



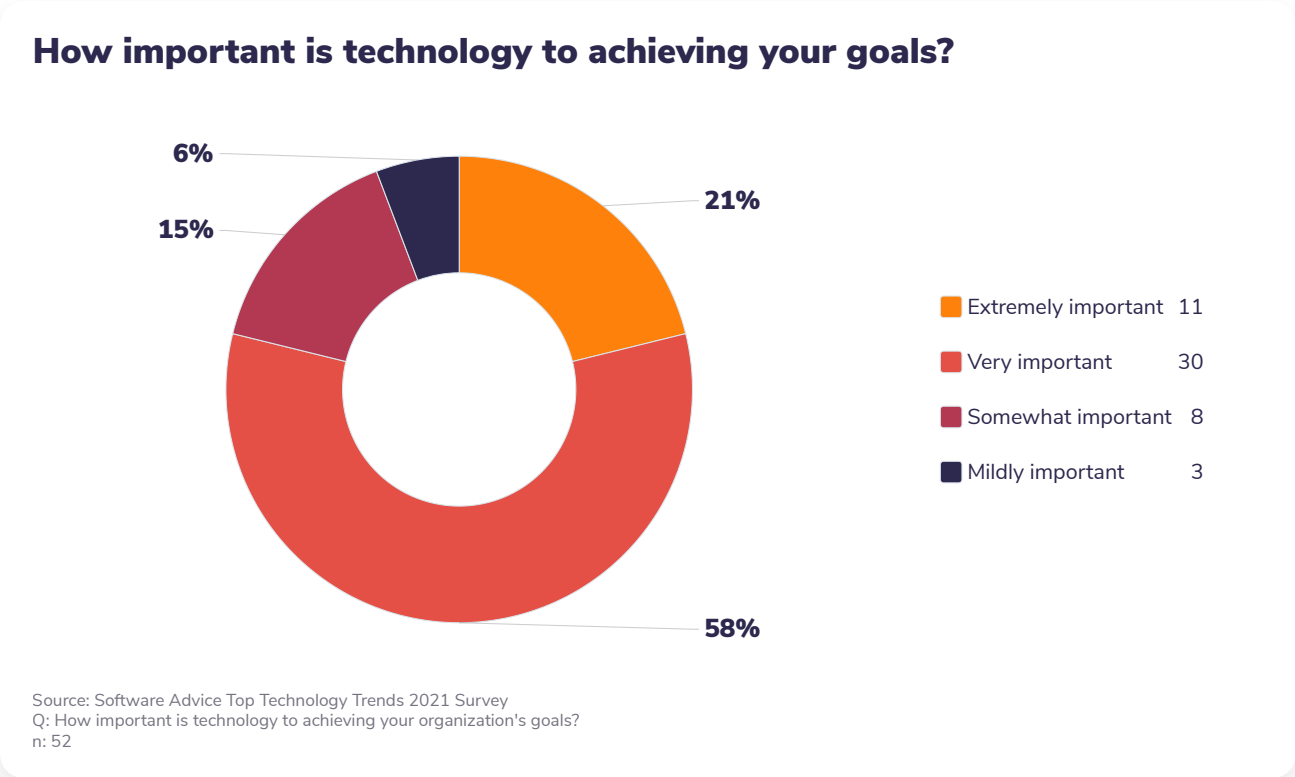
# 2021 State of Construction Tech Adoption

Everything you need to know about  
what technology construction  
companies are prioritizing

# 2021 State of Construction Tech Adoption

In the construction industry, it should go without saying that employing the right technology is crucial for achieving organizational goals. One needs to only look at the [New York City skyline 100 years ago compared to today](#) to see the impact of new technology on construction capabilities.

Yet a recent survey ([methodology below](#)) of small business construction firms revealed that **less than 80% of these firms** reported that technology was either very important or extremely important to their success.



We believe these numbers, along with our conversations with thousands of construction software buyers, reveal **a disconnect between the level of technology adoption that construction firms think they need to be successful and what they actually need.** Our research further uncovered the following findings:

- Finding 1.** Most construction firms take a wait-and-see approach to new technology.
- Finding 2.** Construction software isn't just for large firms.
- Finding 3.** Estimating is one of the most sought after, and delivered, capabilities in new construction software.
- Finding 4.** More than half of small construction firms implemented new construction project management software in the past year.
- Finding 5.** More than half of small construction firms are using project management software and data security technology.

