



# The Hidden Power of Construction CRM

New Ways to Earn Trust  
Win Bids and Drive Growth



**EXECUTIVE INSIGHT**

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# INTRODUCTION

Customer Relationship Management (CRM) is a concept as old as business itself. After all, with a full understanding of a client's goals, expectations and requirements—and the ability to meet them successfully— it's far easier to win bids, deliver projects and be invited to come back for more. The issue? Over the years, a lot has changed for the construction industry. Workflows are more complex. Stakeholder teams are more dynamic. And competition for the most desirable building jobs has increased dramatically. The quality of your client relationships—and the ability to turn prospects into loyal customers—has never mattered more.

CRM orchestrates how organizations build, sustain and leverage those all-important client relationships. Through a combination of customer-focused strategies and data-driven technology, today's CRM continues to prove its value as a source of revenue and growth, and forward-thinking construction firms are embracing it wholeheartedly. They've seen firsthand that strong client ties, built on actionable information and insight, are crucial to their success. By earning their customers' trust, increasing their own responsiveness and recognizing new business opportunities as they arise, these contractors are poised to win, and CRM helped them get there.

In this report, we'll explore how CRM principles—and the technologies that support them—can help contractors develop lasting, mutually beneficial client relationships, and enjoy the long-term rewards that come with it. I hope you find it of value.



# I UNDERSTAND YOUR CUSTOMER

CRM has come a long way from its beginnings as a contact management tool—a glorified Rolodex—to take its place as an indispensable part of a customer experience strategy. The ability to collect and analyze large amounts of data has propelled CRM to an exciting new level, a discipline now recognized as crucial to client acquisition and retention. After all, good relationships, professional or otherwise, are based on knowledge and understanding, which provides a useful context for dialogue, sharing, loyalty and other interpersonal dynamics.

Simply put, the more you know about your clients—their likes, dislikes, goals, hopes, fears, challenges, successes and failures—the better equipped you are to be a responsive and effective building partner. And that, as every contractor knows, can often lead to a guaranteed pipeline of future projects. Here's how data-driven CRM tools can help make that happen:

- › CRM collects and organizes information
- › CRM refines client and project profiles
- › CRM categorizes and records interactions
- › CRM identifies and tracks client activity
- › CRM enhances access to information
- › CRM increases information visibility
- › CRM customizes data reporting
- › CRM supports multi-team data sharing
- › CRM mines legacy business intelligence

In many ways, CRM simulates the organic approach to client relationships that used to be the norm, where prospect and client relationships were nurtured with a phone call or over lunch. What's changed? Increased competition for the same projects and more complex processes, along with more aggressive revenue goals, requires a more systematic and scientific approach.

A small Florida-based General Contractor explained: "Three years ago, we were the new kids on the block," he said. "We were competing with larger, more established companies that had been in the area for years, all with project histories and client relationships we didn't necessarily have." Not content to wait for RFPs to come their way, the core team conducted an aggressive research and outreach effort, populating their CRM with the kind of detailed information that helped them find and focus on the most promising leads. By knowing which projects and owners were in their wheelhouse, along with a networked contact strategy, the company was able to compete for, win and deliver jobs that helped them quickly establish a reputation as a proactive and reliable business partner.



