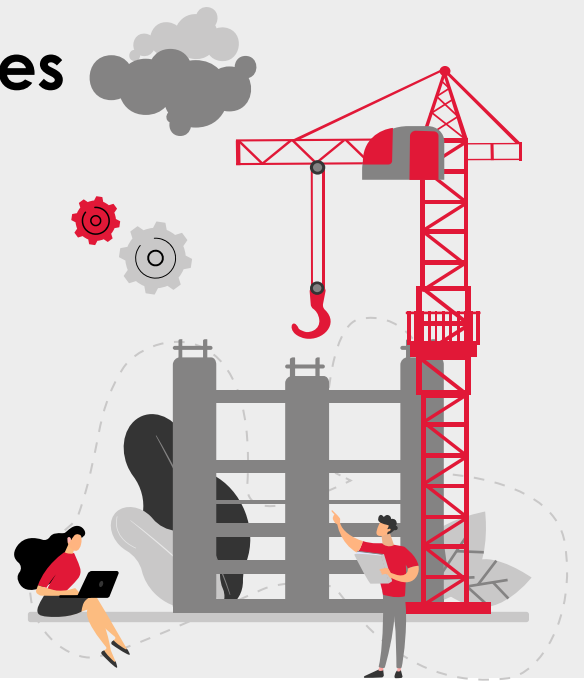


# The three biggest challenges facing construction

The construction and engineering industries are in a period of far-reaching change. Intensifying economic pressures and new technologies are among the factors driving a major transformation.

Taking stock of the challenges facing construction and engineering firms, two IFS experts – Kenny Ingram, VP of construction and engineering, and Chris Knight, global industry director of construction and engineering – have analysed key market data to understand the most important trends.

Drawing on more than 60 years' worth of combined experience, they have made three predictions for the industries' near future to help firms understand and navigate market dynamics.



## Prediction 1

**Over the next five years, 20% of companies will implement plans** giving them more robust, timely and accurate financial control, governance processes and systems.

Reporting on a project's financial status, and accurately predicting the outcome of projects, have never been more important than they are today.

Construction and engineering companies want to get all of these processes and the relevant data from a single, complete project financial control solution.



## Prediction 2

**By 2025, 30% of companies will change their construction processes to an industrialised construction model.**

If the construction industry were able to keep pace with manufacturing, it could be worth a total of \$1.6 trillion (£1.27 trillion) a year.

To drive the necessary improvements in productivity and succeed in the future, construction companies will need to transition to industrialised production processes.

With labour shortages expected to exceed one million workers by 2025, companies will need to define a clear workforce strategy.

## Prediction 3

**A quarter – 25% – of companies will move to simplify and standardise their project processes through the use of a single operational platform.**



There is a need to deliver projects and achieve consistent, predictable and repeatable results by using standard, repeatable processes.

To adopt repeatable processes, construction businesses will need to move to a single ERP platform.

## Why resilience matters in construction

Resilience has been central to keeping the construction industry working in recent years – and it will continue to be crucial in the years ahead. More construction firms will develop into industry leaders by adopting leaner, more technologically-focused operating models in the coming years.

This will help construction companies not only to withstand the uncertainties ahead but will also provide them with a firmer footing for future success.

[Read the full predictions here.](#)



Muzulu is an IFS Authorised Service Partner, committed to growing your business. We provide industry-leading IFS consultancy to enable fast, effective and sustainable business improvement.

Owned and managed by six IFS professionals with combined experience of more than 120 years, Muzulu offers unrivalled knowledge of IFS functionality and best practice – which means we can help clients get the most out of their new or existing IFS ERP solution.

Contact us today to find out more about how we can help your business reach the next level.