

The ROI of Construction Technology

Global insights from Procore customers leveraging technology to drive productivity, predictability, and profitability.

PROCORE



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— INTRODUCTION

Industry Sees Rapid Growth in Construction Tech

The 2022 construction landscape is riddled with pandemic hangovers: delayed or canceled projects, supply chain shortages, price increases, delivery delays, and most pressing—a labor shortage with a mass exodus not seen in two decades.

But as taxing as the pandemic continues to be, it hurled the industry into the digital realm. Technology is now top of mind as firms look to optimize efficiency, increase profitability, improve jobsite quality and safety, and retain their top talent amidst a labor shortage of crisis magnitude. As a testament to this digital transformation, construction technology investor funding reached a [record \\$2.1 billion in 2021](#)—more than a 100% increase from a year ago.

As the industry simultaneously adapts to these challenges and new digital

opportunities, construction technology remains steadfast in bringing people together to facilitate better teamwork across the entire lifecycle of a project.

This report is an in-depth look at how our customers differentiate themselves from their competitors by empowering their people to do their best work with Procore. By facilitating more collaborative project delivery from preconstruction to closeout, our customers enable cross-company collaboration to unleash the productivity of their employees for a more predictable, profitable business.

Ultimately, we hope this guide will help you do what construction has always done: navigate the challenges of building the world—and our future—together.



Global Survey Participants

We surveyed **2,687** Procore customers from around the globe—including North, Central, and South America, the Caribbean, Asia, Europe, Australia, New Zealand, and the Middle East. Data includes responses from General Contractors, Specialty Contractors, and Owners of all sizes. All survey responses are self-reported, and, unless otherwise noted, all references to customer respondents, users, or any individual stakeholder group mentioned herein refer to the population surveyed.

GEOGRAPHICAL REPRESENTATION

US	87%
CANADA	8%
APAC	3%
EMEA	1%
LATAM	1%

ANNUAL CONSTRUCTION VOLUME (ACV) / CAPITAL SPEND RANGE

EMERGING (\$20M OR LESS)	35%
MID MARKET (\$21M - \$100M)	54%
ENTERPRISE (\$101M OR MORE)	11%

Audience

66% 


General Contractor

All types of specializations and projects including residential, commercial, heavy civil/horizontal, industrial/manufacturing, energy and utilities, and governmental projects.

16% 

Specialty Contractor

MEP (mechanical, electrical, and plumbing), structural, and finish trades for all types of projects including residential, commercial, industrial, infrastructure, and governmental projects.

18% 

Owner + Public Agency

Real estate owners, developers, investment managers, private corporations, and governmental entities of ground-up development, capital improvements, and industrial projects.

Note: As a global company, we recognize the importance of adhering to the construction terminology used in each region. For example, when we refer to a general contractor, we are aware of its equivalent term, prime contractor or main contractor, in different locales. Similarly, punch list as opposed to snag list or deficiency list. To avoid redundancy, we will defer to the terminology most commonly used in the United States.

— EXECUTIVE SUMMARY

The future of construction isn't just software—it's the people who use it.

For an industry delivering projects via fragmented, geographically-dispersed, multi-company teams, an integrated platform provides a unified place for cross-company collaboration from preconstruction to closeout.

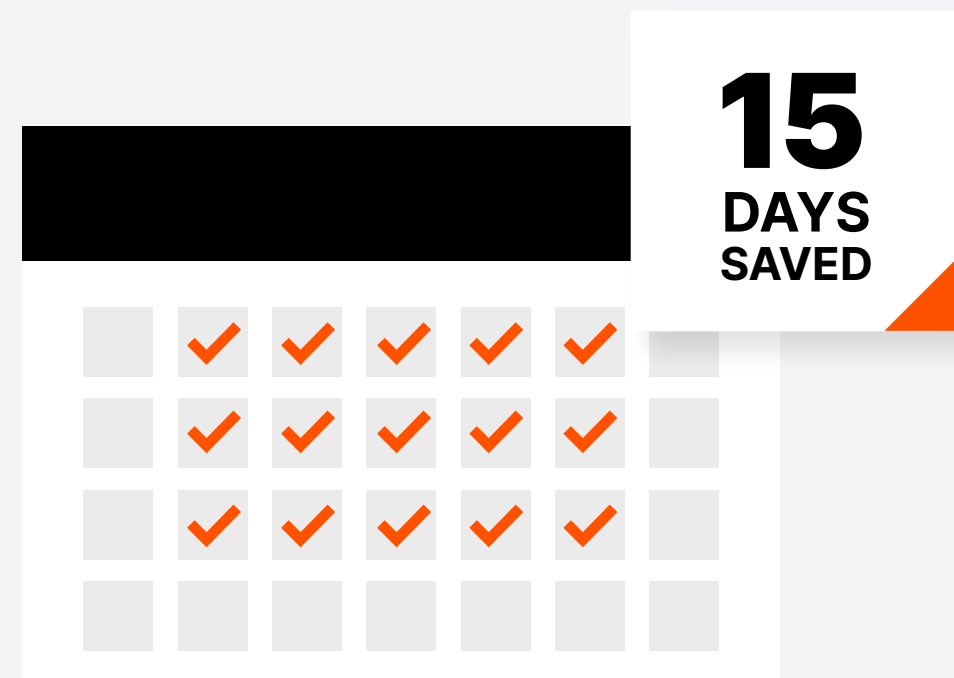
The ROI of this collaborative ecosystem reaches far beyond the elimination of printing fees and double data entry. It includes everything gained from the increased transparency, efficiency, and productivity facilitated by the software—and perhaps just as important, the intangible benefits of a more engaged workforce. With better collaboration comes more efficient and productive teams and more hours in the day for improved work-life balance—a value that cannot be underestimated in today's Great Resignation.

To help builders gain insights into how construction tech is revolutionizing their business, we looked to our customers—as we always do—to shed some light. We surveyed 2,600+ Procore customers across the globe to pinpoint where they're finding the most meaningful returns.



Better Collaboration Fuels Success

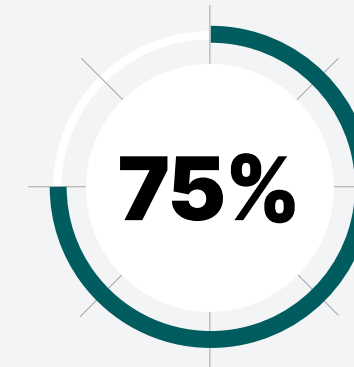
While we weren't surprised to see firms doubling down on tech for their people amidst pandemic pressures and a decade-long labor shortage, we were amazed to see just how impactful true lockstep collaboration can be on project success.



Improved Efficiency

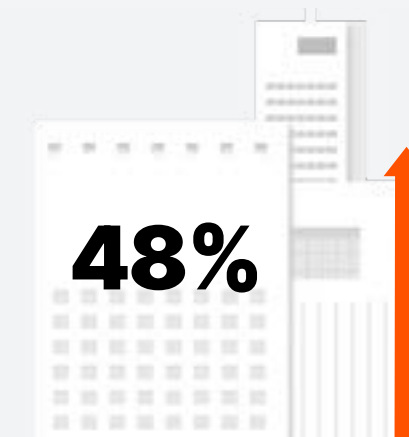
Customer respondents reported **saving an average of 15 days on the overall schedule** on a typical project.

These are just some of the notable returns our customers are utilizing to surpass their competition with unprecedented speed. **Get more detailed insight on where they're gaining maximum returns in the following chapters.**



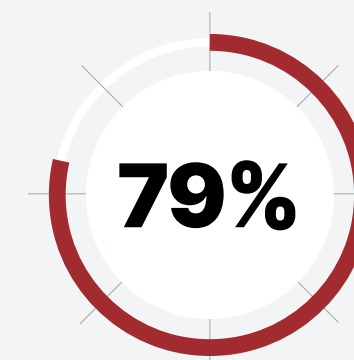
Reduced Rework

of customer respondents agree **Procore has helped reduce the amount of rework** taking place on their projects.



Building Scalable Businesses

Customer respondents believe using Procore enables their project teams to manage on average **48% more construction volume per person.**



Safer Jobsites

of customer respondents that use our Quality and Safety products agree Procore has **improved their company's safety program.**

01

— CHAPTER ONE

Best-in-Class Processes Fuel High-Performing Teams

“In the construction industry, I’ve learned that ‘vacation’ doesn’t always mean ‘vacation from work.’ There are still things that need to be completed, and sometimes, those things aren’t easily located. With Procore, everything that could possibly be needed is stored in a specific location, so vacations can be taken in peace from panicked phone calls.”



