

EXECUTIVE INSIGHT

JUMPSTART YOUR SUCCESS IN 2021

Tips and Techniques for Construction Professionals



ProEst®

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INTRODUCTION

For most of us, 2021 couldn't come fast enough. The impact of last year's pandemic on individual lives and businesses was unprecedented, and many in the construction industry are still feeling the effects of project delays and an overall economic slowdown.

While we can't see the future with absolute clarity—though I do believe that new levels of growth and prosperity are already on the way—it's clear that we live in a changed world, and that contractors who can pivot to new business norms and expectations will have a distinct advantage over those who can't.

And while keeping up with (or ahead of) technology advancements will always be crucial to better business performance, there's a lot more we can do to shape our success. As organizations, we need to be open and agile. We need to be creative and aware. We need to see opportunities and act on them with confidence. Moving forward, construction companies that are flexible, responsive, collaborative and human-centric will win the day, and every client, partner and employee will benefit.

Best Regards,



Jeff Gerardi
CEO, ProEst

STRATEGY #1:

DEFINE YOUR COMPANY CULTURE

Simply put, your company culture consists of the values, ideals, attitudes, beliefs, goals and behaviors that make your company what it is—intangible qualities that can have a major impact on your employees, clients, partners, and the reputation of your business overall.

Do you embrace diversity? Give back to the community? Strive to achieve a rewarding work/life balance? Is your company tech-forward? Growth-oriented? Environmentally aware? Everything you think and do as an organization contributes to your culture, and it has become vitally important to articulate messages—both internally and externally—that reflect it.



Attract the best talent

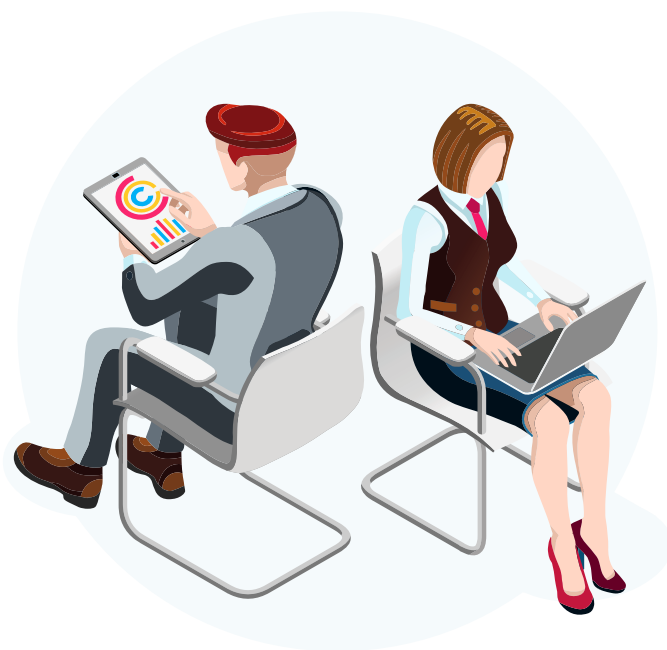
Now more than ever, employees want to feel like what they do matters and to take pride in the company they work for. In fact, LinkedIn research shows that more than half of job seekers would like to be able to experience its culture before committing to joining the company. That speaks volumes about the importance of establishing a cultural framework—the more detailed the better—and articulating its benefits to job candidates and current employees alike.



Companies that create a positive candidate experience enjoy a 70% increase in the quality of their hires.

Retain top performers

Losing employees—and replacing them with new ones—is an expensive proposition. The cost of employee turnover is as much as 2.5 times an employee's salary depending on their role, an expense few companies can afford even under the best of circumstances. So how do you make sure you can retain your top performers and keep the employees you value most for the long-term?



Increasingly, the answer is company culture. The reason is simple: employees want to feel like they are an appreciated part of a positive community. A cohesive and inclusive company culture is key to building that sense of community.

Build better teams

In the end, a thriving corporate culture—one that's understood and embraced by every employee in your organization—has the ability to transform your company from a functioning

business into a high-performance team. How? When your organizational culture is purposeful, clear and connective, it can help keep your employees fully align with your core business—mission, values and vision. A highly defined company culture also helps to set expectations about workplace conduct, and how to collaborate more effectively as a group. In an increasingly distributed working environment—where remote work is the rule rather than the exception—making sure that employees stay connected and feel that they’re part of a larger whole is a lot more difficult, but much more important. Your company culture, articulated and practiced on a daily basis, can help bridge the gap.



