



eBook



# IS YOUR NEXT JOB A GOLDMINE OR A MONEY PIT?

How modern construction software can improve job costing processes and improve projects' financial health.



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Traditional business accounting methods may cover the basics of an organization's financial health, but don't provide the visibility that contractors need in order to track the ongoing financial status of, or predict the expected profits *[or losses]* across their many, diverse projects. So, for most contractors, job costing is the accounting method that makes the most sense.





### Without a true job cost accounting solution:

- *Project managers lack the day-by-day visibility required to make timely and informed decisions to avoid profit fade.*
- *It becomes difficult for contractors to accurately track project progress, productivity and key workflows.*
- *There is a lack insight into profitability without project level costs, revenue and allocation of company expenses.*
- *Limited access to underlying financial transactions and weak internal controls lead to miscoded costs and reporting.*
- *Executives are hard pressed to accurately determine the profitability and risks associated with ongoing projects, limiting their ability to strategically plan or confidently pursue future work.*



Modern job costing software is designed to help contractors win more work and maximize profits by accurately tracking all the costs associated with specific projects, providing better views of the project as a whole before, during and after completion.

**Project-based job costing software can help you predict whether your next project is likely to be a goldmine or a money pit by allowing you to:**

- *Track real-time job performance metrics like project costs and WIP and share with all project stakeholders.*
- *Get a jump on potential jobsite issues before they become real problems.*
- *Create accurate cost benchmarks that help create more accurate estimates for future work.*



With timely and accurate job cost information, you can switch from reactive decision-making to proactive decision-making, which will help you turn potential money pit jobs into gold mine projects. But the first step in this, or any, good business improvement plan is to make sure you have the data you need and the tools to make use of it.

**If you're still using manual processes, like pen and paper, or even spreadsheets combined with off-the-shelf software, you're at risk for:**

- *Inaccuracies and loss of valuable data.*
- *Human error in data entry and costly corrections.*
- *Lost time in data re-entry into different software programs.*
- *Reduced project profitability.*
- *Less accurate and potentially money-losing bids.*

## Survey Says

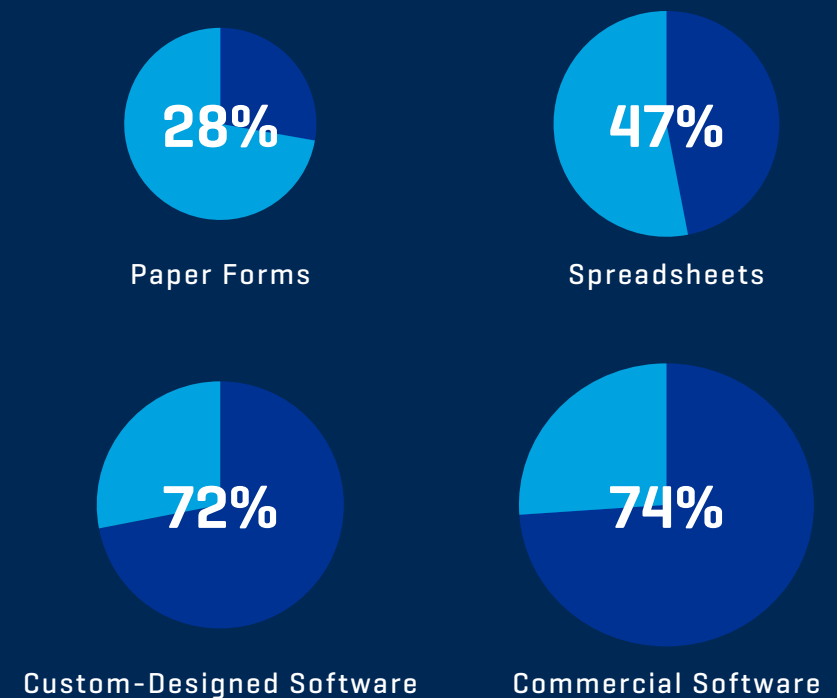
Over the past few years, there has been an uptick in software adoption in construction by those looking to increase efficiencies across several areas of business. In fact, a 2019 SmartMarket Report from Dodge Data & Analytics studied these new software-forward strategies, reporting a “rapid shift away from paper-based forms/reports and spreadsheets to digital tools and platforms, some leveraging cloud technology” as one of its key findings.