Cheyenne Grubbs

Office Engineer, RailWorks Corporation, General Contractor, USA





Do More with Less

Manual, paper-based processes and non-integrated software solutions lack data connectivity. With no single source of truth for project information, inefficiencies, delays, and rework increase the likelihood of delivering projects behind schedule and over budget.

According to the National Institute for Standards in Technology, general industry estimates claim that between [10 and 30 percent of all building project costs can be attributed to wasted activities](#), such as schedule overruns from poor coordination and low labor productivity. Dodge Data reports that [labor productivity ranked first in needing improvement](#) by nearly

half of contractors and a high margin above other factors. Furthermore, increasing labor productivity ranked first as the top reason contractors invest in new onsite technologies.

Integrated platforms eliminate wasted time and maximize productivity by centralizing all project data and people in one place. All stakeholders have vital information at the speed of need. By channeling all apps, documents, and people into one integrated platform, our customers maximize collaboration and empower their people to do more in less time—a huge leg up on the competition in today's competitive labor market.

Reducing administrative burdens gives people time back to focus on more valuable undertakings, such as quality control, safety compliance, client satisfaction—and better mental health that comes from less mundane tasks and more fulfilling work.

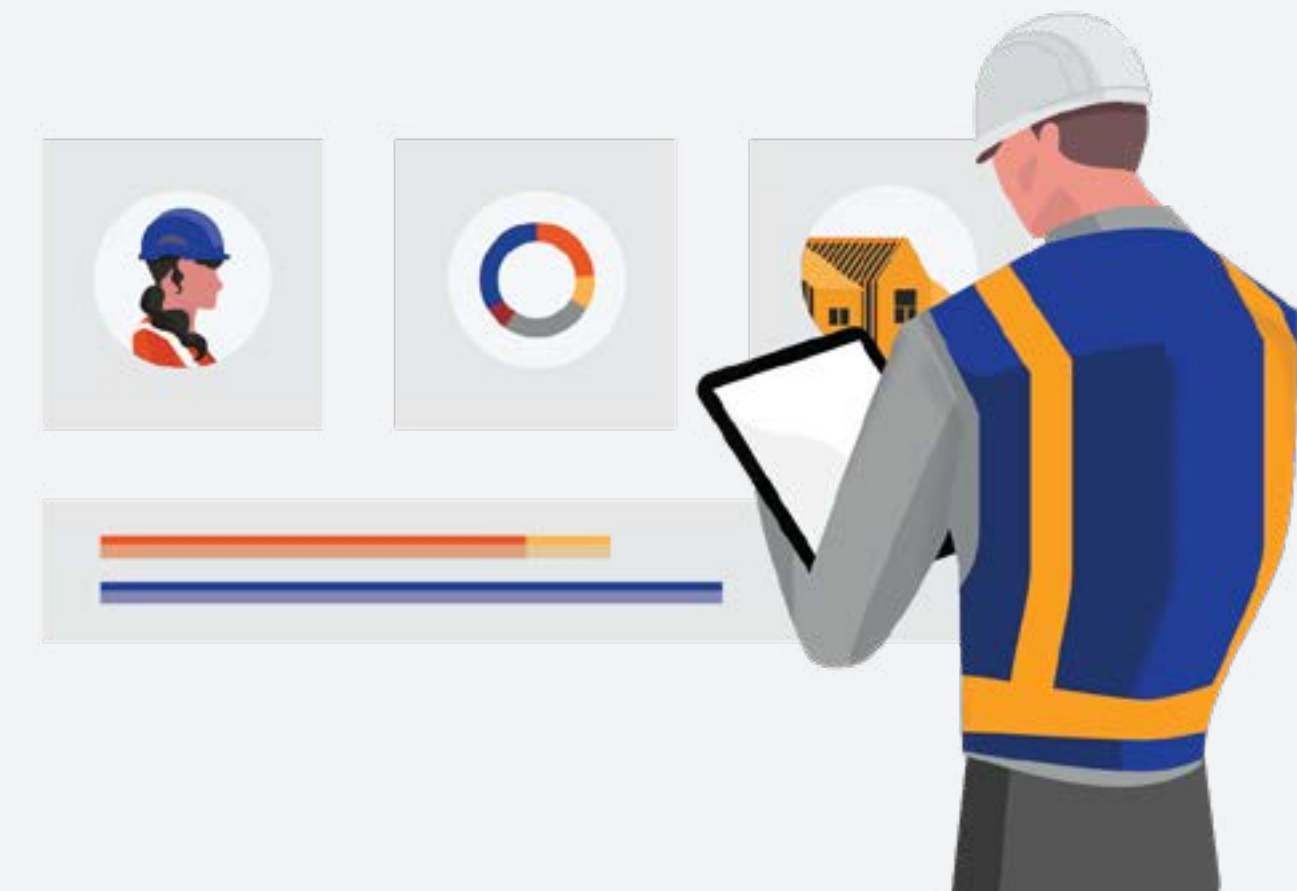
Standardizing Owners' Processes Proves Profitable



86% of Owners believe Procore has helped them **standardize their processes** across their portfolio.



78% of Owners believe Procore has helped them **own their project data** throughout the lifecycle of the project.



“The project’s data—including its financial data—are standardized and digitized. We can go into a project in Procore to see exactly where the real-time spend is. Procore provides the right level of control to satisfy our internal team and external risk management assessments. It reduces risk, keeps everyone on the same page, and allows us to spend more time on higher-value activities.”



AI Nover

Finance & Contract Manager, Boston Childrens' Hospital, Owner, USA

Over 20 Hours Saved Per Day Across Stakeholders

General Contractors, Specialty Contractors, and Owners estimated the **average number of hours per day saved** for the following roles by using Procore:



General Contractors

	AVG # HRS SAVED PER DAY
PROJECT MANAGER	2.5
PROJECT ENGINEER / COORDINATOR / ADMINISTRATOR.....	2.9
SUPERINTENDENT / FOREMAN	2.6
QUALITY MANAGER	2.8
VP OR DIRECTOR OF CONSTRUCTION.....	2.5
SAFETY MANAGER.....	2.6
ACCOUNTING	2.3
VDC / BIM.....	2.2



Specialty Contractors

	AVG # HRS SAVED PER DAY
PROJECT MANAGER	2.4
PROJECT ENGINEER / COORDINATOR / ADMINISTRATOR.....	2.6
SUPERINTENDENT / FOREMAN	2.5
QUALITY MANAGER.....	2.7
VP OR DIRECTOR OF CONSTRUCTION.....	2.5
SAFETY MANAGER.....	2.3
ACCOUNTING	2.2
VDC / BIM.....	2.1



Owners

	AVG # HRS SAVED PER DAY
PROJECT MANAGER	3.1
VP OR DIRECTOR OF CONSTRUCTION.....	2.9
VP OF DIRECTOR OF CAPITAL PROJECTS.....	2.6
VP OR DIRECTOR OF CAPITAL PLANNING.....	2.6
ACCOUNTING	3.0
ASSET OR PORTFOLIO MANAGER.....	2.7

“Procore saves me at least two hours every week. In the past, I’d spend the first two hours of my day truing-up items in the different systems. Now, all that’s taken care of for me in a few clicks. We’re talking about a total of 30 seconds.”



Gabriel Gutierrez

Financial Controller, Dolan Concrete, Specialty Contractor, USA



What would you accomplish with 15 extra days?

Customer respondents believe that on a typical project, they **save an average of 15 days** on the overall schedule by using Procore.

