

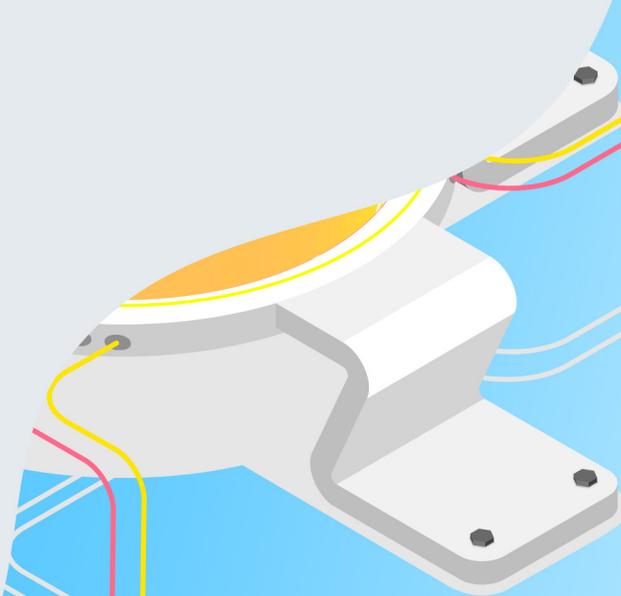
DOES PRECON AUTOMATION MAKE SENSE FOR YOUR COMPANY?

Three Questions Every Contractor Needs to Ask



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INTRODUCTION

Automation is the application of technology to minimize or eliminate the need for human involvement in order to complete a task

Automation is hardly a new idea. After all, machines have been used to automate routine tasks for hundreds—even thousands—of years. While some experts credit the Greeks with the idea of “self-moving” machines, most see the industrial revolution and the rise of industrial machinery as the true beginning of automation as we know it. But there’s a lot more in store.

Not surprisingly, as technology platforms evolve, automation is following suit. Today, sophisticated robotics are found in virtually every industry, and digital programs are everywhere, from your car key to your doorbell. Even more impressive, as Artificial Intelligence (AI) and other technology advances gain traction, more complex processes and procedures, including those that require refined judgement

and decision-making, are increasingly likely candidates for automation.

What does that mean for the construction industry as a whole, and your company in particular? That digital automation is here to stay—and will only grow more capable and pervasive over time. In this report, we’ll explore three questions contractors should ask to determine their own preconstruction automation needs, an essential step in building and keeping a competitive advantage.

Best Regards,



Jeff Gerardi
CEO, ProEst

QUESTION #1:

WHAT DO I NEED TO DO?

Identifying the Tasks to be Performed



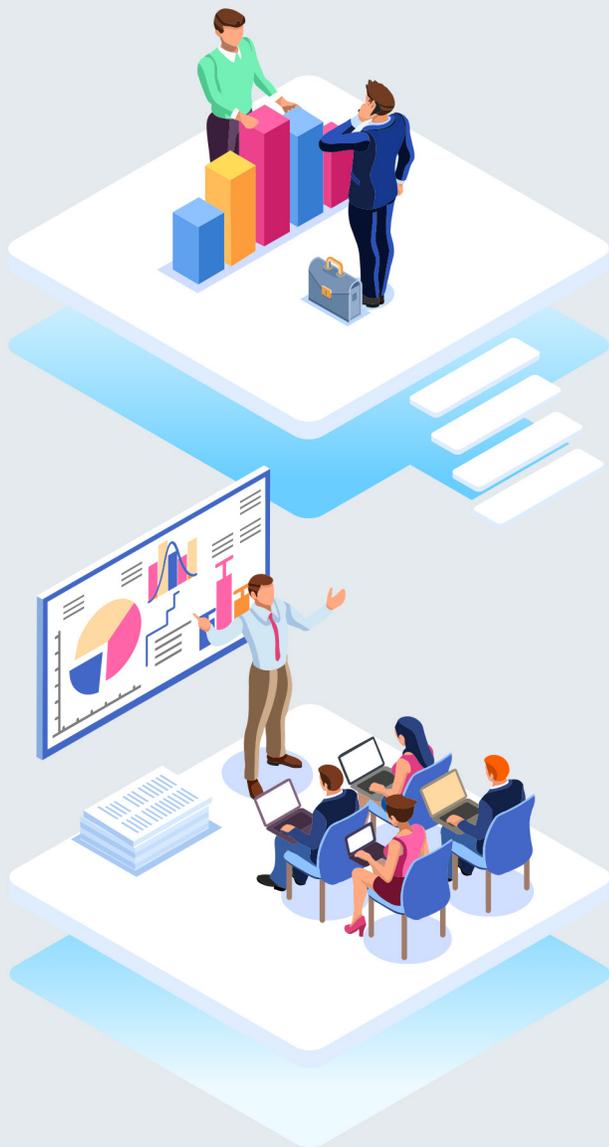
Every contractor knows that precon is made up of hundreds of individual steps that work in concert to create budgets, produce reports, manage data and prepare teams for the actual construction phase. Many of those tasks require knowledge, experience and the kind of nuanced judgment only seasoned pros can bring to the table—but many others don't. When your people are spending too much time and effort on precon tasks that don't require ideation, creativity, problem-solving or other