Reinforcing the rapid industry shift toward software, the report, titled [“Improving Performance with Project Data,”](#) also showed that only 47% of respondents were satisfied with using spreadsheets; while 72% were happy with custom software; and 74% were happy using commercial software. Only 28% still used — and were fine with — paper forms.

## Satisfaction With Collection Methods

The percentage of contractors reporting satisfaction with the effectiveness of each method aligns closely with the usage trends, reinforcing the rapid industry shift toward software.

*Dodge Data & Analytics, 2019*



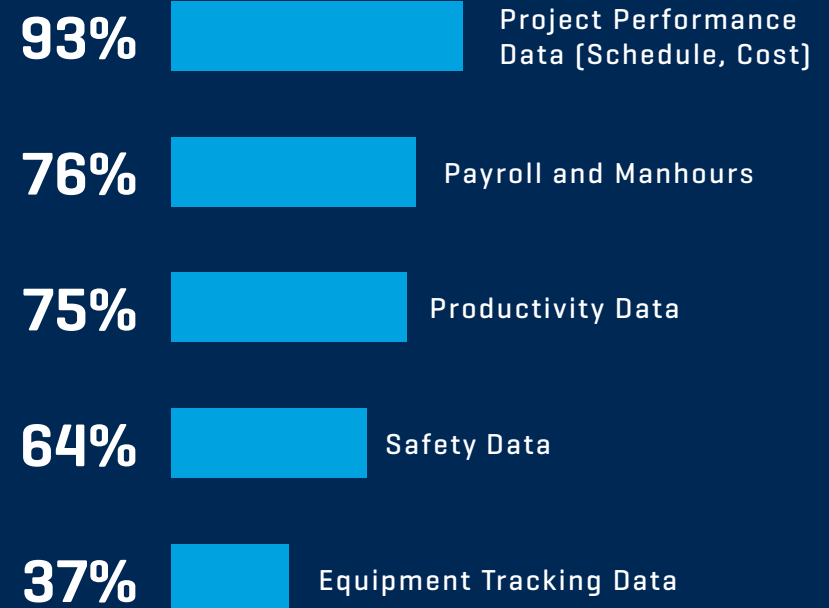
The study was based on a survey of construction managers, general contractors, specialty trade contractors and design/build firms in the United States with a primary focus on buildings. Respondents were asked how they currently gather, store, manage, secure, analyze and report on each of these types of field data with a specific focus on their current level of satisfaction and plans for making future changes.

Along with increased frequency of mobile device and mobile app use in the field, respondents expressed the desire for more accurate field data that enables trend analysis across projects. Better project performance data *[including up-to-date job costs]* was the most desired with 93% of respondents placing this among their largest needs. Payroll and labor hours *[76%]*, productivity data *[75%]* and safety data *[64%]* were also highly important to contractors.

## Most Important Project Data to Gather

Contractors assign highest value to project performance, payroll and manhours, productivity and safety data from the field. Collection of equipment tracking data is still emerging.

*Dodge Data & Analytics, 2019*



If you're a seasoned project manager you can probably provide a decent ballpark guess as to the cost of materials, payroll, insurance, taxes, equipment, etc. for each job. However, as even the best contractors continue to prove, once you're deep in the weeds of a job, things aren't always as they seem.

## Simply Unpredictable

With commonly unpredictable market conditions [*think of the construction industry's recent struggles with the labor shortage and cost of materials*] and project circumstances we can't always forecast [*here's lookin' at you, Mother Nature*], your projects are already faced with daily challenges. Without a way to accurately track spending on a job, you can, at best, leave some additional profit on the table. Or you could end up drowning on a project that, at first, seemed like a winner.





With construction teams often spread across multiple *[sometimes remote]* locations and different working environments getting accurate data in a timely manner can be difficult. Disjointed teams working in multiple software systems make real-time job costing impossible. Compiling complete project data from the field can take days, weeks, or even months. And by the time that data is available, the job may have already moved to a new phase *[without a good solution]* or may have even reached completion. With project managers wrangling multiple projects at once, these problems are easily compounded with even the smallest bit of missing information.

No construction project is without mistakes. The less accurate project information you have on hand, the more mistakes are likely to occur.