15
DAYS
SAVED

GENERAL
CONTRACTORS

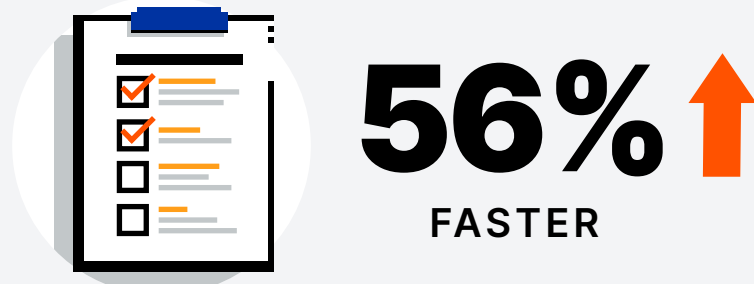
13
DAYS
SAVED

SPECIALTY
CONTRACTORS

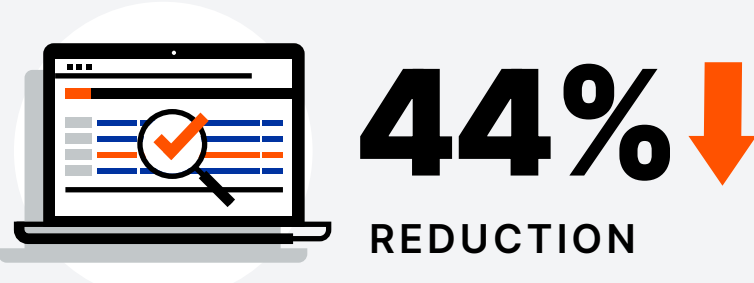
18
DAYS
SAVED

OWNERS

Focusing on Productivity to Drive Results



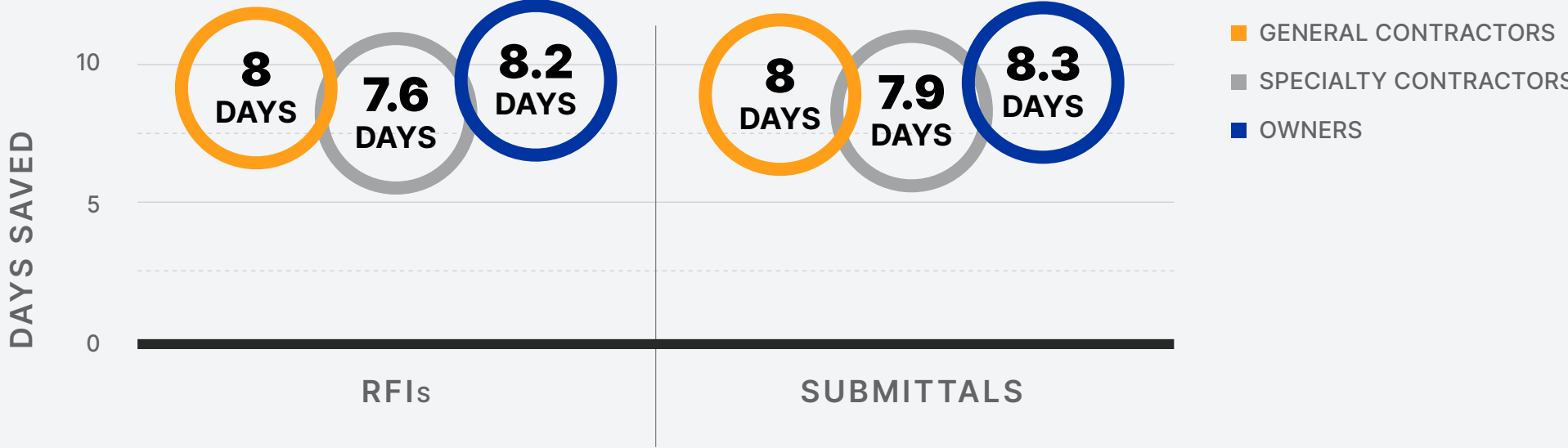
Customer respondents believe that using Procore vs. their previous means allows them to **resolve punch list items an average of 56% faster.**



Customer respondents have seen on average a **44% reduction in the number of punch list items during the closeout phase** of their project(s) since adopting Procore.

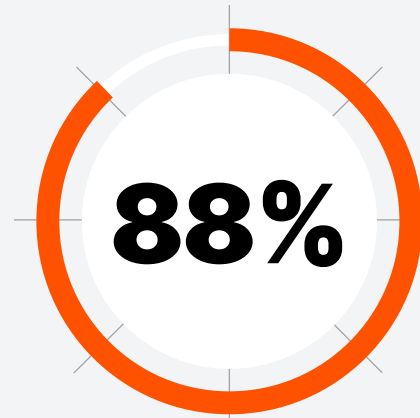


On average, customer respondents say they are able to process and distribute RFIs **8 days faster** since adopting Procore. Submittals are also on average processed and distributed **8 days faster.**



On average, customer respondents say they enter **daily logs 4 hours faster** through Procore compared to their previous means.

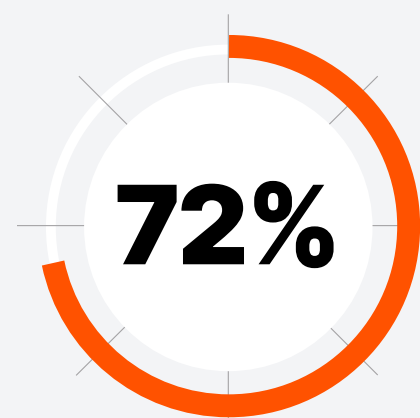
Consistent and Reliable Processes Across the Project



of customer respondents agree that Procore's **change management tools help** them to **better manage change orders** on their projects.



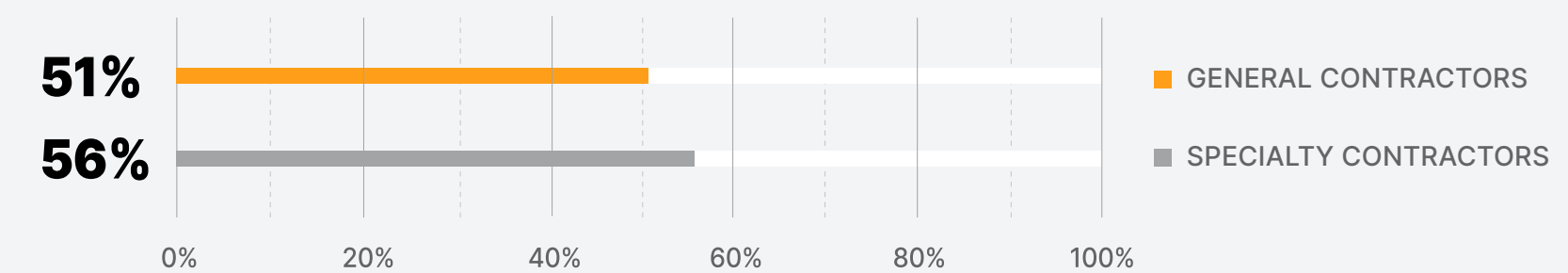
Customer respondents who agreed reported on average a **62% improvement on their change management processes**.



of Specialty Contractors respondents agree Procore **improves their labor productivity in the field**.



of customer respondents say Procore's change management tools helped them **reduce the frequency of non-recoverable change orders**.



On average, customer respondents say Procore's change management tools help them **get change orders approved 8 days faster**.

Take on More Business with Confidence

Customer respondents believe using Procore enables their project teams to manage on average **48% more construction volume per person** than previous means.

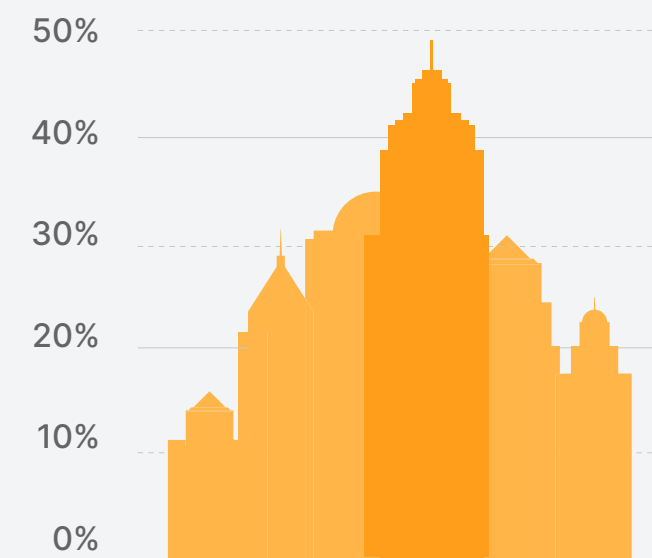
“If we didn’t have Procore, we wouldn’t be able to handle the many projects we have in our pipeline. Procore removes the tedious time-wasters like filling out reports and spreadsheets, giving us time to do other things, like going after more work.”



