Why You Need Construction-Specific Software

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Every construction company on earth, from small contractors to mega developers, uses accounting software. What's surprising is how few use the *right* software. Many have something less-than-optimal in place. And for some, the software hurts accounting as much as it helps.

That leads to an important question: does your construction company have the right accounting software in place? The answer is complicated. Ultimately, it boils down to this: if you don't have construction-specific accounting software, think about making a change.

Why Horizontal Solutions Are Never Adequate

Horizontal accounting software strives to be a Swiss Army knife for financial management. It packs a bunch of basic tools into one package in order to meet the most popular accounting requirements. QuickBooks is the most common example, but there are many others.

All-in-one accounting solutions are great for companies getting off the ground. Not only do they offer essential accounting features at an accessible price point, but they streamline those features to be simple and efficient. By design, they make it easy to get accounting up and running no matter what industry you're in. That's the biggest strength of horizontal accounting software, and it explains why so many construction companies use it. It's also the biggest weakness, though.

By doing everything adequately, these solutions do nothing particularly well – a classic jack of all trades but master of none scenario. In accounting, as in construction, mediocre tools cause lots of unexpected problems. Even bigger than the problem of under-powered features, however, is the fact that horizontal accounting solutions don't address the unique requirements of construction accounting.

Just a few examples include progress billing and integrating payroll into job costs. Construction companies deal with both on a regular basis, yet very few horizontal accounting solutions include purpose-built solutions or even adequate functionality. They make the fundamentals of construction accounting harder. Similarly so with things like managing work orders, inventory, and projects. When horizontal solutions address these issues at all, it's not in a construction context.

Horizontal accounting software offers lots of features. What it doesn't offer is true solutions to make accounting simpler, smarter, and more scalable for construction companies. That takes a different kind of software.

Benefitting From Construction-Specific Software

Construction-specific accounting software comes with features that are not just adequate or appropriate for construction but *customized* for this industry.

The benefits of using an accounting solution built for construction are hard to overstate. Accounting becomes simpler, faster, and more accurate for the in-house financial team, helping them accomplish more work in less time. The quality of their financial insights and planning improves as well, putting a construction company in a much stronger position through smart money management. Everything runs better when companies can use accounting to their advantage – and that starts by having the right software in place.

Software like Sage Intacct: a financial management platform with a full-suite of construction-specific tools. For builders of all sizes, it's the closest thing to a complete accounting solution available. See how the right software could transform your company – schedule a demo.