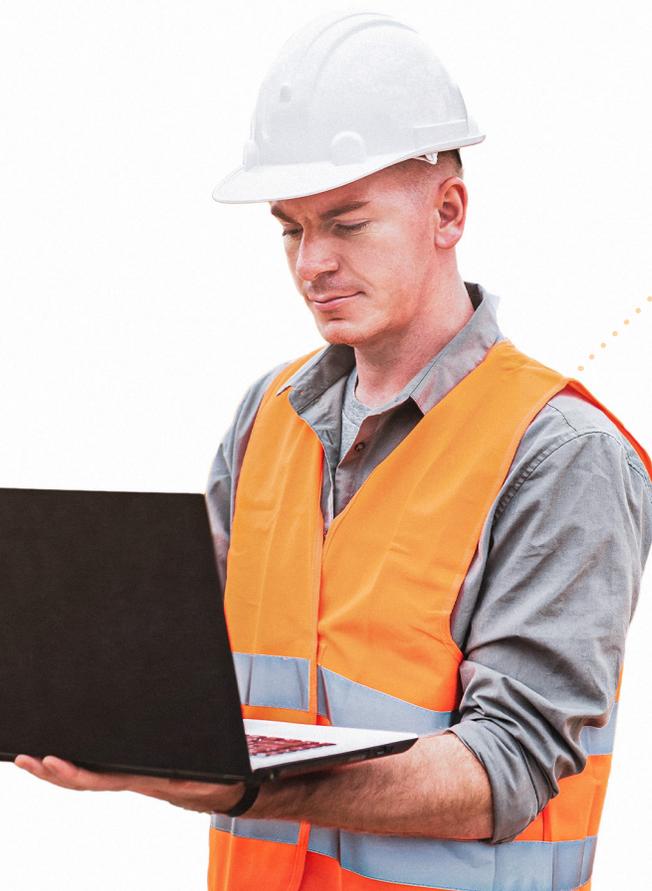
## II

## ALIGN MUTUAL INTERESTS

Not every construction project and contractor are a perfect fit, and with thousands—or millions—of dollars at stake, it pays to know that ahead of time. Construction-specific CRM gives contractors the ability to assess project compatibility based on detailed legacy information, then make an informed decision about whether or not to pursue it. Unlike generic product-focused CRM, industry-built programs offer deeper insight through more fully customizable data fields and a broader, more synthesized contact network. That's important, say CRM specialists, because the typical construction project involves complex processes that span multiple departments, personnel and resources, all of which can be used to determine project viability.

"It's not enough to know everything about your clients," said the leader of a sales team for a midsize commercial builder. "We're looking carefully at commonalities. Is there a clear intersection between what this project requires and our ability to provide it? Do past projects indicate that we can deliver what we promise and still turn a reasonable profit? If the answer is "no," we move on."

Ideal client/contractor alignment delivers other benefits, too: by matching your own business interests to those of your customers and prospects, not only can you avoid the risk of closing an unprofitable job, you can better protect the reputation of your company, which is arguably the most valuable currency of all. That's especially true of construction firms, whose long-term client relationships are a proven source of ongoing revenue-building opportunities.

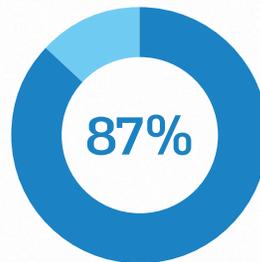


# III CENTRALIZE YOUR DATA

Your clients have the right to expect their projects to stay on schedule and within budget—but when they don't, your relationships can suffer. The key is to eliminate avoidable process bottlenecks and miscommunication ahead of time by providing stakeholders with a "single source of truth" that's easy to access and share. For contractors who rely on a variety of purpose-built applications, that means making a commitment to integration.

A Michigan-based GC, who replaced the company's Excel spreadsheets with individual point solutions over a period of ten years, put it this way: "We acquired software pretty much as we needed it, without a solid plan for interoperability," he said. "People were doing their jobs, but they weren't doing their jobs together, which slowed things down and led to more than one misunderstanding."

The better way, CRM experts explain, is a centralized data platform that allows client contacts and project information to flow from one team to another without interruption or delays. Because every construction project is dynamic, involving multiple processes and stakeholders, a common data environment makes sense—a trusted source of information that will help teams understand the "big picture" of every project throughout its lifecycle. That's the kind of consistency that clients are looking for, and can go a long way toward building confidence and trust. Just as important, when you align data, workflows and teams on a single platform, decision-making is faster and more fully informed, and what client doesn't like that?



of CRM use is now cloud-based.

