



DIGITAL TRANSFORMATION: WHAT ARE THE BARRIERS TO PRESSING 'GO'?

RedSky Product Manager Brendan Magill is a chartered, award-winning IT professional with 30 years' experience, mainly within the construction sector. Here he highlights the eight most common barriers to digital transformation... and how to overcome them.



Earlier this year RedSky held a series of networking events for the construction industry. We had a good turnout from organisations keen to find out more about how to take the next steps on their digital transformation journey. Many audience members told us that they are still using paper-based practices to manage everyday tasks, both in the office and out in the field.

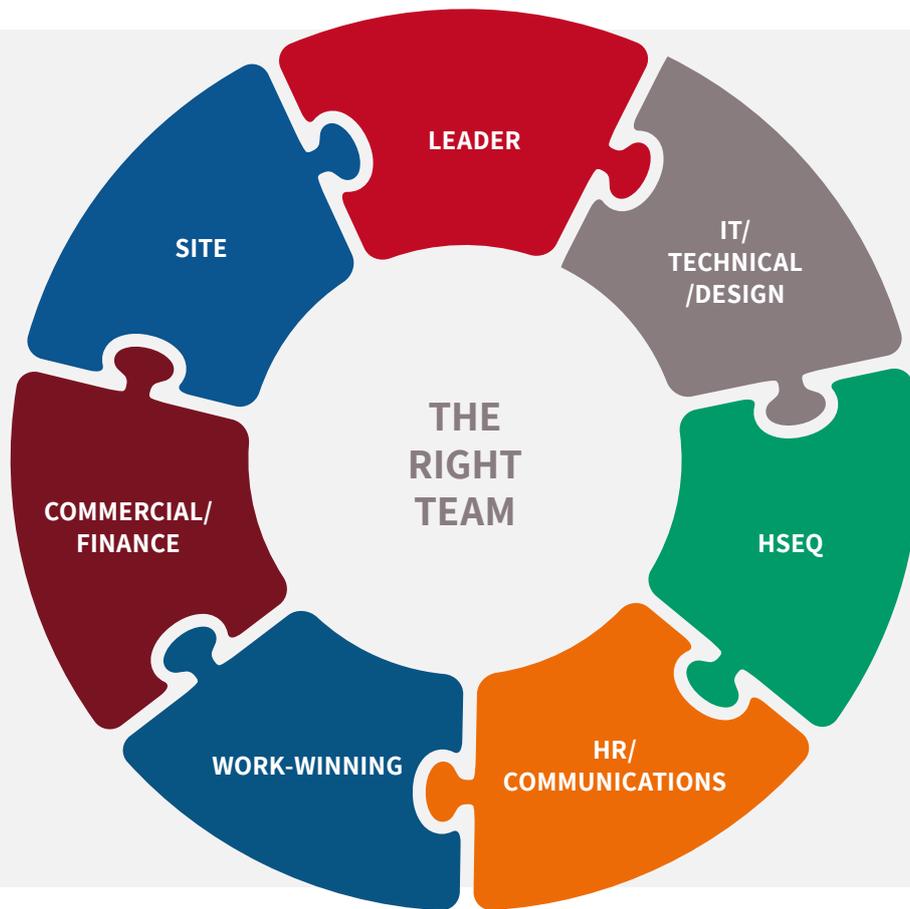
These comments did not come as a surprise. That's because when it comes to adopting new technology, the construction sector has been lagging behind for some time.

In January 2020 law firm Pinsent Masons published the results of a global survey exploring the digital transformation of the infrastructure sector: 22% of respondents said they weren't using any modern

working methods; and 64% cited a lack of understanding of technology as the greatest barrier to digital transformation.

These are worrying statistics. How can construction companies weighed down with paper-based legacy systems hope to compete? Especially if their rivals have agile, digitised processes in place and are routinely using mobile Apps on site to improve quality. The answer is simple: they can't.