Future-proof your business

Finally, as construction companies add more and more employees from Generation Z and Millennial age groups, the importance of maintaining a thriving company culture grows proportionately. Casey McEndree, Project Manager at Underground Construction, put it this way: “Culture is the most important. If you don’t want to come into work every day, you will find

somewhere else to work. You have to enjoy where you’re working and feel comfortable and able to grow.” In other words, the presence of a people-first culture has become a driving force—and motivating factor—for employees when they choose where they’re going to build their careers, especially for younger generations.

STRATEGY #2:

REINVEST IN YOUR WORKFORCE

Like it or not, digital technology now defines how we live and work, and contractors of all sizes are quickly starting to see the benefits of adopting new digital tools and processes. By far the best way to “reinvest” in your employees is to proactively expose them to digital concepts and technologies as they become available— upskilling that offers your company a competitive edge now and will be mandatory for success in the future.

Of course, upskilling is more than a professional perk for your employees; it has direct benefits for your company, too, and cost reduction is at the top of the list. Prior to the pandemic, many contractors were having a hard time finding enough qualified workers to fill vital positions, and as the industry begins to recover from the impacts of Covid-19, competition for the best candidates is certain to resume. The real problem? Training new employees, assuming they are available, can be cost-prohibitive. By investing in the upskilling of existing employees, companies have the potential to acquire similar skill sets at a much lower cost.



The average cost-per-hire of a new employee is more than \$4000.

**Source: Society for Human Resource Management*

Important as it is, cost isn't the only reason to reinvest in your employees by elevating their skill-sets. Upskilling has also been shown to improve employee engagement, morale and retention, all of which can result in a more productive workplace, reduced turnover, and ultimately, a more profitable business. That's the kind of workforce reinvestment that makes good business sense.

Keep employees engaged

Broadly speaking, an engaged employee is a good employee, and upskilling has been shown to support higher levels of engagement at every level. Just as important, with an expanding skill-set and knowledge bank, employees are more likely to perform better and be accountable for outcomes.



Boost employee morale

Attitude, they say, is everything. Having a workable plan in place to develop professional skills in your workforce can help make your employees feel valued as the professionals they are, which in turn improves their morale and strengthens their loyalty to your company.

Retain your best employees

According to a Gallup poll, companies that offer professional development opportunities—or upskilling—attract more desirable job candidates and can help you retain the personnel you already have. By giving employees the chance to develop their workplace skills without going elsewhere, you make it clear that your company is focused on the future and is willing to make an investment in their professional success. Not surprisingly, that can translate into increased employee loyalty, reduced turnover and higher performance levels overall.

Contractors that embrace change and see digital solutions as a path to growth have a built-in advantage: the technology providers they partner with are uniquely equipped to train your employees on the products they provide. By reinvesting in your current workforce and closing any digital skill gaps they may have, your company can compete more effectively now—and proactively prepare for the future.

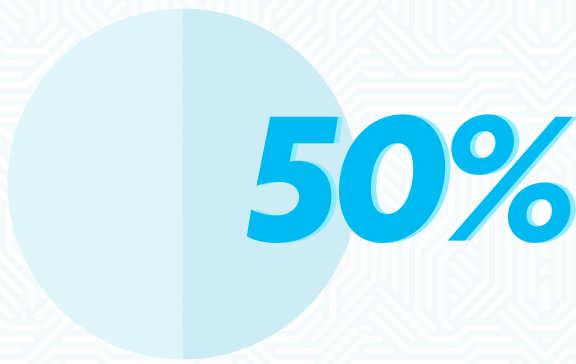


STRATEGY #3:

BE PRESENT ON SOCIAL MEDIA

Over the past several years, social media has become big business—and is now an essential way for construction companies to compete and grow. Maintaining a consistent presence on platforms like Facebook, Instagram, LinkedIn and other social sites is an essential way to reach current and prospective clients, demonstrate thought leadership and increase visibility for your company. The numbers are impressive: when you consider that 51% of adults in the U.S. use Facebook multiple times a day*, the reasons to become an active participant in the social media environment become clear. Conversely, if your company does not have a presence on social media sites, you may be missing out on some important business opportunities that your competitors are taking advantage of.

An added feature of using social media to promote your construction business is its relative affordability. Establishing a user account on popular social media sites is typically free of charge—and adding content to your pages costs you nothing other than your time. Posting on Facebook, LinkedIn, Instagram and other sites is an easy, low-cost way for your company to connect to the people you want to reach, giving you a lot more “bang for the buck” than traditional marketing channels.



of U.S. adults use Facebook on a daily basis.

**Source: Pew Research Center*

Become known as a thought leader

Social media platforms offer an affordable way to establish your company as a construction industry thought leader—a trusted source for information on topics related to your market niche, whether you're a multi-office GC or a small subcontractor specialist. The key is to deliver information that is relevant to and valued by the people of interest to you; industry updates, community news, research findings and other objective editorial content (without overt marketing messages) will help demonstrate your business expertise and build trust in your company.