Marc Vicano

Project Manager, Vicano, General Contractor, Canada

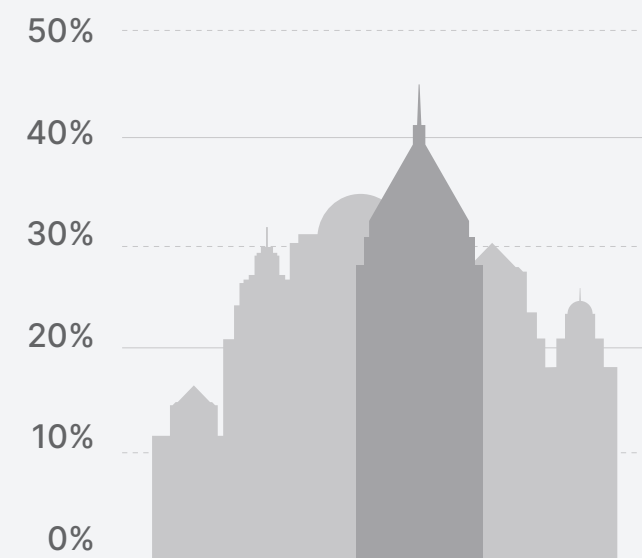
GENERAL CONTRACTORS



49% ↑

Average **increase in construction volume** each person can manage.

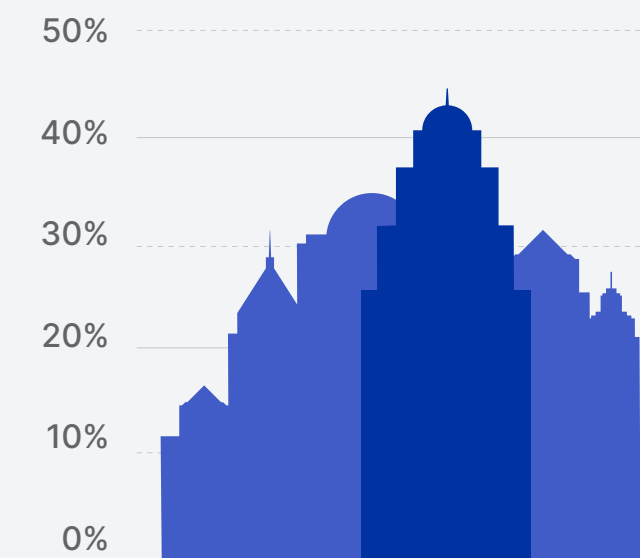
SPECIALTY CONTRACTORS



44% ↑

Average **increase in construction volume** each person can manage.

OWNERS



45% ↑

Average **increase in capital projects/assets** per person than previous means.



74%

of surveyed Owners say Procore’s platform makes their **business more scalable**.

Construction is still a relationship business.

77%

of customer respondents agree that Procore has **improved vendor or client satisfaction** since adoption (e.g. design team, General Contractors, Specialty Contractor).



“There is more trust in the information we can provide to our project clients because of Procore. We gain greater insights each time we use Procore, and it’s helping us deliver better business processes.”



Michael Allen
Project Manager, Fletcher Construction, General Contractor, New Zealand

Collaboration Minimizes Risk Exposure

“Months after leaving my full-time position at a prominent General Contractor to pursue becoming a full-time certified Procore consultant, a once-colleague of mine reached out to tell me that I had reignited his love for construction. He felt that he had become a ‘slave to paperwork and was considering a career change.’ But even though we were demanding more compliance tracking than ever (because of Covid-19), his use of Procore had dramatically reduced the amount of time he spent completing inspections, crafting his daily log, and providing safety and quality oversight of his projects. He was able to ‘do more important tasks.’”



Nichole Carter

Business Owner, ICWSAT, Owner, USA





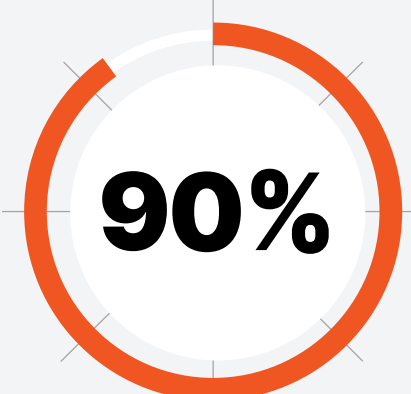
Reduce Risk in its Tracks

Construction is one of the most fragmented industries in the world, yet it relies on the seamless interplay of all participants along the value chain throughout a project's lifecycle to bring a project to closeout on time and on budget. But each piece of the chain favors its own agenda with differing workflows, processes, and stakeholders.

Without a way to unite these siloed groups, nonproductive activities like information searching dampen productivity, and collaboration suffers. Poor collaboration across the value chain increases risk exposure—rework from building off outdated information, schedule delays from unresolved change orders, or safety accidents resulting from overworked staff.

Integrated construction platforms house every parcel of live project data in a single location. Ground-floor jobsite data is recorded live in the field and instantly available in the 360-degree view of project activity for all stakeholders to leverage for more informed decision-making. More importantly, teams can quickly facilitate joint corrective action to prevent hazards, delays, and rework.

How many potential issues could you catch with 61% improvement in field-to-office communication?



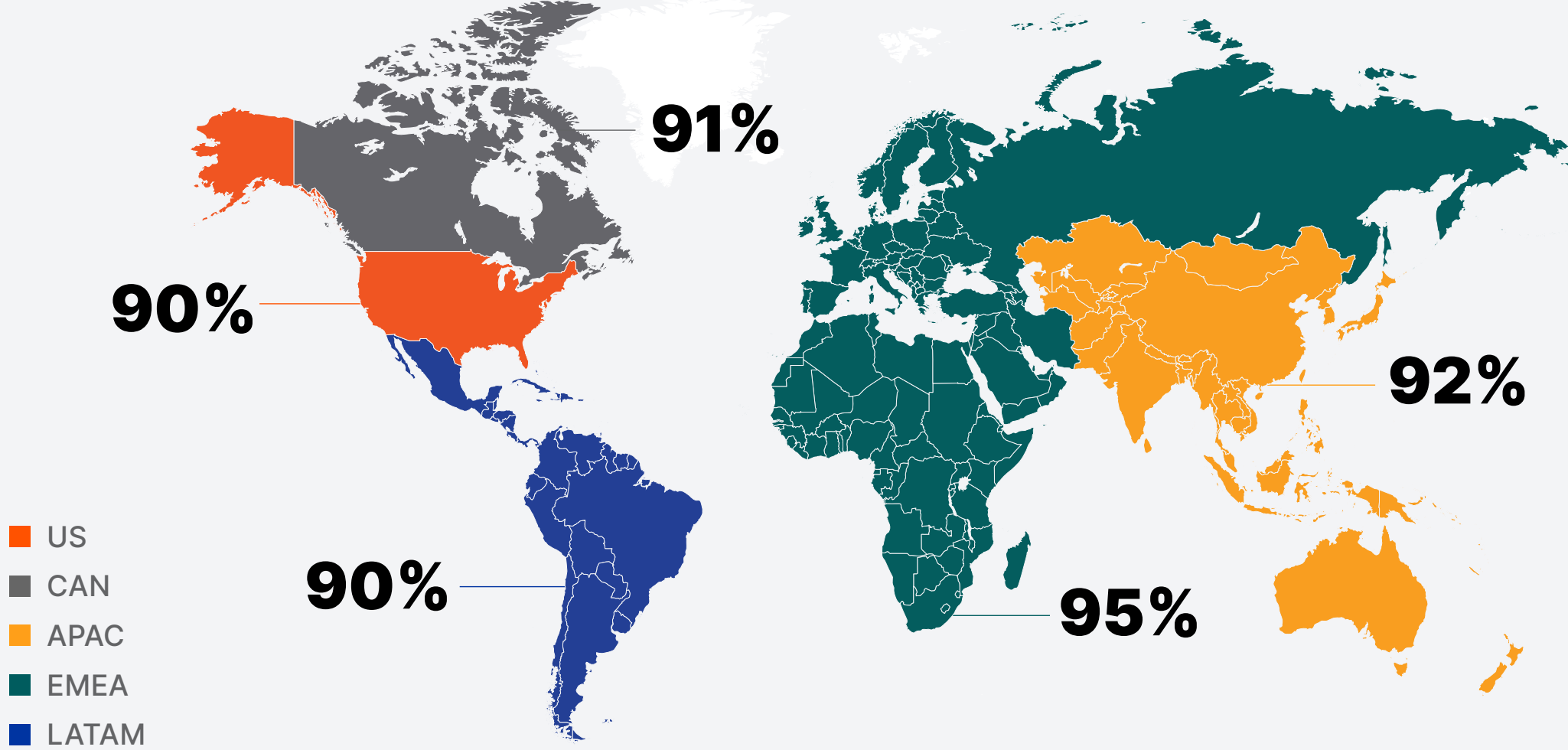
90% of customer respondents agree Procore **improves** their field-to-office communication.



