

Streamlining systems a smart business move

In an industry with a long and complex supply chain, many construction and property companies operate dozens of different software systems – making reporting and information integrity a nightmare, says TechnologyOne's Luke Fleming.

"A typical construction-focused company will have separate systems for business activities including contract management, cost estimating, scheduling, project management, managing subcontractors and suppliers, cost control, health and safety, quality management and compliance," Luke Fleming, TechnologyOne's industry manager for project intensive industries, explains. "And then there is an overarching reporting system that tries to bring it all together."

Each software platform deals with just a segment of the organisation – stemming the flow of communication and reducing efficiencies. The more projects on the go, the more difficult it becomes to merge data for reporting of true business performance and manage enterprise-wide security.

Organisations that choose to deploy a collection of software products also lose their true 'enterprise' perspective. Without full visibility of the entire business, collaborating, information sharing and identifying efficiencies becomes a challenge. As a result, they will often introduce expensive, complex business intelligence systems to bring the data together – adding another product point to the mix.

Fleming says the number one pitfall with this approach is the ongoing cost burden. "There is undoubtedly a high cost associated with deploying, licensing and implementing many systems – and the costs can sometimes be hidden because companies simply don't know how many hours are being lost as people navigate and consolidate information from a large number of specialist software platforms."

Another pitfall is duplication of data entry points. "We see companies operating hundreds of software systems – and in big companies, it's not uncommon for say 30 systems to be performing exactly the same task. "This not only duplicates effort and makes reporting a nightmare. It also raises issues of data quality. What is the right source of truth?"

Fleming says it's easy to lose track of IT infrastructure costs when the sector is booming and margins are generous. "When teams are focused on delivery, an unnecessary overspend on systems can often be overlooked. But when margins get tight, business leaders start to ask why so much money is being wasted on IT infrastructure."

Fleming says TechnologyOne's single enterprise software solution manages the property development lifecycle, reduces the complexity and cost of doing business, introduces business wide efficiencies and provides a single-source of data capture. "From our research and experience of the industry, the majority of construction companies in Australia are still operating bespoke systems – many of these they've built themselves, even though their core business is construction, not IT development.

"But in an increasingly cost-sensitive environment, many companies are realising that streamlining their systems is not only inevitable, it's a smart business move."

TechnologyOne is Australia's largest publicly listed enterprise software company, delivering software to support some of the largest construction projects in Australia.

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