Build word-of-mouth advocacy

A presence on social media sites can help convert your clients into a motivated—yet unpaid—salesforce, satisfied customers who can spread the word about your company and help cre-

ate business-building inquiries and referrals. That's the kind of organic, third-party validation that lends credibility to your organization—and can't be achieved through traditional marketing messages.

Display your company's human side

Above all, social media is a “human” platform, creating endless connections among individuals, businesses and user groups. To round out your presence on social media platforms (and be more engaging to your followers) it's important to introduce posts featuring your people—employees, clients, partners— so that you put a “face to the name” and demonstrate that your company has a relatable human side. Employee profiles, client case studies and other people-focused content are all part of an effective social media profile.



Keep track of your competition

Part of the value of social media platforms is maintaining awareness—of your clients, your partners and the industry as a whole. But social media sites can also be useful in helping you keep tabs on your competition. By regularly checking in on their Facebook, LinkedIn, Instagram and other pages, you can gain important insights into your competitors' activities, achievements and strategies, and build your own content accordingly.

Create more traffic to your website

Social media platforms aren't designed to display deeply detailed, content-rich content; rather, part of the value of Facebook, LinkedIn and other popular social sites is to direct prospective clients to your website, where they can find more details about your company's clients, capabilities and industry experience. By including your website address in each social media post, you're more likely to generate traffic to your own dedicated platform, where you can capture visitor interest and contact information.



STRATEGY #4:

BUILD A PROFESSIONAL NETWORK

As any successful contractor knows, professional relationships are the foundation for long-term success in the construction (or any) business. Clients, colleagues, employees, industry partners and peers all combine to form a powerful network that fuels collaboration, problem-solving, referrals, resource management and more. That's why it's crucial to build and maintain strong connections to others in your field; when you're open, accessible and visibly engaged as a business leader, people are more likely to share experiences, exchange information, make introductions and offer feedback that can be helpful to your company. Here are a few ways you can create a professional network that have meaningful impacts on your business:

Industry Events

Prior to Covid-19 travel restrictions, attending large-scale industry events—gatherings that attract thousands of like-minded professionals from across the country—was a good way to connect with peers, prospects, suppliers, customers and other individuals who share your goals and interests. Many of those events have temporarily adopted a virtual format that eliminates on-site networking, but it's still possible to interact with other attendees via



online chats, topic-specific webinars and Zoom meetings. What's important is to follow up: if you find that you establish rapport with a specific individual or a group, be prepared to stay in touch in order to nurture the relationship—and be sure that event organizers are aware of your interest in sponsorship and other high-profile contributions.

Professional Associations

Construction, like any other industry, has its share of professional associations and alliances designed to meet the needs and protect the interests of their members. Associated Builders and Contractors (ABC) is a national association that represents nearly 23,000 contractors, subcontractors, material suppliers and related firms from across the country and from all specialties within the construction industry. Similarly, Association of General Contractors (AGC) maintain a membership of 200,000+ general contractors across the country, organized into local chapters—while subcontractor groups are represented by specialty alliances focused on electrical, plumbing, home building, HVAC and other specific trades. The relationships you forge through



these professional associations are an important way of staying connected to your industry peers, a network of people who are likely to share your experiences, goals and concerns.



+30M

companies maintain profiles on LinkedIn.

**Source: Soravgain.com, 2019*

LinkedIn

Of all the social media platforms, LinkedIn is the most highly focused on business interests and the history of industry professionals. Long recognized as an effective way to grow your professional network, LinkedIn is an equally effective tool for generating new business leads and nurturing referral relationships. Google and other search engines rank LinkedIn company pages and posts highly in the search engine results pages, so adding regular updates to your company page and creating posts with Search Engine Optimization (SEO) in mind helps to improve SEO performance. You may also find that your traffic to your website will increase, especially if links back to your company's website are featured in your posts.

Community Outreach

Being active—and visible—in your local community can go a long way in establishing your company as a contributor to the “greater good,” and the relationships that result can often yield business benefits for you, too. Educational programs, sponsorships and charitable activities are a great way to give back to your community and can help you gain a reputation as a responsible corporate leader other companies will want to do business with.