61% ↑

Customer respondents who agreed state an average **increase of 61%** in field-to-office communication.

BY GEOGRAPHICAL REGION



“Our goal is to really revolutionise safety culture. With greater utilisation of Procore, we now have much greater visibility around the reporting of safety behaviours and hazards. When we combine this with real-time dashboards and individual KPIs, we are constantly improving outcomes.”



Emile Cloete
 Digital Lead, Construction,
 Woollam, General Contractor,
 Australia

Expedite Conflict Resolution from the Field

85%

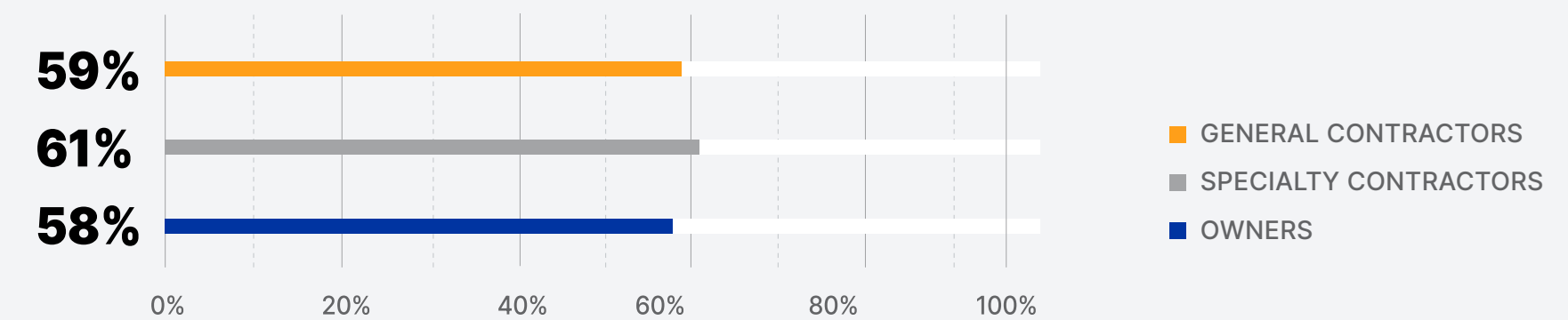
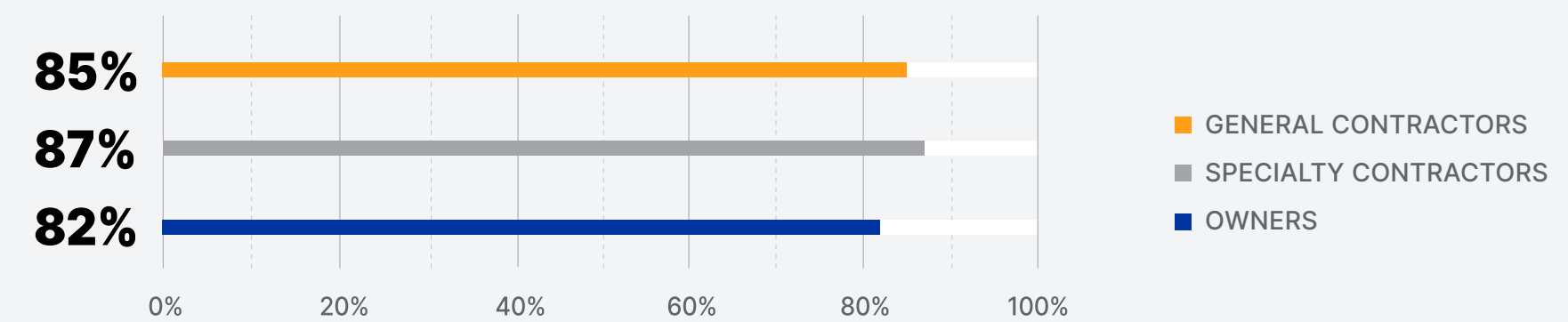


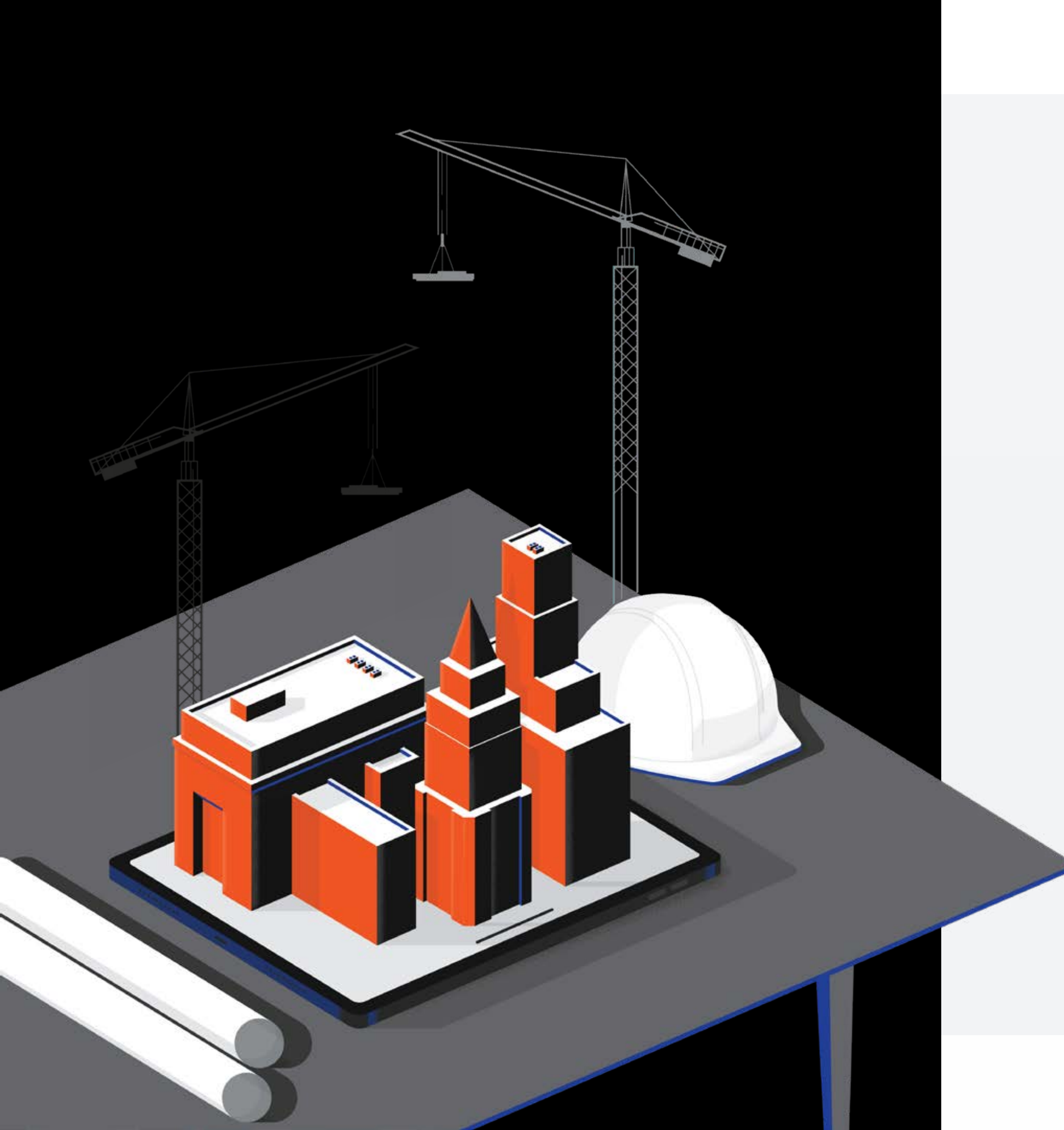
of customer respondents agree Procore improves their field crews' ability to document and communicate site issues.