Source: SuperOffice



## IV

## INCREASE RESPONSIVENESS

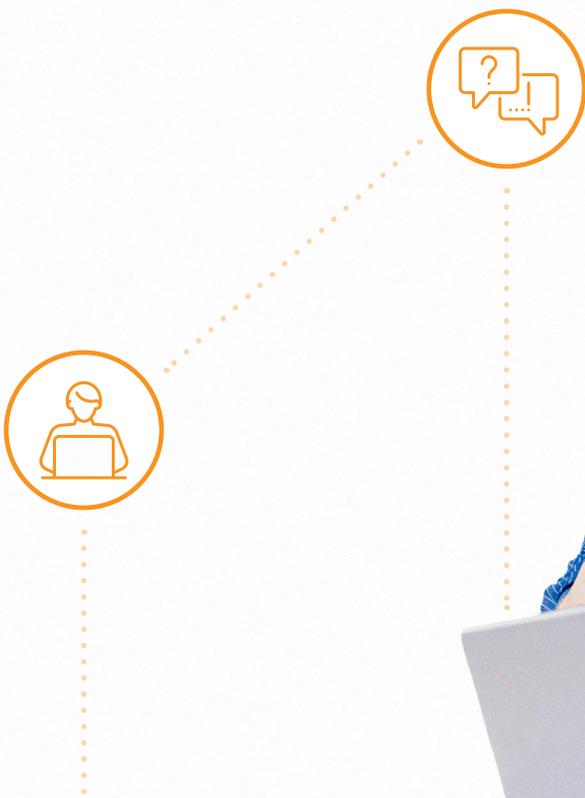
Your clients count on you to answer questions, address concerns and resolve issues quickly and efficiently, but with scattered documents, missing data and outdated reports, it can take time and effort to gather information and respond appropriately. Construction-specific CRM can change all that, making sure that project stakeholders have all the information they need at their fingertips—and processes in place that accelerate decision-making and minimize response time. Agility, experts tell us, is one of the hallmarks of a CRM-enabled organization, giving them the ability to beat their competition with superior speed and efficiency. With a single, centralized data bank, everyone—regardless of their role or responsibility—has real-time access to the same information, eliminating the need to put clients “on hold” while documents and data are located. “When people talk about data silos, they were describing

our company before we had CRM,” said the owner of a structural concrete subcontracting firm. “Every department had their own system, so it was nearly impossible for people to get on the same page.” Just as problematic was the fact that their productivity solutions were mostly generic, not purpose-built for construction estimating, project management and accounting, so data was often inaccurate or incomplete. When the company adopted a construction-specific system that included CRM functionality, processes were streamlined and response time—to their GCs, vendors, field teams and other industry partners—was cut in half.



of businesses with over 10 employees use CRM.

Source: DestinationCRM



# V COORDINATE COMMUNICATIONS

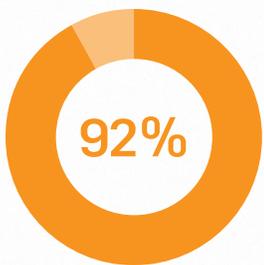
As every contractor knows, with growth comes complexity, and that includes communicating with your clients. For an expanding construction company, gone are the days when a single individual (often, the company owner) was solely responsible for every client call, meeting, check-in and follow up. In today’s environment, most contractors rely on multiple teams to interact with clients before, during and after their projects are complete, a protracted timeline that can last months or years. With so much information to exchange and so many stakeholders involved, it’s easy to see how redundancies—and even worse, conflicting messages—can occur, and why, when used properly, CRM can be an effective way to control the chaos.

A centralized CRM platform—preferably one that resides in the cloud—helps companies move away from siloed information and work collectively in a shared and collaborative environment. Result? Based on a single source of truth, client communications can be more accurate and consistent, and redundancies all but eliminated, regard-

less of how many people are involved.

A CRM expert explains why that’s important, especially early in the evaluation process. “Clients are looking for optimized levels of discipline and control. If they see holes in your processes or problems with what and how you communicate before a project is even awarded, they’re more apt to wonder what will happen once construction is underway.”

