

Hello everybody. Dennis Engelbrecht with The Family Business Institute and the CEO Program for Construction Roundtables. Welcome back to our next session of Digging Deeper, where we explore various construction issues that you might be confronting back home.

So, today I want to talk about technology. I was doing strategic planning last week and it's just amazing the level to which technology has become strategic now for many of our companies. And it's strategic in several ways. It can be a differentiator when we're selling our services to our customers. It certainly becomes strategic in terms of cost. Just looking at as a project management software, oftentimes these things are priced now a dollar for every thousand dollars of revenue, which for of the larger companies, we're talking several hundred thousand dollars a year, and that's after you get implemented. And the same way for a construction accounting software now. We're talking about hundreds of thousand dollars of upfront costs and a lot of disruption to your company.

So, first of all, how you spend that money. But then what advantages are you getting? Are these things making you more efficient? Are they really helping your business and are they helping it to the extent that the costs are? Many of you probably read the book *Good to Great* by Jim Collins some time ago. And in there, they talked about technology as an accelerator but not really the reason that some businesses were successful over time, but as an accelerator of their success. And I think that's a good way to look at it in construction also.

What technology is not going to do is it's not going to solve your accountability problems. I've seen several of our members think that it would by putting in a project management software. Well, that'll give us, the way everybody does things will all of a sudden be the same. Well, it just isn't true because now they start using the technology differently and some use it more thoroughly than others. And of course, training's an issue there with people's ability to use it thoroughly and completely and all of that. And, if you have discipline problems or you have people don't care as much or just simply aren't as capable of others, the technology does not make those things go away. You still have to manage people. So, don't look for technology to solve your organizational problems.

But again, it can be an accelerator. It can make your people more efficient, it can bring better communication and openness with your clients and give the clients a better experience. So, there are lots of things that technology can do for you. But the efficiency part, by the way, is not an automatic. A technology that is poorly implemented, poorly trained or doesn't get fully adapted and adopted throughout your organization ends up costing you probably more in efficiency than staying with your old things. If you're going to commit, make sure that you do the training, make sure you get the full benefits implemented.

Don't let your software company off the hook either. Put the demands on them to make sure that you're getting the full benefit of their product. And I think they'll respond to that. If you piece meal it, a lot of times it ends up just costing you thousands and thousands of dollars in consulting fees as they come in and they come out and they sort of patchwork things together, so you can use them. Be dedicated, go all in, make sure you got dedicated teams to implement that well. And if you do that, your technology can be strategically positive, can be an accelerator for your organization. But you do have to go all in and you do have to go all the way.

Again, Dennis Engelbrecht for Digging Deeper. Hope to see you again soon.