Customer respondents who agreed estimate an average of a

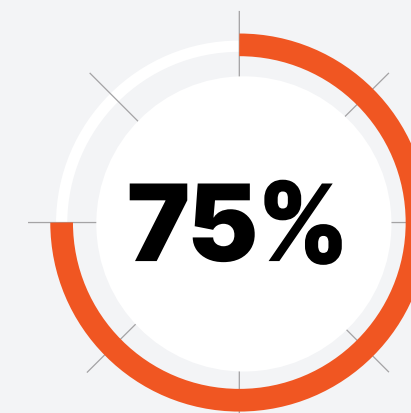
59% ↑

increase in their field crews' ability to document and communicate site issues.





Building right the first time with a 16% reduction in rework.



75% of customer respondents agree Procore has helped **reduce the amount of rework** taking place on their projects.



Customer respondents who agreed stated an average **16% reduction in rework.**

“Procore was the ideal construction platform for MDC, both from a technical and financial standpoint. We needed a user interface that would suit our 8,000-strong team, plus it would have an open approach to connectivity with an array of solutions to support crucial business decisions and quality builds.”

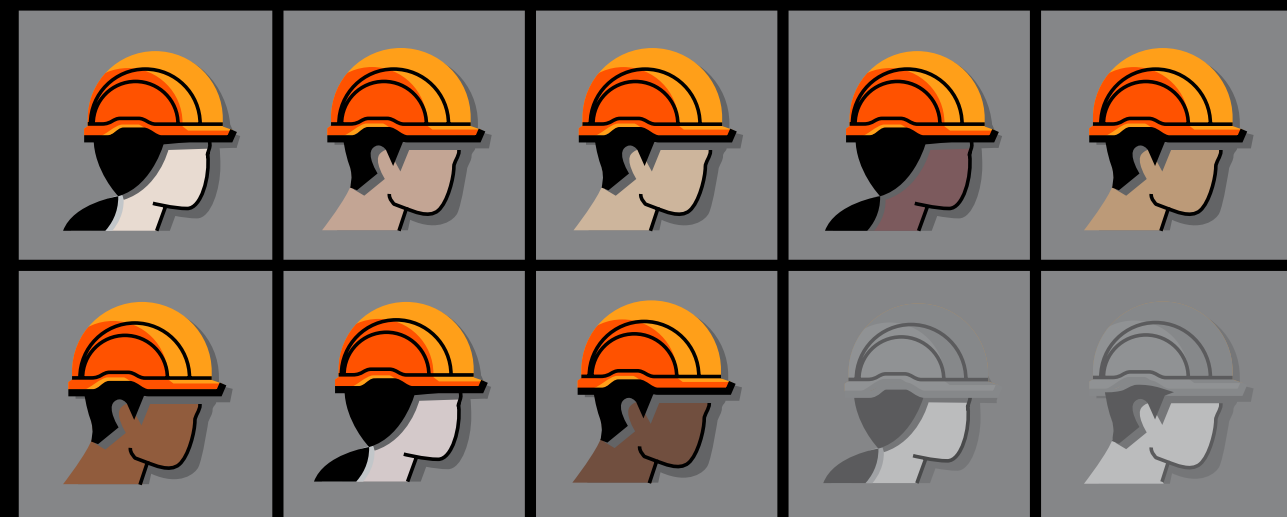


Marty Martin

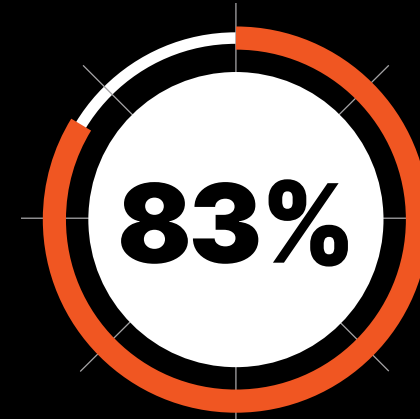
Head of Operations Digital Transformation

Makati Development Corporation, General Contractor, Philippines

Mitigating Risk Exposure Through Quality Control



8 out of 10 report improvement in quality control



of customer respondents agree that Procore has helped their company **improve its overall quality control** in order to deliver **higher-quality projects**.

GENERAL CONTRACTORS:



78% EMERGING
83% MID MARKET
86% ENTERPRISE

SPECIALTY CONTRACTORS:



83% EMERGING
84% MID MARKET
71% ENTERPRISE

OWNERS:



92% EMERGING
83% MID MARKET
85% ENTERPRISE

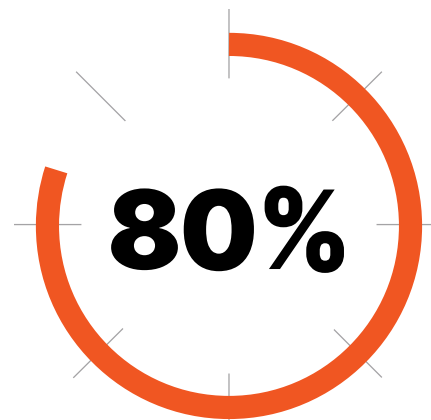
Of those who agreed, they state an average of a

55% ↑

improvement in quality control.

55% GENERAL CONTRACTORS
54% SPECIALTY CONTRACTORS
53% OWNERS

Procore Helps Protect Your Business from Litigation



of customer respondents agree they have **more protection in a litigation scenario** with the data they are tracking/capturing with Procore.

- 82%** GENERAL CONTRACTORS agree
- 75%** SPECIALTY CONTRACTORS agree
- 77%** OWNERS agree

Customer respondents who agree they have more protection in a litigation scenario say an average of



of disputes have been **resolved without litigation thanks to the data tracked/captured in Procore.**

Safeguard Your People



8 out of 10 people using Procore's safety tools agree Procore has improved their company's safety program.



Customer respondents who agree say that they have **improved their overall safety program by an average of 66%.**

Connect Costs for a Profitable, Predictable Business

“You’ve got your accounting people who want the balance sheet, income statement, and financial analyses. Then you’ve got your production people and construction managers making sure they’re on budget, on time, and communicating with the field. Procore provides all of that in one nice package.”



Heather Merz

CFO, The Burt Group, General Contractor, USA





Budget-Focused Cost Management

Manual processes and segregated software solutions create inefficiencies, poor visibility and accountability, and ineffective reporting. These issues, caused by the lack of a connected technology environment in critical areas of project delivery, contribute to projects coming in over budget.

According to Dodge Data & Analytics, [33% of typical projects come in over budget](#). Even among projects identified by contractors as their best performing, over [one in five fails to meet budget](#). Furthermore, “Tracking costs for every aspect of the job to determine how they impact overall project cost” ranked at the top of the most difficult cost management challenges.

One of the main reasons for cost overruns is the failure to efficiently respond to budget changes and schedule changes during the

construction phase. People often think of project execution as separate from project accounting when they are really two sides of the same coin. When gaps exist between accounting and operations systems, teams must spend extra time entering and reconciling information and are forced to make decisions without the information they need.

By connecting construction costs across the lifecycle of a project, firms can get accurate field data to decision-makers and ensure the right information gets to the right people onsite to keep projects on track and mitigate risks. Engaging all stakeholders in a collaborative approach to cost management and driving responsibility across both owner and contractor organizations generates better cost-related outcomes by facilitating life-cycle-conscious decisions.

3 out of 4 see improved cost management.