These mistakes can cause lengthy project delays, increase time and labor costs, lead to costly rework, increase safety risks and more — all affecting your bottom line. Getting a better grasp on project data in real time can help you break through these barriers, or at least learn from those mistakes and prevent them from happening again.

So, how can you better understand project health, drive efficiencies and ensure better planning of future projects? With modern job-costing software, you can ensure that workflows and data flows are streamlined, monitor progress and costs in real time and take steps to study trends in the successes and failures of your past projects. You are in control of your projects as they're occurring. With modern solutions and accurate, real-time data guiding your job cost decisions, you can adjust budgets and work smartly to maximize efficiency, quality and profit.



## From Manual To Modern

Many contractors have already made the transition from manual processes to modern, cloud-based software and integrated construction management solutions that provide the latest job-costing tools. But how do you get there? Consider looking into connected ERP platforms, designed specifically for contractors and built in the cloud to take advantage of the latest technologies. This eBook, [\*A Practical Guide to Selecting Construction Software\*](#), can help contractors get started down the right path to modernization.

The Dodge Data & Analytics study looked into improved data gathering and analysis capabilities among contractors who went the modern software route. According to the study, the top four benefits generated by that improvement included:

- *Better ability to complete projects at/under budget [53%].*
- *Greater productivity [47%].*
- *Increased profitability [46%].*
- *Ability to complete more projects at/under schedule [36%].*

Imagine doing in a few hours what used to take you weeks. Integrated software programs operating in the cloud provide a single stream of easily shared data across functionalities throughout the organization. That means there is one source of job cost truth from which your teams will base their decisions. Not only does this streamline workflows and keep everyone on the team working from the same page at all times, it eliminates duplicative data entry between multiple disconnected software systems that take hours, days, even weeks to pull together for a complete job cost snapshot.



## Here are a few more benefits:

- *Collaborative workspaces and intuitive dashboards simplify processes so that everyone on the project team — from the back office to project managers to field crews, subcontractors, vendors, architects and project owners — can collaborate together in real time.*
- *Integrated, easy-to-use mobile applications make it much simpler to both collect data from the field and share information with field teams that needs it.*
- *Powerful innovations like built-in data analytic and business intelligence solutions are helping contractors move beyond just tracking job costs, allowing them to dive deeper into project data to achieve new benchmarks, better understand trends and better predict future project health.*





## ONE *Direction*

The benefits of deploying natively-integrated, cloud-based construction software to streamline your job cost processes are clear. And Viewpoint's cloud-based [ViewpointOne](#) — a comprehensive set of natively-integrated construction management software applications — has everything to cover your company's most challenging job cost or T&M accounting needs.



ViewpointOne's solutions provide the streamlined job cost functionality and deep views into project performance you need to avoid falling into those money pits and stay a step ahead of your competition.

### Here are just a few of the features:

- **Integrated accounting and project management** — If you have separate operational and financial data for your jobs, you're likely not seeing the whole picture. ViewpointOne combines project data from the field with the financials from the office to give managers and owners a realistic view of the actual earned value of all their projects—in real time.
- **Work-in-progress [WIP] reporting made easy** — WIP reporting is a must for construction financial managers, and ViewpointOne has built-in WIP reporting that help you bill accurately and on time, keeping your cash flow in the black.
- **Dashboards and reports that provide real-insight** — Different people in a construction firm need different information, from the owner and executives to the field supervisors and work crews. ViewpointOne lets you build customizable dashboards and data



visualizations, from high-level job summaries down to the smallest of project details in a few simple clicks. Reports are powered by built-in analytics that turn your business data into true construction business intelligence.

- **Automated processes and intuitive workflows** — In addition to no longer having to re-enter data into disparate systems, ViewpointOne's solutions automate tasks to further streamline work across your organization.

Learn more about how [ViewpointOne](#)  
[Enables Construction Professionals](#)  
[to Work Smarter, Easier.](#)



Viewpoint clients are harnessing the power of the connected ViewpointOne suite of solutions.

*Unlike software that solves a single need for customers, the cloud-based ViewpointOne products combine industry-leading construction job costing solutions built into enterprise resource planning (ERP) offerings. With powerful integrated solutions for the field and extended project teams, ViewpointOne gives customers an integrated and flexible system for managing operations, improving productivity and enabling better decision making.*

Connect with Viewpoint to learn more about ViewpointOne today.