A flawless hand-off from one team to another is key to keeping clients informed and confident in your abilities, all of which relies on data visibility and a company-wide commitment to follow-up. That’s especially important as companies grow and activities become more specialized. When your business development team and estimators can exchange data freely with executives, project managers and field personnel, you can be confident in your ability to answer client questions and address concerns with the kind of consistency they’re looking for.



of businesses consider CRM usage crucial for achieving revenue goals

Source: SuperOffice



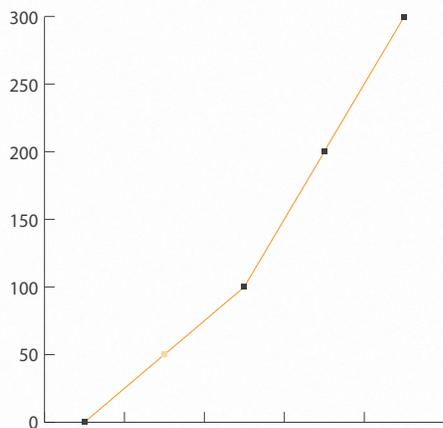
## VI DEMONSTRATE YOUR VALUE

As competition for construction projects heats up, standing out from the crowd is more important than ever—and for most contractors, that starts with the RFP. It's worth repeating that you "never get another chance to make a good first impression," especially when you're just one of many firms vying for the same job. The key is to differentiate your company in all of the right ways, applying insights and learnings your competitors may have missed, then making sure your message is communicated clearly to decision-makers. That's where CRM comes in. By applying relevant customer data strategically, you can meet—and exceed—your clients' expectations and requirements for a winning proposal. You can move past the basics to provide value-added information that demonstrates your worth. And you can proactively address any special challenges or concerns that historical data may reveal. That's the kind of information-mining a robust CRM system can provide; with a centralized repository of customer data that's easily

accessed and shared, your teams can respond to RFPs more quickly, add depth of detail where helpful and more effectively demonstrate your firm's understanding of the job.

The key, says a commercial developer who has reviewed hundreds of contractor proposals, is to take the client's point of view. "A lot of contractors approach the process in exactly the wrong way," he said. "I hear a lot about what your experience and qualifications, and very little about what I as a project owner really need. At the end of the day, this shouldn't be about you. It should be about me."

How can CRM help? By knowing your customers fully as discussed in Chapter 1, finding the intersection between needs and capabilities as discussed in Chapter 2, and communicating those commonalities effectively as discussed above, you've made a persuasive argument that you're the best company for the job.



CRM can increase customer conversion rates up to **300%**

Source: DestinationCRM



# VII FORMALIZE YOUR FOLLOW-UP

Business-savvy contractors know that every interaction with a client or prospect—a meeting, a phone call, an email—is an opportunity to demonstrate their company’s ability to respond, cooperate and communicate, all qualities project owners are looking for in a potential building partner. Following up in a timely fashion with questions, recommendations or other valued-added information is the best way to stay on your customers’ radar and add longevity to your relationships. The problem? Without a systematic way to document interactions and keep the dialogue going, it often doesn’t happen—and relationships can suffer as a result.

“We make it a point to take extensive notes on every call or meeting we have with our clients,” said a business development manager for a large West Coast general contractor. “That way, we have an accurate record of what was discussed and are able to respond appropriately, whether it’s checking back on a delayed project or wishing someone a happy birthday.” What’s important, say CRM experts, is to be diligent about documenting your customer and prospect interactions, and attach value to every detail of the conversation. Then, make sure you have mechanisms in place to follow-up in all of the right ways, including digital tools that deliver calendared reminders automatically. That’s the kind of “set it and forget it” CRM technology that supports timely communication—and a happy clientele.