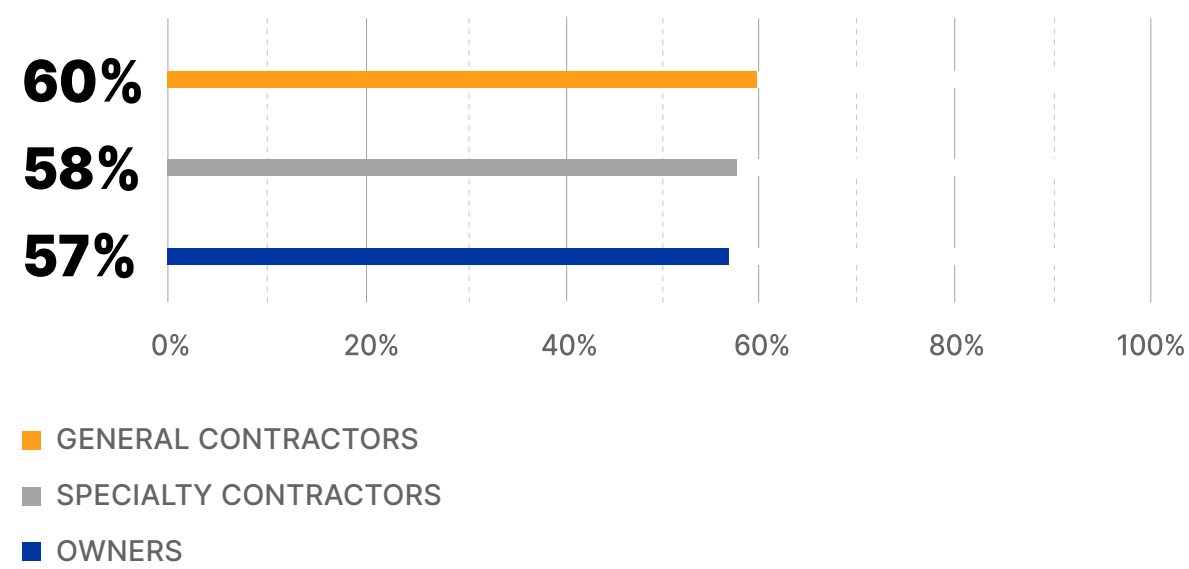
73%



of customer respondents agree that Procore **improves their ability to track and manage project costs.**

59% ↑

Customer respondents who agreed estimate an average **59% increase in their ability to track and manage project costs.**



68%

of customer respondents agree that Procore **Project Financials improved their ability to track payments and have confidence in cash flow.**

“We discussed what the best project management software would be. We both decided to go with Procore because it had the most comprehensive usage from Financials to Quality and Safety to Project Management. It was a whole package deal—everything was interconnected and everything made sense. You could connect your RFIs directly to your drawing, your trades could look at it right then and there and give an instant response, and everything was tied into the budget. That was huge.”



Connor Early

Project Coordinator, Clark Construction Management, General Contractor, Canada

Track, Trend, and Predict



of customer respondents agree Procore's budget tool has made their **forecasts more accurate.**

GENERAL CONTRACTORS:

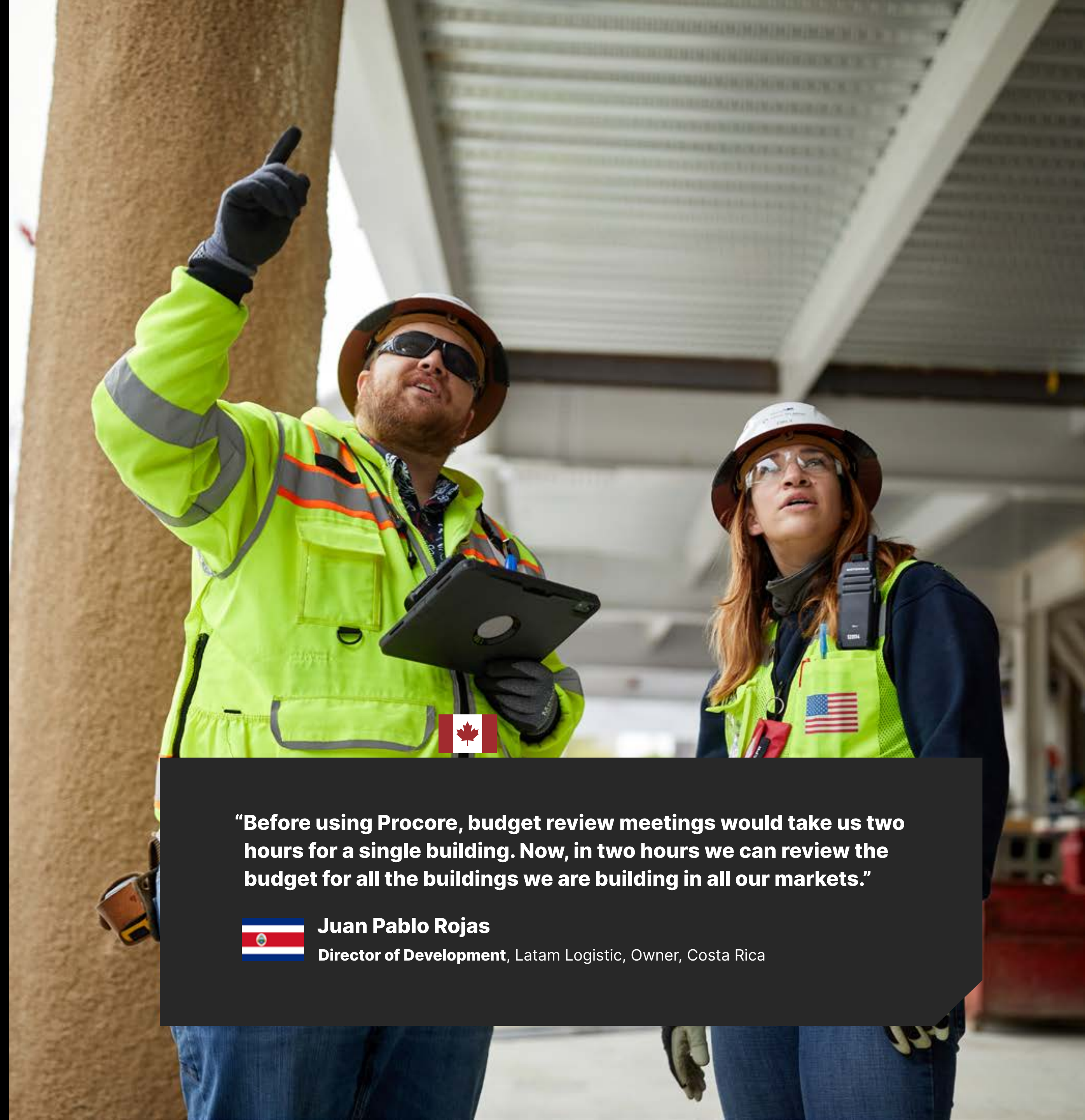


71% EMERGING
78% MID MARKET
78% ENTERPRISE

SPECIALTY CONTRACTORS:



68% EMERGING
73% MID MARKET
75% ENTERPRISE



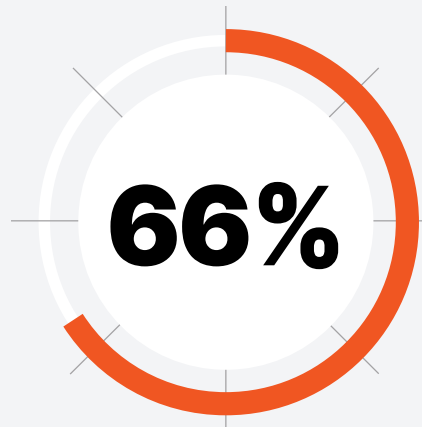
“Before using Procore, budget review meetings would take us two hours for a single building. Now, in two hours we can review the budget for all the buildings we are building in all our markets.”



Juan Pablo Rojas

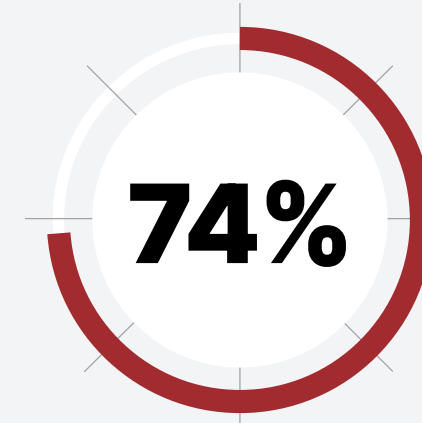
Director of Development, Latam Logistic, Owner, Costa Rica

Protecting the bottom line with predictable and profitable projects.

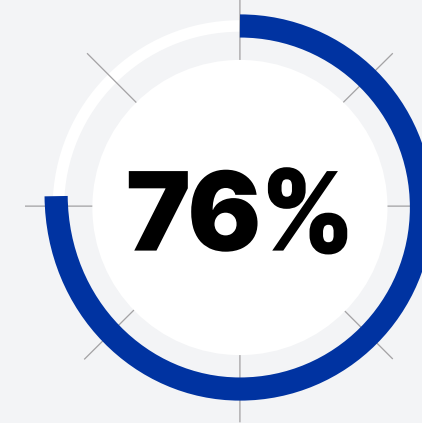


of customer respondents say they are **more confident in delivering a project on or under budget** when using Procore's cost management tools.

