While the construction industry has accelerated its adoption of technology over the last few years, it continues to suffer the consequences of lagging behind. But the good news is that there has been a very significant shift in the construction industry towards mobile computing, and technology in general, over the last two years. Tablets and smart phones have lowered the entry bar into computing, allowing users to quickly get up and running with a gentle learning curve. This increased adoption has quickened the pace at which building companies have deployed mobile technology that makes it possible for them to take advantage of real-time communication and coordination between job sites and centralized technology systems, saving them time, money and, in many cases, their reputations.
The return on investment for construction companies that deploy mobile technology is considerable. For starters, visibility into projects and the processes that drive or derail them increases not only instantly but in most cases exponentially. That’s followed by an ability to better manage costs, bid on future projects with a far greater degree of accuracy, and last but not least, reduce or eliminate employee theft which connects back to better cost management.

Construction companies that are savvy about mobile technology also benefit in another, less obvious way: They appear to be living and working not in the last century but in this one – a distinction that’s important not only to customers but to potential employees as well. As mobile technology continues to become the default means of communicating, those not making the move to mobile may appear out of step with the rest of society. The Pew Research Center recently found that 87 percent of adults in the U.S. own a cell phone. And its popularity is only growing: Research on the impact of visual networking applications conducted by Cisco shows that smartphone usage grew by 81 percent in 2012.

These statistics prove what we already know – mobile technology is an integral part of daily life, and it’s becoming more so. People know how to use mobile devices and the apps that work with them. Not surprisingly, they take it for granted that the construction company they’ve hired will take an integrated, automated approach to conveying critical information about costs, scheduling, materials and other project-related issues. In fact, potential clients are bound to react with suspicion once they see that the company they’re considering conducts business with clipboards and coffee-stained note pads. Who can blame them?

SEEING IS BELIEVING: MORE VISIBILITY

When it comes to missing deadlines and exceeding budgets, lack of visibility is often the number one culprit. That’s because it’s almost impossible to make a decision about what something will cost and how long it will take without accurate information.
One of the biggest benefits of mobile technology is that it enables a view of how specific things are trending before they become problematic.

By automating the tracking of how many work hours are being spent on what jobs, as well as the rates of pay for each person on the crew, it’s easy to see, that an excavation that’s only 30 percent complete has already consumed 53 percent of the budget allocated to it and then adjust accordingly.

Another benefit of improved visibility is that it helps better manage unit costs. A foreman can use a mobile device to log where employees are spending hours; at the end of the day, the foreman can see where problems are or, more importantly, where they are likely to occur. With unit costs fluctuating wildly based on the makeup of the crew, the ability to track onsite enables the foreman to substitute more expensive crew members with those whose hourly rate is lower on jobs that don’t require the experience level of more senior employees.

Accounting Manager, Priscilla Gutierrez with Fort Worth, TX-based general contractor, AUI Contractors, noted an immediate benefit following the implementation of a mobile field to office solution, “One thing that came as a nice surprise was a boost in productivity in regards to tracking and entering production units from the field. By entering production units, we can get information out to our supervisors easier. Within the application, there’s a calculation section that can be filled out with production units. Those units backfill other fields and shows how many days and how many people a job might take. It projects what a job might look like if you kept the same

“One thing that came as a nice surprise was a boost in productivity in regards to tracking and entering production units from the field”

-Priscilla Gutierrez
Accounting Manager
AUI Contractors
number of people on a job and how many units you
would produce at the end of the week. This has been
really helpful from a productivity standpoint and the
guys in the field love it because they can get real time
information right up front.”

FEWER SURPRISES THANKS TO BETTER BIDDING

Accurate tracking in the field not only improves
visibility and accountability but it also enables
construction companies to make more accurate bids
for future projects. In an industry known (fairly or
otherwise) for cost overruns, bids that align with final
invoices are a competitive differentiator.

