

Shocking Stats: Why 98% of Construction Firms Struggle with Estimation



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Did you know that inefficiencies in estimation are among the top reasons for cost overruns and project delays in the construction industry? According to a [McKinsey report](#), the construction sector loses a staggering \$1.6 trillion annually due to poor productivity, with inaccurate estimations being a significant contributor. It's time to address the pain points of traditional estimation processes and embrace a solution that works.

The Problem: Why Estimation Processes Are Bleeding the Construction Industry

Construction companies face daunting challenges with their estimation processes, leading to severe inefficiencies:

- **Inconsistent Costing:** Manually prepared estimates often miss critical details, leading to budget overruns.
- **Time-Intensive Processes:** Estimation teams spend countless hours redoing BOM / BOQ 's, resulting in lost opportunities.
- **Frequent Revisions:** Client-driven changes often create chaos without proper version control or centralized data.
- **Lack of Collaboration:** Disconnected teams and siloed information slow down workflows.
- **Inadequate Tools:** ERP systems fail to address the nuanced requirements of complex construction projects, especially multi-level BOM / BOQ and technical submittals.

These inefficiencies create a ripple effect, increasing project timelines, inflating costs, and reducing client satisfaction.

The Solution: Transform Estimation with CPQ Applications

A Configure, Price, Quote (CPQ) application tailored for the construction industry can solve these pain points. CPQ tools are purpose-built to streamline estimation workflows and empower teams with precision and speed. Here's how:

- **Comprehensive BOM/BOQ Pricing:** Generate detailed, multi-level BOM / BOQs with accurate pricing in seconds.
- **Multi-Currency Support:** Seamlessly prepare estimates in different currencies with a click.
- **Revision Control:** Maintain version histories and ensure every change is captured and traceable.
- **Reusable BOM/BOQ:** Eliminate repetitive tasks by reusing previous BOM / BOQs for new estimates.
- **Customizable Quotations:** Create professional, client-specific templates for quick approvals.
- **Automated Submittal Packages:** Prepare technical and commercial documents effortlessly, saving hours.
- **Standardization:** Ensure consistent descriptions and datasheets based on ISO standards across projects.

The Benefits: How CPQ Applications Drive Success

- **Time Savings:** Reduce estimation time by up to 75%, enabling faster project kick-offs.
- **Cost Efficiency:** Avoid costly errors and reduce dependency on expensive ERP systems.
- **Client Satisfaction:** Deliver accurate, professional quotes that build trust and secure projects.
- **Scalability:** Handle complex projects with ease, enabling your business to grow.

A Call for Change

The McKinsey report emphasizes that improving construction productivity can unlock immense value. By adopting CPQ applications, your company can be part of the 2% that gets estimation right, driving efficiency and profitability in 2025 and beyond.

Take Action Today

Ready to revolutionize your estimation process? Contact us to learn how our CPQ application can transform your construction projects, saving you time, money, and effort.

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