As a small construction company leader, we believe that these findings can help you make better decisions for your business when it comes to new construction technology investments.

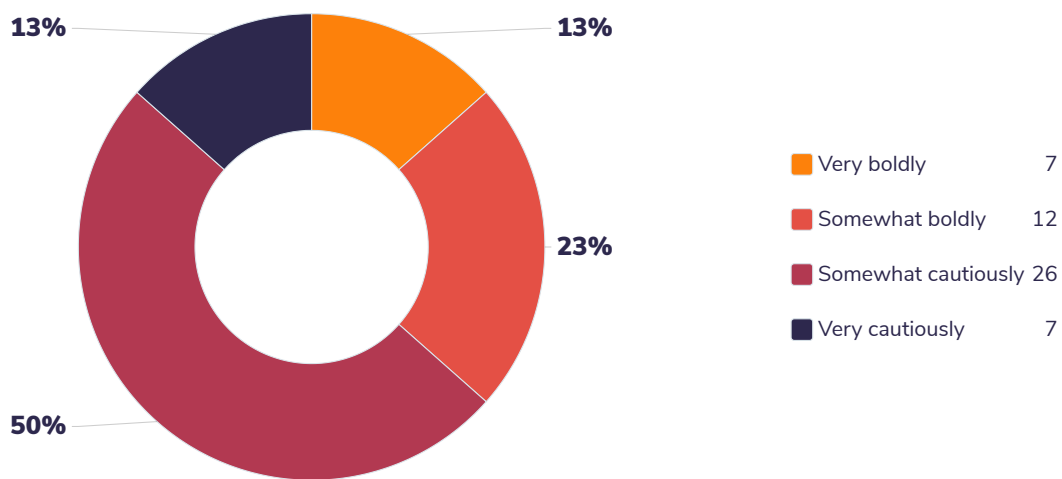
**Let's take a closer look, along with tips on how you can respond to these findings.**

## Finding 1

# Most small construction firms take a wait-and-see approach to new technology.

According to our survey, **63% of small business construction firms** responded that they approach new technology either **somewhat cautiously (50%)** or **very cautiously (13%)**. Both groups responded that they prefer to wait for proven solutions to hit the market before investing.

### How does your organization approach new and emerging technology?



Source: Software Advice Top Technology Trends 2021 Survey  
Q: How does your organization approach new and emerging technologies?  
n: 52

While it's never a bad idea to research new business software before investing thousands of dollars, an overly cautious approach can result in stalled growth. After all, waiting until a solution has been thoroughly proven typically means that it is already being employed by the competition.

Looking for some emerging construction technologies to explore? **Automation is a great place to start.** Modern construction management software can help automate everything from bidding to scheduling.

### What this means for you:

By taking a measured but aggressive approach to technology adoption, you can help your firm break away as the competition lags behind. To achieve this, it's important to familiarize yourself with the software buying process before going in unprepared. Otherwise you risk wasting valuable time and budget on the wrong software. Fear not, [Software Advice has you covered with a complete guide and checklist for software buyers here.](#)

## Finding 2

# Construction software isn't just for large firms.

**86%**

of people who worked with a Software Advice advisor in the past six months are looking for a construction software solution for just 1-5 users.

Source: Software Advice leads data, April-September, 2021  
n: 3,789

If you run a small construction company (or even a home renovation business) you may have thought to yourself, "Our business is too small to warrant a big construction management system. Notepads and spreadsheets have gotten us this far and they'll continue to get the job done." This type of attitude is bound to ensure that small firms stay small.

This attitude can also lead to small construction firms falling behind on their most important tasks, and wasting time on tedious administrative work. If you're not sure whether your firm could stand to benefit from new construction management software or not, [we've identified three signs to look for here](#). **(Hint: if you find yourself spending too much time processing payroll in your swing space, then it's a sign you need to embrace software.)**

The reality is that construction management software helps firms work more effectively, complete more projects, and earn more revenue in the long run.

### What this means for you:

If you think that your firm is too small for construction software, think again. Our team of construction software advisors have helped firms of all sizes find the right software and are ready to help you. With free and personalized recommendations, it only takes about 15 minutes, and could save you weeks of research.