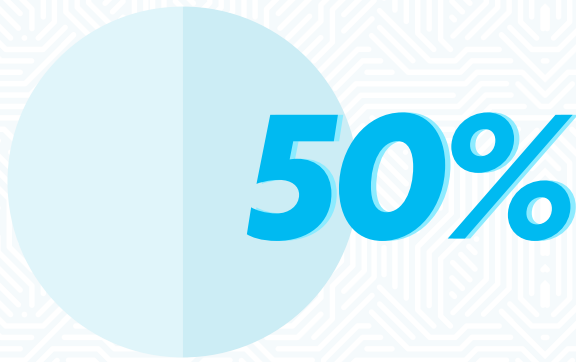
STRATEGY #5:

CHOOSE THE RIGHT TECHNOLOGY

Recent technological advances have fundamentally changed how teams work and contractors compete for construction projects—and early adopters of sophisticated tech platforms are enjoying a decided competitive advantage as a result. Construction estimating and project management is a case in point: reported numbers show that a company that uses cloud-based platforms like ProEst and Procore can increase their process efficiency by 50% or more over manual methods, all with a corresponding increase in accuracy. That can translate into more project bids, higher profit margins and a better bottom line overall. Here are just a few ways cloud-based technology can help improve your estimate hit rate:

Help your teams connect and collaborate

In the past few years, collaboration has become a mandate for successful construction companies. Why? Because research clearly shows that the level of collaboration directly affects the outcome of any task or project—the more of it, the better. In other words, when your teams are collaborating effectively, openly sharing information and able to communicate seamlessly, individual performance levels can rise dramatically, and outcomes can improve. A cloud-based estimating platform does a lot to make that happen. Because information in the cloud is easily shared in real time, simultaneous work and the free exchange of ideas among project stakeholders is far more likely to occur— a collaborative work style that can result in fresh perspectives, collective decision-making and a more efficient workflow.



Integrated estimating and accounting solutions can increase output by 50%.

**Source: ProEst*

Help ensure the accuracy of your data

Winning construction companies replace pencil-and-paper and spreadsheet calculations with software created specifically for construction estimating. That way, calculations for materials, labor, equipment, taxes, mark ups, bonds, insurance and other costs are generated automatically, leaving no room for human error. Estimating software also offers the kind of visibility and control other approaches lack. Estimates can be summarized by cost type—material, labor, sub—or any level of grouping, including user-defined groups by phase, area or location. Data remains consistent, accurate and reliable no matter how you look at it. And there's another benefit: having full confidence in the data means you spend less time chasing outliers and deciding which numbers to trust in disparate spreadsheets. When time is money—and it always is—that matters.



Position your company for growth

Before cloud applications and technology became widely available, construction companies depended on on-premise, server-based systems that required in-house or out-sourced IT personnel to maintain, update and repair. When growth was sudden and the system became overloaded with demand, a “crash” became inevitable—and estimating productivity took a dive. So, how do you prepare your company for future growth? How can you successfully meet a sudden demand for more users and more bids? Increasingly, winning construction companies choose a cloud-based construction estimating platform that can scale up—or down—as usage dictates, without the need for additional infrastructure or IT intervention.



That’s the kind of flexibility that helps contractors respond more readily to customer and project requirements and shifting market conditions—and take full advantage of new business opportunities as they arise. Conversely, if demand for proposals shrinks or the overall number of estimators decreases—even temporarily—contractors needn’t spend money on resources that they don’t need or use. In other

words, a cloud-based estimating platform is uniquely equipped to align with your actual estimating volume; your teams always have exactly the bandwidth they need at a cost you can afford—no more, and no less.

CONCLUSION

As we move into 2021—and beyond—the “old” way of doing things is no longer sufficient for competitive advantage. The construction industry as a whole continues to evolve in many ways, and it’s clear that contractors who can adapt to new business norms can expect to achieve higher levels of success. As this report explains, technology, while important, is only one of many success factors for contractors, many focused on the needs and goals of people both inside and outside the organization. As we all experience the new demands of 2021, it’s time to get to work with creativity, flexibility and a passion for excellence, time-honored principles that have new relevance in a changed world.



ABOUT PROEST

ProEst software provides advanced construction estimating capabilities for leading companies and public sector clients throughout the United States and in Canada, Australia and New Zealand. The cloud-based ProEst platform combines cost estimating, digital takeoffs, bid day analysis, reporting and other functionality in a single solution— helping contractors of all sizes reduce infrastructure costs, dramatically improve bid accuracy and streamline pre-construction workflow. The software is designed to integrate fully with other construction-specific business applications, providing a seamless user experience from initial bid to final close out.

Founded in 1976 in San Diego, California, was the first to recognize the user benefits and business opportunities afforded by cloud, moving their desktop solution to the online platform in 2015. The impact on the industry was immediate and far-reaching: ProEst clients gained 24/7 remote access to project files and a new ability to connect and collaborate, a significant competitive advantage. The company now has over 8,000 subscribers, including Turner Construction, Geisinger Healthcare, New York City public schools, AstroTurf and other high-profile clients. In 2020, ProEst was recognized as one of INC Magazine's 5000 fastest-growing companies in America, posting a year-over-year gain of 30% in annual revenue.

Visit www.proest.com to learn more.