uniquely human skillsets, you know it's time to automate.

So, how do you determine which precon tasks are the best fit for automation? First and foremost, they're rule-based, involving the same steps every time, over and over again, with no variation. Second, they're tasks that quickly become monotonous. In other words, repetitive, boring tasks that don't depend on critical human thinking can—and should—be automated. The reasons are clear: when you remove the burden of unrewarding, repetitive work, your employees are free to pursue business-critical activities that can drive engagement and do more for your company overall.

Just as important, when you automate routine precon tasks, you can expect that the results will be uniform, consistent and accurate. Like it or not, manual errors are all too common when information is entered, re-entered or transferred during the preconstruction phase; technology that automates those processes can be counted on to do a better job—and in a lot less time.

Case in point? Jon Silling, an estimator with Florida-based Curran Young Construction,



used the ProEst software platform to create detailed cost assemblies that cut the company's budgeting time by 50% or more. "I wanted to revamp how we could do budgets at a quicker pace," he said. "I loved the feature of doing takeoffs through an assembly, with the back-end populating all of the values preset in the database... we just clicked on "Reports," and it was finished." Thanks to that level of automation, says Silling, the time and cost associated with highly skilled estimators and engineers was substantially reduced, and the accuracy of their proposals was virtually guaranteed.

QUESTION #2:

HOW LONG DOES IT TAKE?

Measuring Volume and Frequency



Once you've determined which precon tasks are the best candidates for automation, it's time to quantify how many of those tasks your company needs to perform—and how often. The simplest rule of thumb? If you find that one or more routine tasks are required on a weekly basis (and they're taking valuable time away from other responsibilities) automation is the answer. If those same tasks are performed on a daily basis, the urgency is even greater. Even 15 minutes a day quickly adds up; with over 252 average workdays, in

a year your company could spend over 60 hours per person on routine precon tasks that could be accomplished through automation. That's wasted time and money that you'll never get back.

Many aspects of project estimating, for example, typically involve steps that don't depend on nuanced decision-making or human intervention. By automating repetitive tasks that are standard for the bid process, not only do you save time, you can also significantly reduce the likelihood of manual mistakes. That's meaningful for two reasons: without errors to correct, workflows accelerate and productivity rises, but even more important, your bids will be far more accurate, the proven way to reduce contingency and close out a more profitable job.

And then there's data transfer; many contractors move information manually from one business application to another once a project is awarded, but few believe that it's a valuable way for highly skilled employees to spend their time. Greg Sherwin, a Project Manager at Inherent Commercial, a large general contractor based in Indianapolis, saw significant



gains in efficiency by automating the transfer of ProEst estimating data to their Procore project management software. “Being able to push that budget over to Procore seamlessly is awesome,” he said. “I don’t need to export it out, send it to an admin to put it in a new format, import it back, then check with the original to make sure it’s all correct. Now we set a budget up in ProEst... push it over, and we know it’s right every time.” Sherwin calculates that by automating the data migration process, his company saves over three man-hours per project—and when multiplied by 20 or 30 projects a year, the efficiency improvements are substantial.

QUESTION #3:

WHAT GAINS CAN I EXPECT?