And that got me thinking. What is preventing companies from embarking on their digital transformation journey? Based on my experience of countless migrations and system implementations, here are the eight most common barriers (presented in no particular order) and how best to overcome them.



1. PICKING THE RIGHT TEAM

It is essential to pick the right team (steering group) to deliver the change. Seven is the magic number – beyond that, the team’s performance and the effectiveness of its decision-making reduces by 10% for each additional person.

Make sure your steering group spans all aspects of your business and includes the following members:

- **Leader** – a director or a senior manager, someone with the authority to make decisions and remove any blockages that are preventing progression to the next stage. They must have a solid understanding of the business, how things are done and why. They need to be decisive and resilient, yet they should also be open and able to appreciate how the new ways of working will impact on staff
- **IT/Technical/Design** – a technical specialist at the table, whether internal or a third-party provider
- **HSEQ** – an individual responsible for compliance/ process assurance in the business
- **HR/Communications** – to define roles and communicate change effectively to the workforce
- **Work-winning** – a representative from your pre-construction teams, such as Tendering or Estimating
- **Commercial/Finance** – a Procurement, Finance or Surveying team member
- **Site** – someone from the ‘site team’ – a site manager, engineer or project manager to represent the physical construction side of your business.

2. CHOOSING THE RIGHT PARTNER

An IT system is a big investment. There will be no ‘perfect’ off-the-shelf product available, so you need to choose the right partner.

Your starting point for this is to examine the critical success factors for key processes in your company. Look at how you are currently doing things and whether the processes can be improved. Score yourself – a sort of SWOT analysis. Are you the best in your sector? Are you winning as much work as your competitors? If not, why not?

Go down this route whenever you want to improve in a certain area. You can start to create a scorecard for use when you go to market with a Request for Proposal. This will ensure that you’re asking the right questions to the providers in the market; getting the most suitable ones through the door to show you their technology; and scoring them appropriately around the areas you feel the business needs to strengthen.

Use your scoring system to shortlist up to three organisations, then invite them in to tell you more and to meet other steering group members and colleagues within your company. Use it again to select your provider: the contender with a solid, proven track record who has been open and honest about the likely pitfalls, and who understands the technology, the processes and the impact on your staff.

3. ACHIEVING BUY-IN

Communication is the lynchpin of a business transformation programme.

To succeed, you need to engage your workforce by planning and executing a comprehensive communications campaign that explains clearly to all employees what is happening, why, when and how they will be affected by the change. There will always be a natural fear of change.

For a large organisation, a roadshow event can be a great way to generate interest and excitement about the transformation programme across your different sites and departments. It also provides an opportunity to explain the various stages and the timeline.

Get information boards professionally produced, explaining the impact of the change on each job role – that way, everyone can access the ‘what’s in it for me’ information relevant to their role, including plans for training.

Incentivise the behaviours that you want to encourage. Get your staff involved, run competitions with great prizes and celebrate success. You’ll soon get engagement.

4. COMMUNICATING PROGRESS

As you move through the change, you need to let people know how the programme is progressing and if things are going according to plan. Because digital transformation will radically change the current business model and affect everyone in the company.

Provide staff with regular updates: a high-level set of red/amber/green bullet points and a succinct narrative outlining the key points. Include the good, the bad and the ugly. Be upfront and honest about anything that hasn’t gone well. Explain that you have addressed it and learned from it.

Email key messages and use posters each week, displayed around the company in offices, site huts, canteens and even on the back of bathroom doors. Make sure everyone knows what is going on.



Create eye-catching information boards

5. COST

Sometimes customers who are buying a system decide to reduce their investment in service, support and training days, to get the overall cost down. My advice is simple: do not scrimp on training. It’s a false economy. Investing in a managed support service and training will enable you to get the most out of your system.

Make sure enough knowledge is being transferred from the technology partner to the right people within the business. Don’t just bank on one person – the ‘hero’ – holding all the knowledge, because if they walk away from the business, that knowledge will leave with them. Instead, train several people who will go on to train others within your company. That’s your back-up.

