Executive summary | Roundtable XIV, March 2, 2022

# Wipfli Construction CFO Peer Exchange

**Host:** Matt Gelb | Wipfli
**SMEs:** Kate Brown and Scott Lang | Wipfli
**Facilitator:** Austin Evans | Profitable Ideas Exchange

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# Introduction

Seventeen chief financial officers (CFOs) from the construction industry met virtually to share leading practices and discuss topics of mutual interest based on an agenda created through a series of pre-interviews.

From Wipfli, Matt Gelb, Principal, Technology Consulting; Kate Brown, Senior Technology Consulting Manager, Business Intelligence & Analytics; and Scott Lang, Audit Senior Manager, hosted the exchange, and Austin Evans of Profitable Ideas Exchange facilitated.

The focus of the discussion covered the following topics over the course of the hour:

- Automation and new technology solutions
- Measurements and metrics
- Dashboards

# Automation and new technology solutions

- In the midst of labor shortages and other challenges, many companies are exploring approaches to improve efficiency though automation and data analytics. While the construction industry can often be "behind the times" in adopting new technologies, many firms are making progress in transforming workflows through new digital solutions.

- Accounts payable (AP) processes have been targeted by several CFOs as they look to automate what is often a very manual and time-consuming process. One CFO has leveraged Kofax software, which scans invoices submitted via email through optical character recognition (OCR) to gather key invoice information into the accounting system.

The CFO noted that the AI has improved over time and now takes much of the data entry out of the hands of employees. Another CFO mentioned a similar product by IntelliChief that is nearing deployment.

- One participant has leveraged Textura throughout the COVID-19 pandemic to scan invoices and enter information into their Vista by Viewpoint system. They are also using a solution called NVOICE to automate invoices for non-Textura payments. The member pointed out that Textura also has the capability of running sub-tier payments, but in some cases the process of doing joint payments may be tedious and admitted to going "old school" in scenarios where a physical check just makes sense.

# Automation and new technology solutions

- Noting their reliance on Excel, one CFO is focused on moving away from spreadsheets, with a goal of eliminating 70-80% of spreadsheets within their Vista by Viewpoint platform. Prophix has emerged as the leading choice for solutions to aid this.

- Wipfli's Matt Gelb highlighted clients' use of low-code/no-code solutions that can integrate into ERPs and handle very specific topics. Solutions such as Textura or NVOICE may not be the perfect fit for certain companies or their business applications, but some of their capabilities/business processes can be enabled by a Microsoft Power Apps solution as an alternative.

- While digital payment solutions are attractive options due to the efficiency they bring, they are not always well received by subcontractors who do not want to accept credit cards and their associated fees. Presenting different options is one way to address this so that subs who want quicker payments can have them with a fee, while those who want to avoid fees can choose a different route.

  Another option is to shift vendors when possible — a CFO mentioned Comdata, which will find vendors that accept credit card payments, allowing a company to take advantage of rebates and points on credit cards.

# Measurements and metrics

- While some industry standard metrics exist for measuring productivity, there is still an interest in further developing capabilities to measure the productivity of teams. One CFO already looks at overall project profitability as well as over/under billing and labor utilization percentages but is now recalibrating to determine whether there is other data that should be analyzed.

- Any efforts to develop KPIs for productivity run into the familiar challenge of data access. Quality datasets exist for some measurements such as invoicing, but getting sufficient data for other elements of productivity may require manual information consolidation and extensive spreadsheets just to get the data aggregated. Microsoft Power Apps and Power BI dashboards help provide information at one organization. They are also looking to leverage CMiC's Crew Time tool to automate their time reporting for better labor analysis.

# Measurements and metrics

- Several members shared sentiments that, no matter the tool they have utilized, it was ineffective when handed off to project managers who don't always know how to properly use these programs. There was a general consensus that there needs to be more training around reporting and going over the basics like work-in-progress reports so project managers understand how and what they need to be tracking.

- With companies looking to get more accurate data in real time, Kate Brown of Wipfli recommended automating the reporting pipeline and moving those manual processes from the collection platform into a solution that can efficiently consolidate and visualize the information. She added that many leading industry platforms have successful core functionalities (e.g., finance, project management and field service) but suggested leveraging business intelligence technologies to consolidate data without the need for integrations across systems.

# Measurements and metrics

Brown also emphasized the timeliness factor in reporting — an updated report with 80% accuracy is more advantageous in game-time decisions than one with 100% accuracy if it isn't immediately accessible.

For external solutions, Qlik, Tableau and Microsoft's Power BI are the three major players in the space that will handle data collection and analysis, as well as some capabilities around AI.

- Since the pandemic, some CFOs have had to add daily reporting, virtual reporting, new features around equipment and safety inspections, as well as custom reporting to project managers. One CFO worried that they may have done so too quickly and without considering the disparate systems involved in so much reporting; they are now having to retroactively try to get these systems under one roof.

# Dashboards

- To end the call, Kate Brown took the group through a presentation of Microsoft Power BI reports and dashboards. Participants were able to watch the transfer of data from finance and project management systems into intuitive, real-time dashboards. Microsoft Power BI allows for timelier project analysis, allowing executives to get closeups on overall project health and the ability to slice and dice across various project dimensions (e.g., project manager, trade, geography, customer, etc.).

Watch the Power BI demo on Vimeo