## VIII EMPOWER EVERY EMPLOYEE

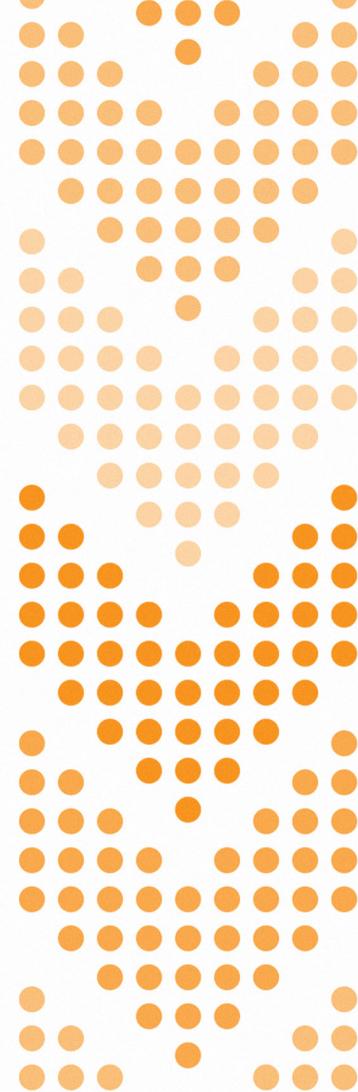
For most contractors, growth is a goal, but adding people and processes to your business environment does present challenges. A lot of those growing pains involves information; many companies lack a systematic way to transfer accumulated knowledge to newly onboarded employees, which can lead to information gaps that impact clientele. The same is true of employees, especially at a management level, who leave the company for retirement or other jobs. Without a plan to address the loss of institutional knowledge when a

key player goes out the door, you're putting your client relationships at risk. The goal of CRM is to ensure that everyone in your company has access to customer-specific insight and information that can help build strong client relationships. That way, you can give others an opportunity to communicate effectively and create their own bonds with your customers. If and when your principal client contact is no longer part of the mix, a deeper bench can help provide much-needed continuity, confidence and trust.



# IX CONCLUSION

There's no question that CRM has an important place in every forward-thinking organization, and that includes construction companies. But it's useful to remember that not all CRM is created equal; generic, off-the-shelf CRM strategies and technologies are not necessarily a fit for contractors, who sell knowledge and experience, not products. With an ability to customize workflows, expand your contact network, improve responsiveness and support real-time collaboration among teams, purpose-built CRM, tailored to the specific needs and goals of construction, is a proven competitive advantage—and an indispensable part of the construction industry future.



# X HOW PROEST CAN HELP

CRM is a useful tool in any industry, but construction companies have their own unique needs—and an effective CRM solution for contractors should be designed and structured accordingly. After all, a construction company depends on its skills, experience and knowledge—not a product—to make sales and win repeat business, and with so many processes and stakeholders

in the mix, earning trust and maintaining credibility is unusually complex. That's where construction-specific ProEst CRM capabilities come in. As part of a comprehensive estimating and pre-construction management solution, ProEst CRM provides the kind of insight and information contractors need to be more efficient, communicative and responsive to client needs.



## CENTRALIZED DATABASE

ProEst CRM collects disparate data in a central repository, making it easy for stakeholders to access and share information throughout the project lifecycle.



## INTEGRATION CAPABILITIES

ProEst CRM syncs with internal and external calendars and productivity apps for real-time scheduling and information updates.



## ACTIVITY DASHBOARDS

ProEst CRM offers a big-picture view of active, closed and pipeline construction projects, providing new insight into timeline touchpoints.



## MOBILE ACCESS

ProEst CRM helps you manage contacts and feed teams critical milestone moments from any internet-connected laptop or tablet, 24/7/365.



## PERFORMANCE ANALYTICS

ProEst CRM converts historical data into business-driven insights, offering a better way to track profitability by client or project type.



## TASK AUTOMATION

ProEst CRM frees your teams from time-consuming routine tasks, giving you a new ability to focus on new business opportunities and relationship-building.



## CUSTOMIZED REPORTING

ProEst CRM lets you tailor emails, proposals and other project documents to meet the specific preferences and requirements of each client.



## CONTACT MANAGEMENT

ProEst CRM helps you build a contact network quickly and efficiently, eliminating the need for manual entries and updates.



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 CRM, 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](http://www.proest.com) to learn more.