When staff are doing their training, get them to create help guides as they go along. At RedSky, for example, we don’t provide standard training guides because every company’s processes are unique. Instead, trainees use the software on the system to create screenshots showing how the system is configured, and to record videos and add notes. All this information is then made available as a self-serve resource for others to turn to, including new recruits.



Keep staff informed of progress using a colourful poster campaign

6. INTERNAL SUPPORT

Once your trainers have received their training and passed the knowledge on, who will deal with your system queries? In some organisations it's taken for granted that this task falls to IT, while in others it's Business Support. In truth, it is everyone's responsibility.

The best way to share the load – and the specialist knowledge – around the company is to appoint departmental superusers. Choose people who have a strong understanding of how the system works within their area of the business and are keen to help their fellow colleagues.

Incentivise and reward this type of behaviour – perhaps through a bonus or a gift that recognises superusers' efforts in stepping up to help their colleagues with a system change.

7. SECURITY AND RISK

You need to know about the threats you face and have a plan to address them.

To me, security is all about having a role-based model. In other words, you configure systems for particular roles rather than doing it on an individual basis, which in my experience just adds complications/administration further down the line.

Risk goes hand in hand with security. Some organisations will adopt a corporate risk register, incorporating things that may disrupt the business, like a key customer that leaves or a legacy IT system that keeps failing. Keep it visible, with clear actions on how all risks are weighted and treated. Each department should maintain its own risk register and review it at least quarterly.

8. MAXIMISING FEEDBACK

As part of your transformation programme you'll run pilots, test the system and document what has and has not worked.

You'll also receive suggestions for improvement from individuals who are using the system. Show interest

in them, be empathetic, record all ideas and get your steering group to review and calibrate them, to see what will work. If you choose to ignore these ideas, they will dry up.

Incentivise again, perhaps by offering an Amazon gift voucher to anyone whose suggestion is implemented by the business. Publicise and communicate their achievement, and make the environment open enough to encourage others to put forward their ideas.

You can also set up a monthly or quarterly competition, to reinforce your company values. For example, award a celebratory meal to the team that has demonstrated the strongest commitment to health and safety. Bring this good practice out into the open, formalise it, publicise it and communicate it regularly, to keep it fresh in everyone's minds. RedSky's latest software can help you run a company values recognition system.

IN CONCLUSION

Many construction companies will not survive the current pandemic. And those that do pull through will face intense competition in a market where profit margins are incredibly tight.

Digitisation offers an effective long-term solution to this problem. Now is not the time to put your strategic improvement plans on hold. Think about what's holding you back – is it a lack of understanding about technology or one of the eight barriers listed above? Whatever the reason for your hesitation, help and advice are available... you just need to ask.

Be bold and take that first step. Start changing your business for the better.

If you are considering pressing 'go' on your digital transformation programme, I would be delighted to help you join the 1,000+ companies that are already benefiting from RedSky's construction-specific software. Email me (brendan.magill@redskyit.com), call me direct (07534 228269) or connect with me on [LinkedIn](#) to start the conversation.

About the author:

Brendan Magill is a Chartered IT Professional Member of the British Computer Society. He has 30 years of IT experience, from working in the smallest comms rooms with his sleeves rolled up to implementing strategic improvement plans for businesses of all sizes – primarily in the construction sector. His practical IT knowledge and skills are complemented by an MSc in Business Improvement.

About RedSky:

RedSky's award-winning software enables its clients to achieve competitive advantage by implementing scalable, innovative commercial, operational and financial solutions. The software manages all aspects of the construction and information management process, providing a single-source solution that incorporates project and commercial control, mobile field working and document management, all underpinned with powerful dashboards and business analytics.

Established over 40 years ago, RedSky supports more than a thousand organisations that use its specialist industry applications every day. Its clients include main contractors, subcontractors, professional services, civil engineers, electrical/mechanical, maintenance, demolition, interior fit-outs, painting and decorating, maintenance and highways.