[Click here to get started.](#)

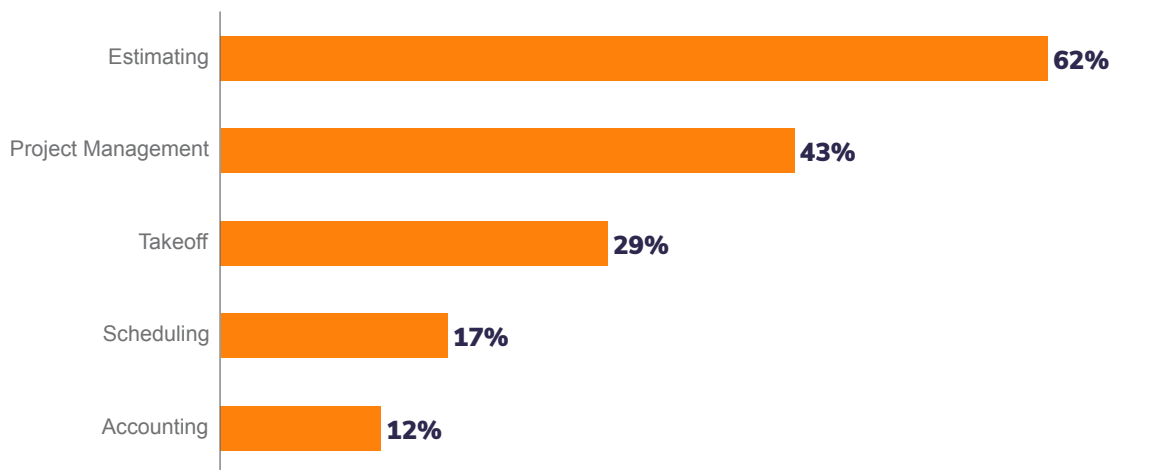
### Finding 3

## Estimating is one of the most sought after, and delivered, capabilities in new construction software.

**62% of people** who worked with a Software Advice advisor in the past six months are looking for a construction software solution with **estimating capabilities**.

Construction software serves many purposes and can streamline many facets of your construction business, from financials to project management. **But the most sought after feature—according to our conversations with thousands of construction software buyers—is estimating.**

### Features wanted in new construction software

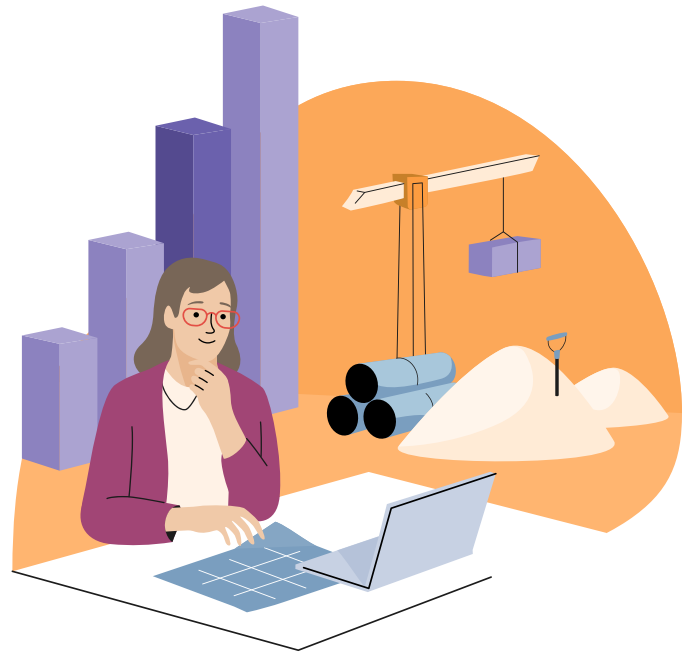


Source: Software Advice leads data, April-September, 2021  
n: 3,789

It's easy to understand why this is the case. In the wake of COVID-19, budgets tightened, and few businesses could afford expensive surprises on new construction projects. Accurate estimates help construction firms keep clients on budget, and that transparency builds trust.

[Estimating software](#) takes all of the components of manual estimation methods (material and labor costs, external vendors, permits, etc.) and automates the data entry and calculation process. This can help reduce user errors, save time, and produce more accurate estimates. When integrated or built into [takeoff](#) or construction management software, estimating tools can be used to produce bid proposals and provide more detailed project tracking reports.

