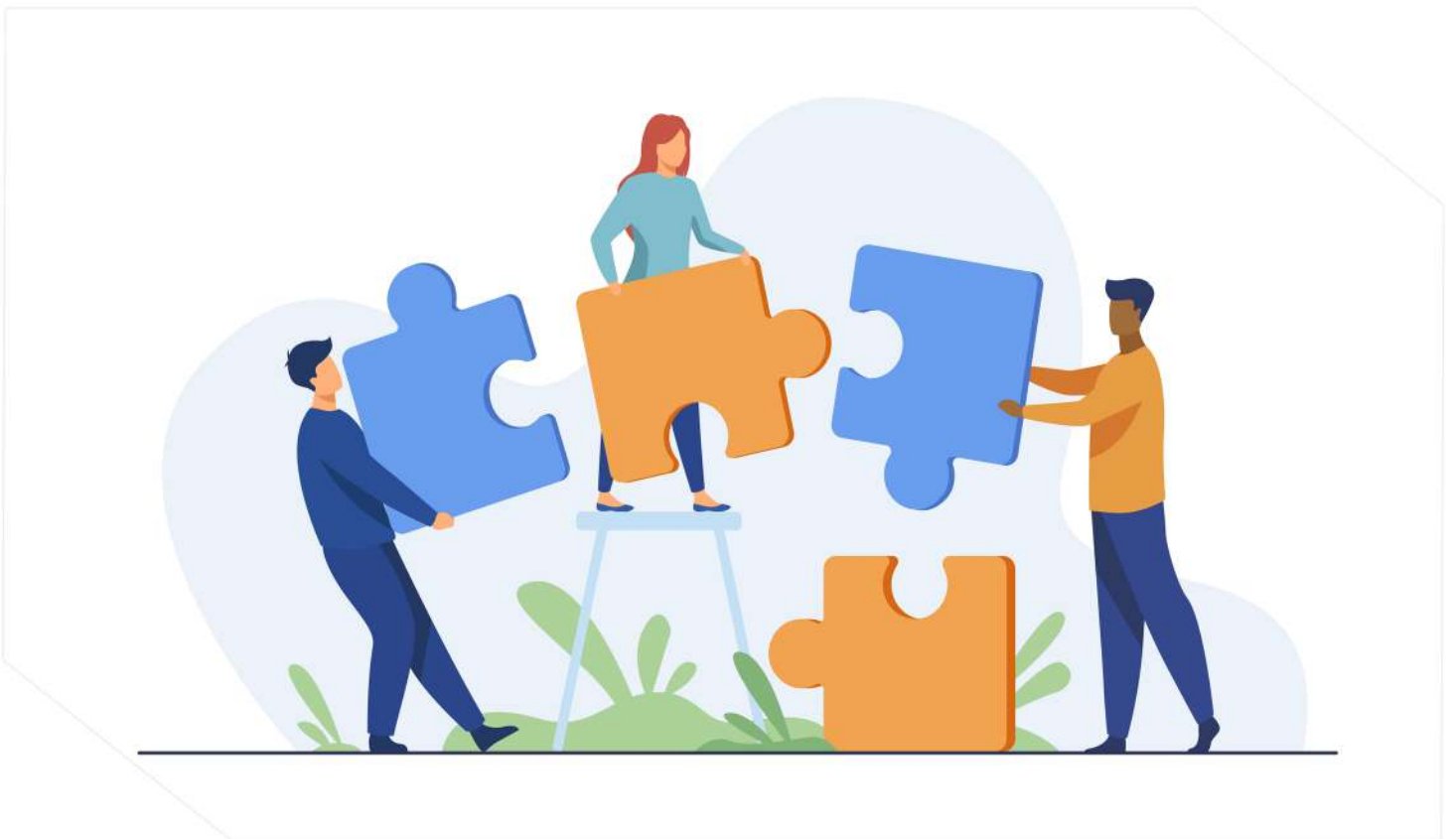
Today, large-scale construction companies aren't made up of five or ten projects. It's not unusual to have around 50 construction firms on a project. Having multiple parties involved leaves much space for disparate methods and platforms. In this case, getting everyone on the same page becomes a genuine challenge.
Construction management software should be built on a shared data environment, the foundation for connecting people, processes, and platforms.

This puts all of your project data in one convenient location.
When hunting for construction project management software, prioritize solutions that permit the creation of connected workflows, data, and teams. These solutions deliver the following advantages for construction firms:

- Improved accessibility of data analysis for decision-making, collaboration, and forecasting
- Aid for project goals as well as business growth
- Better flow of information across the project lifecycle
- Integration of data from the early design stage to processes

2. Collaborative for Teams

Handling numerous stakeholders means organizing massive amounts of project data. Sharing this data with the designers, contractors, suppliers, and stakeholders involved in a project reduces the risk of data loss. To decrease the risk of loss and close data gaps, focus on construction management software that enhances workflows.

Workflows are at the core of construction projects. The correct construction management software will facilitate and connect your workflows through collaboration. A shared data software will ensure that the data is transferred across the field and project management workflows.

Stakeholders will have access to the data they need in real-time. The solution will decrease inefficiencies, human errors, and dull, manual work. Furthermore, stakeholders will only have one set of approvals, one login flow, and a single sign-on to operate. This all increases productivity and improves project results.

3. Designed for People

Solutions with long learning curves can demoralize even the most technologically progressive users. User-friendly, intuitive interfaces are particularly acute in construction, where stakeholders are constantly on the go and functioning to meet strict deadlines. They need to get the data they need to complete tasks fast and efficiently. Technology should make it easier to do so rather than impose barriers to access. Be foolproof by looking for construction management software that allows field team members to input data and keeps you updated.

The solutions should also be mobile-friendly, meaning they should be built to work on mobile devices. Tools built for desktops and then retrofitted for mobile devices often lack the alleviation of use that your users are seeking.

To better understand how intuitive a probable solution is, be sure to examine hands-on demos. Have your regular users give the potential resolution a spin. Get in to witness what kind of support the provider delivers. Does the construction management software have actual people and reps willing to help you when you need help? And only then switch to software. This will help you save money and make wise investments before spending on any random software in the market.

4. Improves Scalability

This superior construction management software will enable you to maintain a strong foundation while expanding your firm. Making this happen needs the correct data. Data should be paramount to your development strategy. After all, the information in the project data will assist you in finding the wisdom you need to make decisions and drive outcomes.

Nevertheless, pulling insights from numerous sources isn't as effortless as it sounds. Process automation is critical to reducing data extraction's tedious, time-consuming component.

Top construction software solutions take data insights to a high level and even have machine-learning capabilities to quickly convert data into real-time insights, propelling present and future triumphs in strategic decision making. The insights from these solutions can assist you in scaling your firm and projects.

If Not Excel, Then What?

New solutions—particularly in the construction industry— offer improved partnership and communication with infinite storage space, high security, role-based authorization levels, and version controls. ProjectPro operates on Microsoft Dynamics Business Central to help customers collaborate on project documentation and allow them to make improvements and update all parties in real-time. Many developments are evolving to be more than software for construction companies.

ProjectPro integrates and has capabilities in managing costs, accounting, generating estimates, and more to help contractors thrive in the agile market. It is one of the robust platforms that offers a wide range of solutions to construction companies, enabling you to achieve your project goals without any hassle.

We have a team of experts who will guide you through the platform and help you understand the capabilities and make the most of it. Take a guided tour of the platform and the change in your construction company.

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.

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