Integrate tech to scale without sacrificing collaboration.



of customer respondents who are integrating apps with Procore agree that Procore has **made their business more scalable with our app integration.**



of customer respondents have **integrated apps on the Procore Platform.**



“With the help of Procore, we really doubled down on our cost management strategy and saw amazing results. We were able to significantly improve our bottom line without adding that much more headcount and resources.”



Brad Sandige

CFO, Marathon Electrical Contractors Inc., Specialty Contractor, USA

Improving Profits and Beating Estimates


2 out of 3




customer respondents agree that Procore has helped to **improve their profit margins**.

Of those who agreed, they state an average of:


GENERAL CONTRACTORS

3.7%  increase in profit margins

SPECIALTY CONTRACTORS

3.7%  increase in profit margins

OWNERS

3.9%  increase in profit margins

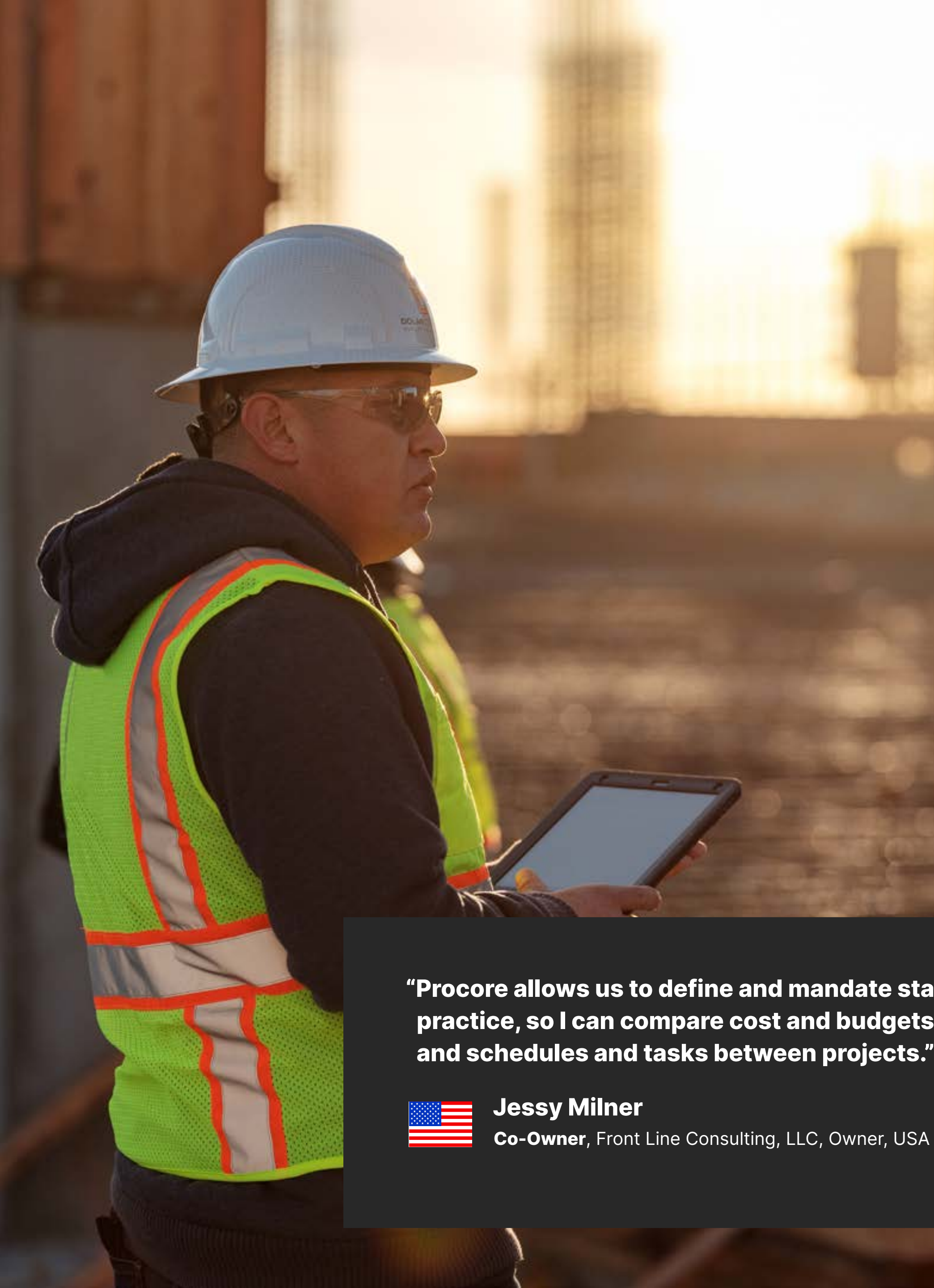


“Inefficient construction software systems were negatively impacting our bottom line and reducing any chance we had at scaling the business effectively. Procore’s centralised platform immediately resolved our increasing risk profile and gave us a roadmap for a better business future.”

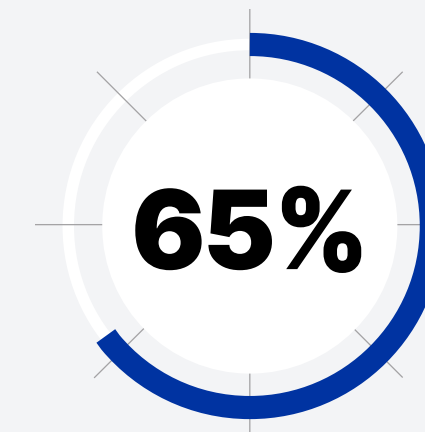


Muhammed El-Cheikh

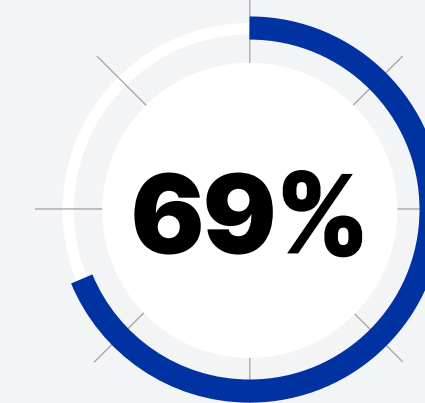
Operations Manager, Piety Group, Owner, Australia



Owners see better forecast and cash flow projections.



of Owner respondents believe Procore makes their **forecasts more accurate.**



of Owners say Procore has **improved their confidence in their cash flow projections.**

“Procore allows us to define and mandate standard practice, so I can compare cost and budgets and schedules and tasks between projects.”



Jessy Milner

Co-Owner, Front Line Consulting, LLC, Owner, USA

Return on Collaboration

A platform is more than a software investment lumped with other IT costs. It's a business improvement investment that expedites business operations—a facilitator of action. Collaborative platforms alter the tech narrative from buying products to investing in outcomes, connecting all stakeholders—owners, engineers, architects, general contractors, specialty trades, third-party consultants, etc.—to collaborate to satisfy customer requirements.

The same fundamental system connects everyone attached to a project—making everyone and everything work smarter by reducing inefficiencies, boosting profitability, and gaining greater visibility into operations—driving projects forward together and more collaboratively than ever.

Procore is the only global, connected, open platform built for construction by construction. Our singular focus and unlimited access model ensures a simple, modern, collaborative experience for everyone in the organization so they can do their best work.

Our customizable platform connects people, systems, data, and partners across the construction lifecycle, enabling an integrated and connected understanding of the business with visibility across activities, financials, and materials. We help construction leaders plan, measure success, continuously improve, and provide unlimited support and extensive industry experience to help their people respond to opportunities and challenges in real time.

With Procore, owners and contractors can create thriving, productive, collaborative teams, safely deliver projects on time and on budget, and achieve predictable and breakthrough business results.



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Procore is a leading global provider of construction management software. Over one million projects and more than \$1 trillion USD in construction volume have run on Procore's platform. Procore's platform connects key project stakeholders to solutions Procore has built specifically for the construction industry—for the owner, the general contractor, and the specialty contractor. Procore's App Marketplace has a multitude of partner solutions that integrate seamlessly with Procore's platform, giving construction professionals the freedom to connect with what works best for them. Headquartered in Carpinteria, California, Procore has offices in the United States, Canada and around the globe.

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