Calculating the Business Impacts

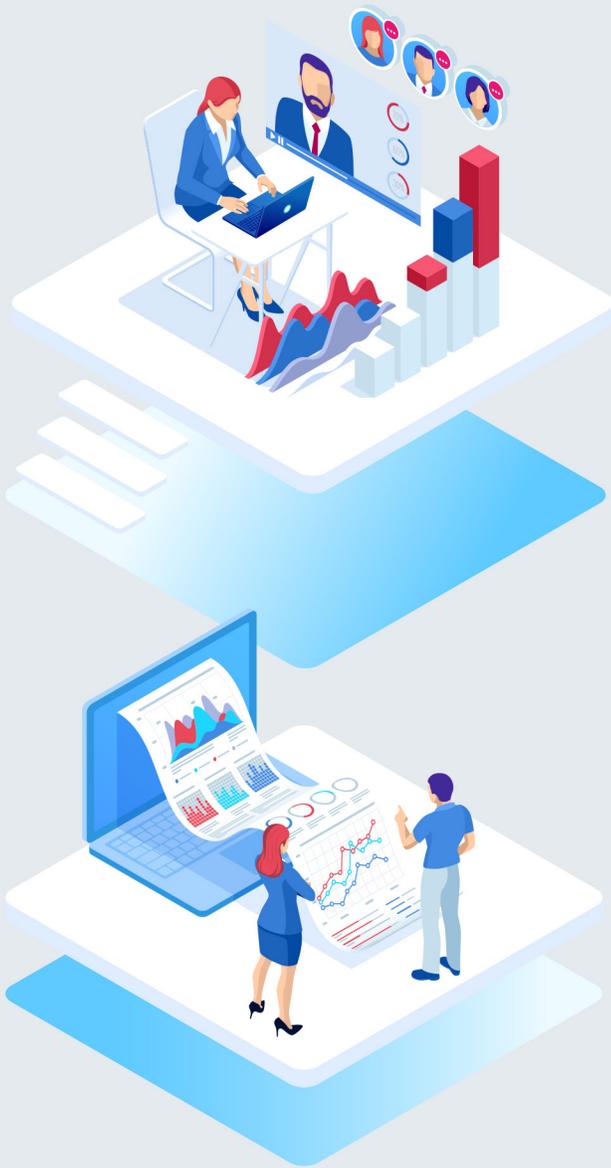


Ultimately, the decision to automate your precon processes hinges on how much you can expect to gain from your investment—measurable business benefits that will have positive impacts on workflows, revenue and the bottom line. Once you've identified eligible precon tasks, and quantified how many, and how often, those tasks are performed, it's time to take a closer look at ROI. Broadly speaking, ROI is a financial metric calculated by subtracting the initial value of the investment (precon automation technology) from the final

value of the investment (automated precon processes). We've already seen that volume and frequency make a big difference; the more tasks you automate—and the more often they occur—the higher the ROI, especially if there is a fixed cost for the automation platform.

Take the case of Partitions Contracting, for example. A general contractor located outside of Atlanta, Georgia, the company maintains a 19-member estimating team, and through the use of the ProEst platform, prepares and submits an average of 800 proposals a year—or more than three bids each and every workday. Because ProEst offers an unlimited subscription pricing model, the company's precon automation costs don't increase with bid volume or the number of users, a financial boon for companies that are in growth mode.

Increased accuracy is a factor, too. Every contractor knows that rework is an unwanted expense, and that the time and effort associated with finding and fixing bidding errors should be avoided at all costs. By automating takeoffs and costing, you can. Because software-driven processes offer more consistent—and accurate—results, your estimators get it right the



first time around. The less time they spend making (and correcting) mistakes, the more money you save.

Another benefit (and this one is harder to calculate), is how automation affects the morale of your team. Generally speaking, skilled workers who are relieved of monotonous, repetitive tasks report higher levels of engagement and job satisfaction, and they tend to be more loyal to a company that provides a more rewarding work environment. Just as important, they're able to spend time and effort on activities that will benefit your company in more meaningful ways: engaging with clients, driving new business initiatives, establishing partnerships, building new skillsets and more. That's a win-win for both of you.

CONCLUSION

Re-defining how work gets done

By now, the business benefits of pre-construction automation are well understood—and a growing number of contractors are seeing firsthand how automated processes can help their companies gain efficiency, cut costs and improve accuracy in the early phases of a building project. By evaluating how your own precon tasks can be streamlined and simplified through automation—and investing in the technology that makes it possible—your company can stay on the leading edge of innovation. By embracing automation, you'll be ready to thrive in a world where the latest iterations of “self-moving machines” are redefining how work gets done.



ABOUT PROEST

ProEst provides advanced construction estimating capabilities for leading companies and public sector clients in the United States, Canada, Australia and Latin America. Our cloud-based platform combines cost estimating, digital takeoffs, reporting and bid day analysis in a single powerful solution—a proven way to reduce costs, ensure accuracy and streamline pre-construction workflow.

Go to www.proest.com to learn more.