Solid and dependable integration is key to a mobile
solution. With solid integration in place, what happens
on job sites is precisely reflected in the company’s main
system that information is extracted from for bidding.
Examples of the kind of data that should be easily and
quickly accessible range from a simple view of what
materials were required for similar projects in the past
to complete and accurate labor costs. That task is often
the most complex part of bid creation for companies
that still track hours and costs manually. That makes it
relatively easy for costs to be attributed to the incorrect
jobs or phases, either accidentally or as a way of
reconciling disparate items within the overall budget.
Of course, while shifting costs from an item that ran
over budget to one that came in under its projection
may solve a short-term problem by making the project
as a whole appear to have been completed on budget,
but in the long run the inaccuracy of data makes it even
more difficult to accurately estimate what a similar
project will cost a client. A properly integrated mobile
solution all but eliminates that problem.

COST MANAGEMENT THAT DRIVES VALUE

A good mobile solution will contribute significantly to
a construction company’s ability to better manage its
own costs and, at the same time, pass the value on to its
clients. Cutting administrative costs is one of the areas
where smart use of a good mobile solution can have a
measurable impact.
For many construction companies, mobile computing occurs when a crew member scrawls his hours on the underside of a 2x4, snaps a picture of it with his cell phone and then e-mails it to the main office, where the time is entered into a spreadsheet. Timesheets are also transmitted to the main office via a manually drafted e-mail message or written out on paper and delivered by car, bike messenger or on foot. There are obvious costs associated with these methods of delivery – primarily the time the people involved are spending on it – but the repetition of manual processes presents yet another opportunity for often costly errors to occur.

Illinois-based River City Construction’s Colleen Miller had this to say about streamlining crew time capture after their adoption of a mobile field solution. “Before implementation] Our field supervisors would have to handwrite on a time sheet each employee, and then break out the hours by cost code. This would sometimes cause them 2 hours a day just filling out time sheets on the larger projects with 30 to 40 field employees. Before switching to a mobile solution, it would take one employee 4 days to enter time for contract jobs and that has been reduced to 2 hours. The other employee that entered time and material hours, went from 3 days of entering time down to 6 hours.”

“Before switching to a mobile solution, it would take one employee 4 days to enter time for contract jobs and that has been reduced to 2 hours.”

-Colleen Miller
River City Construction

Reducing equipment costs is another area where a quality mobile solution can earn its keep. Many construction companies complain about renting a piece of equipment only to learn later that what they needed was sitting idle at a job site less than five miles away. When all the equipment is accounted for in a system that’s easy to update from job sites in real time, a project manager who needs a specific piece of equipment can run a report to quickly determine if it’s available before renting one instead.
THEFT REDUCTION
(BUDDY PUNCHING)

By providing a deep view of who is doing what, and when and where, construction companies that deploy mobile solutions are able to immediately eliminate the 3 to 5 percent of the payroll normally lost to theft. That’s because a quality mobile solution identifies the crew member as part of the time keeping process. Identifying which crew member is entering time can happen in numerous ways. One popular option is the use of tablets with GPS stamping capabilities, which identify the geographic location where the time is being entered, eliminating the practice of crew members checking in for jobs from their own homes or coffee shops. Other options include swiping ID cards and fingerprint scans.

SUMMARY

Colleen with River City Construction summed up their overall benefits with, “All in all we were able to reduce the amount of time spent in the payroll department processing timesheets. We were also able to reduce the number of errors coming in from the field and time spent in the payroll department correcting those errors and generating new pay checks. All the while giving personnel in the field real-time information as to where their job stands.”

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Bottom line, gathering information from the field on today’s smartphones, tablets and laptops and then sending that data back to your office’s accounting system, has never been so easy. Are you taking advantage of today’s technology advancements? Have you looked into deploying a mobile solution to empower your field to make a direct impact on increasing productivity and better managing your overall business? If not now, when?

For information about Viewpoint Construction Software, please call 800-333-3197 or go to viewpointcs.com.