If you're wondering how effective estimating software is, consider that **42% of our survey respondents** said that improved estimation accuracy was a top positive impact from their new software. **Reduced operational costs came in next at 34%.**



### What this means for you:

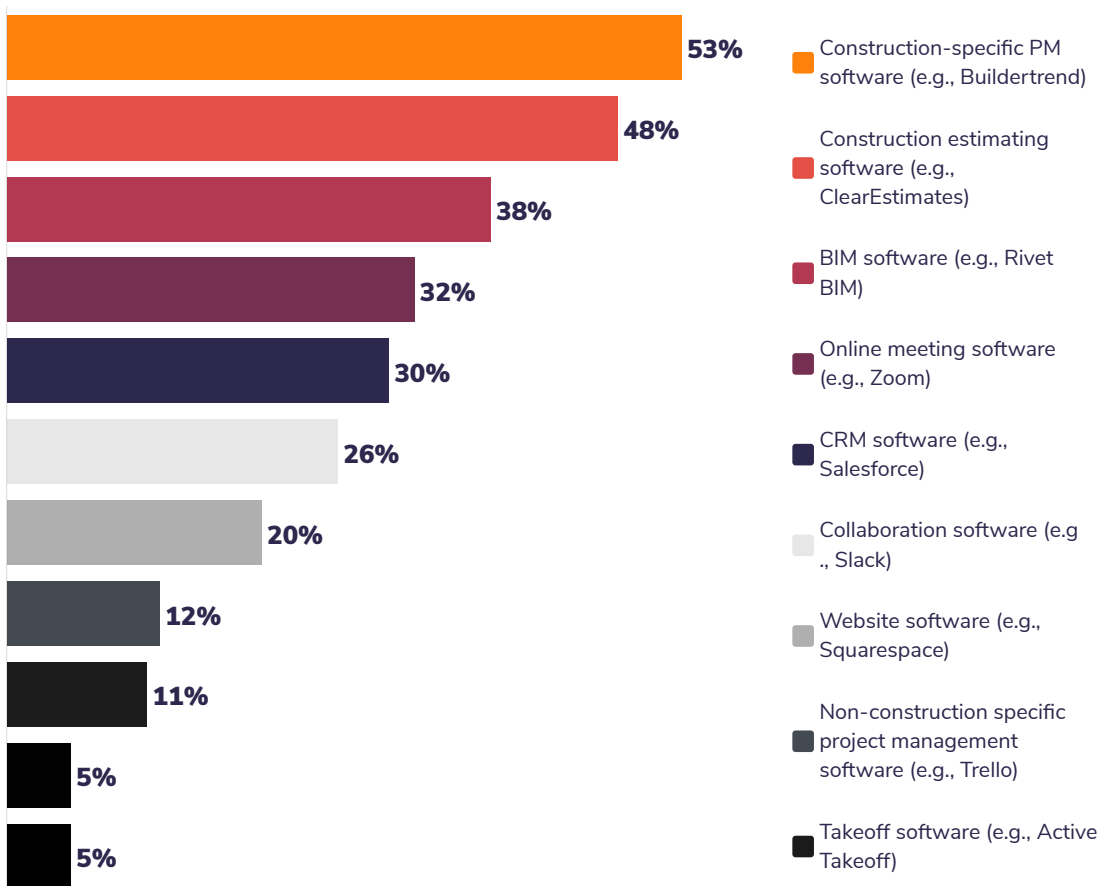
If your construction firm is not capable of giving accurate estimates, you may start to lose business to firms that are. Not sure where to find the best construction estimating software for your business? Check out our [Construction Software Frontrunners](#) to help you navigate through customer satisfaction and usability, all gathered by user reviews.

## Finding 4

# More than half of small construction firms implemented new construction project management software in the past year.

53% of small construction businesses implemented new construction project management software in the past year, and 48% purchased new estimating software.

### Types of software implemented in the past 12 months



Source: Software Advice Small Business Construction Industry Survey 2021

Q: Which of the following software tools have you implemented for your business in the past 12 months? Select all that apply.

n: 538



As important as new estimating software is to construction software buyers, construction management is still the technological backbone of any firm.

While estimation software offers multiple pre-project benefits, as we outlined above, it's just one piece of the construction management ecosystem.

