

INDUSTRY BUZZ - WHY DO CONTRACTORS FAIL?

In the recent study "Why Do Contractors Fail", from the Surety Information Office (SIO), experts analyzed the ever-changing conditions faced by contractors and how they can provide prevention and protection from business failure. The study found that from 2006 to 2008 there was a 20% failure rate amongst general contractors, builders, heavy construction firms and specialty trade contractors.

SIO recommends project owners seek to mitigate their risk of contractor failure by requiring bid, performance, and payment bonds. This process involves extensive documentation which is also used for prequalifying vendors. Prequalification is an in-depth process that requires a complete review of financials, capabilities to perform, organizational structure, management, credit history, and banking relationships. General contractors and specialty contractors should also follow the same business practices to ensure **successful** delivery amongst project stakeholders.



To effectively manage the information gathered and assure the selection of qualified vendors, use Byrne Software's [Vendor Prequalification System](#) to keep vendor records up-to-date and analyze and mitigate construction risks. The web-based application helps reduce the amount of manual effort and data entry required to capture company profile data, financials, project history, references, and safety and health information.

How Is Your Organization Mitigating Risks?

The article identified five major contractor warning signs for failure that may be helpful for analyzing your business. In conjunction with Meridian's Prolog solutions, Byrne Software's Vendor Prequalification System and [Budget Forecasting Application](#) provide an integrated suite of solutions to address three of these major areas:

- Inefficient cash flow forecasting and management (**Budget Forecasting & Earned Value**)
- Poor project management (**Prolog Manager**)
- Insufficient communication (**Prolog Converge**)

These areas of concern can be corrected on an organizational level (finances, planning and marketing) and project level by standardizing project controls with Prolog. To learn how you can protect your business and gain insight to valuable project and vendor information with our other project management solutions, visit our Value-added Products page on our [website](#). To read the full article from SIO, visit their website [here](#).

Reference:
Why Do Contractors Fail? (2007). Surety Information Office: The Information Source on Surety Bonds in Construction. Retrieved May 21, 2010, from <http://www.sio.org/html/whyfail.html>

UPCOMING MIDWEST EVENTS

“Post-Recession Strategies for Construction Projects” Seminar

Byrne Software will hold a one-day seminar in Kansas City on September 21 to showcase the Prolog® Converge software solution for construction, engineering and real estate professionals. Topics of discussion include:

- Addressing market challenges with new business strategies
- Resolving operational challenges and analyzing project risks with technology
- Improving collaboration and communication with project stakeholders
- Standardizing project controls on Prolog and encourage user adoption to meet new corporate objectives
- Providing user choices for improved project visibility

Registration information will be available shortly on our website! Check back to our [“News & Events”](#) page for the latest updates.

ABERDEEN INSIGHT REPORT

A recent report by industry analyst Aberdeen Group found that construction-driven organizations that implemented Project Management applications on an enterprise level are better equipped to keep projects on time and under budget. Among the findings from respondents using project management technology:

- 83% were delivering projects early or on time
- 89% were delivered within budget
- 15% saw improvements in project profitability year over year

As Prolog users, your company is already on the right track to improving delivery and profit. However, companies using enterprise level project management solutions, like Prolog, still find room for improvement as standardizing project management best practices ACROSS the company takes time and effort! To read the full report and learn how you can define and standardize with Prolog, call Elizabeth Rugh, Marketing Specialist at 636-534-6161.

MERIDIAN'S PROLOG TIPS & TRICKS

Adding parameters to your reports enables the users to add the actual value for the filter each time the report is run. The parameter acts as a placeholder which allows you to create one report for multiple purposes decreasing the number of custom reports to be maintained. Add two @ symbols in the Value cell of the Record filter before the name of the parameter. Spaces are not allowed in the parameter but an underscore character (_) can be utilized to represent a space. For Example: @@Discipline



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