When individual employees or entire departments don’t have the right tools to share information and knowledge with each other—or they simply don’t want to—organizational silos occur. Silos can impede communication and collaboration, both of which are essential to providing smooth customer experiences and delivering construction projects on time and on budget. Siloed teams often end up working in isolation, leading to various internal and external problems for employees, sub-contractors, and customers.

The Dangers of a Siloed Company

Whether you self-perform or manage sub-contractors, you need access to accurate, timely business information so that you can make the strategic decisions that will move projects—and your business—forward. If you run your business with disconnected project teams, you’ll face delayed project updates, duplicate data entry, greater risk of errors, and unnecessary costs.

Construction firms typically use six to 10 software applications in tandem with their main accounting system. If these applications are legacy systems, they probably aren’t very well integrated—if they’re integrated at all. As a result, the entire staff will have to jump between screens just to perform routine tasks.

For example, employees may be using a series of spreadsheets or standalone applications to complete common workflows such as estimating, accounting, project management, bid management, and project scheduling.

Does Your Construction Firm Have Organizational Silos?

In firms that have organizational silos, teams work without thinking about how that work will impact other departments. This is especially common between accounting and field operations. Here are five signs your firm has silos:

1. Information doesn’t flow smoothly across your organization—and your entire business suffers as a result.
2. It’s difficult to determine which projects are profitable.
3. You worry about lack of visibility on labor costs—one of the most expensive variable components of a project.
4. You have numerous external systems that don’t integrate, resulting in manual data entry and the errors that go with it.
5. You’re running older technology that limits transparency, access, and process improvement.
These spreadsheets and applications may be well suited to individual tasks, but they also generate silos of data that are hard for other employees to access.

Departmental silos become a problem when teams develop tunnel vision and stay focused only on their own functional areas. They lose sight of the big picture and fail to consider how their work will affect the work of other departments. Communication and transparency break down, resulting in organizational dysfunction on multiple levels. Because their legacy systems don’t connect, construction businesses fall into the information void.

When information lives in multiple disconnected applications, it’s almost impossible for construction firms to provide a seamless customer experience. There are few things more frustrating to a busy construction professional than using software that doesn’t provide a single customer view and real-time insights. Unfortunately, most customer experience teams have no way to arrive at a single customer view—and without this, they can’t fully understand each customer and provide them with a personalized experience.

Moving from Silos to the Connected Cloud

When systems are siloed, business processes become more complex than they should be. For example, if you have to pull reports from multiple systems to collate them into one report, you’re not only wasting time but also leaving your business vulnerable to errors.

Cloud technology gives you an end-to-end solution in which everyone from management and field operations to the back office is connected and has complete visibility into your business and your customers. With a connected cloud solution, you can:

- Connect your accounting with your construction business.
- Generate reports showing the percentage completed for projects.
- Calculate material and labor costs and generate a bill of materials.
- Track projects from start to finish while maintaining document control for change orders and other documents.
- Track inventory and help with your service business in scheduling, dispatching, and managing work orders.

A connected cloud application can streamline the exchange of information between your teams in the office and out on job sites. When someone uses a mobile app to make changes to items such as RFIs, project issues, or timecards, the system will automatically update and sync this data in the cloud construction accounting application. When your entire workforce has access to the same information at the same time, you can be sure that important issues will be addressed immediately—before they cause costly delays.
In the cloud, your project managers will have the information to produce fast, accurate cost projections that lead to more profitable jobs. Seamless integration will enable you to automatically update Accounting and Job Cost with project subcontracts, PO’s, contracts, and change orders approved in Project Management. You’ll save time, become more proactive about changes in scope, assess impact to costs immediately, and automatically send change orders to subcontractors or owners for review and approval—significantly reducing your profit fade.

Putting Your Customer at the Center of Your Business

A connected cloud solution should also provide customer relationship management (CRM) capabilities for managing leads, contacts, opportunities, and business accounts. With this functionality, you’ll have visibility into your financials and a single consolidated view of all customer contacts. Dashboards and reports will provide real-time sales data to accurately manage forecasts, quotas, and results. You’ll learn which customers are profitable and which aren’t. When your team has access to information from across your departments, you’ll reduce response times, improve customer satisfaction, reduce support costs, and improve billing accuracy.

By defining key project metrics, making them visible to your entire team, and measuring them as each project progresses, your firm can reduce risk, increase productivity, and improve customer satisfaction.

Take the Next Step Towards Connected Construction

Connected construction can help you eliminate silos, improve collaboration, and increase the success of every project. But it’s not possible without connected cloud technology.

Acumatica Construction Edition is a connected cloud solution that keeps all your teams on the same page. It’s a secure SaaS solution that makes reporting, dashboards, and data analytics available on phones, tablets, and PCs—anywhere, anytime. This means your teams can get the latest project reports, contracts, budgets, change orders, invoices, purchase orders, and job costs from wherever they are.

To learn more about Acumatica Construction Edition—and request a free custom demo—[visit us online](https://www.acumatica.com).

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*Acumatica Construction Edition*