**Construction project management software typically includes these standard features:**

**Scheduling and resource management:** Helps contractors allocate labor, equipment, and other necessary resources to a project or multiple projects.

**Project tracking:** Monitors all aspects of a construction project throughout its lifecycle, from groundbreaking to completion, to make sure it stays on time, under budget, and within scope.

**Document management:** Keeps a centralized electronic paper trail of all necessary project documents, from blueprints to permits.

Additional common features include accounting integrations and collaboration tools.

**What this means for you:**

If you haven't updated your construction project management software or estimating software in the past several years, you may be putting your firm at risk of falling behind the competition. With the ability to filter by industry, company size, and prices, our [construction management software directory](#) is the best place to begin your search.

## Finding 5

# More than half of small construction firms are using project management software and data security technology.

**56%**

of small business construction firms are currently using project management software and data and information security software.

Source: Software Advice Top Technology Trends 2021 Survey  
n: 52

Especially for larger firms, **construction project management software is essential**. There's simply no effective way to keep track of all the minute details of multiple construction projects using spreadsheets.

[Data and information security technology](#) is becoming more and more essential as the construction industry adopts more emerging technology and cybersecurity threats become a reality.

[According to a recent article from Construction Executive](#), potential issues include:

**Missed deadlines:** Any delay due to a compromised system can be devastating to project timelines.

**Loss of proprietary information:** Beyond loss of time and money, a data breach can result in loss of blueprints, designs, bids and proposals, and other sensitive information.

**Compromised safety:** Cyber attacks are capable of taking control of semi-autonomous equipment and security systems, resulting in potential worker safety and security risks.

**Property damage:** Compromised systems can lead to damaged equipment and facilities.

Employee training on your password policy and how to avoid phishing scams are a good start, but to thoroughly protect your firm from cybersecurity threats, it's wise to invest in **data and information security software**.

### **What this means for you:**

If you already have project management and data and information security technology in place (or are planning to implement it in the near future) you're in good company. According to our survey, more than 20% of small construction firms are planning to implement data security technology in the next 12-18 months.



# Update your construction tech to complete more jobs and grow your firm

Investing in up-to-date construction tech isn't about having flashier tools than your competition. It's about running your construction firm as efficiently and effectively as possible. The right construction tech can help you produce the most accurate estimates possible, keep your projects on time and on budget, and even fend off cybersecurity threats.

If you're ready to find the best construction tech for your firm, we're here to help. [Just answer a few questions](#) and we'll quickly provide you with a list of personalized software recommendations. And it's all free for you. If you found this guide useful, we have a lot more [resources for business software buyers on our blog](#). Here are a few articles to start with:

[The Wrong Software Is Worse Than No Software: Tips for Choosing Well](#)

[6 Steps on How To Buy Business Software](#)

[3 Signs Your Business Needs Construction Management Software](#)

# Survey methodology

## Gartner's 2021 Top Technology Trends Survey

This study was conducted to better understand the technology usage, needs, challenges, and trends for small businesses. The research was conducted between August and October 2021 among 548 U.S. respondents from the education, financial services, healthcare, IT, manufacturing, media, natural resources, retail, and telecommunications industries.

Respondents were screened for the job categories of President, CEO, Owner or Sole Proprietor, General Manager, C-Level Executive, Business Unit Manager, Vice President, Director, Functional Lead (Manager & Above), and Office Manager, and had to have some level of influence on software and technology decisions. Additionally, participants' companies had to have been in business for 12 months or longer, have between 2 and 500 employees, and earn between \$5 to \$250 million in revenue.

The study was developed collaboratively by Gartner Analysts and the Primary Research Team.

Disclaimer: Results of this study do not represent global findings or the market as a whole but reflect sentiment of the respondents and companies surveyed.

# About **Software Advice**

Software Advice® helps businesses navigate the software buying journey. Industry-specific advisors guide people through the selection process and provide personalized software recommendations. Founded in 2005, Software Advice has helped nearly 800,000 businesses find the right software for their specific needs through 1-on-1 advice, objective research and actionable insights. Software Advice also features over 1,000,000 verified user reviews to ensure people feel confident in their technology decisions.

**Connect with a software advisor and receive your personalized recommendations in as little as 15 minutes.**

**GET STARTED**