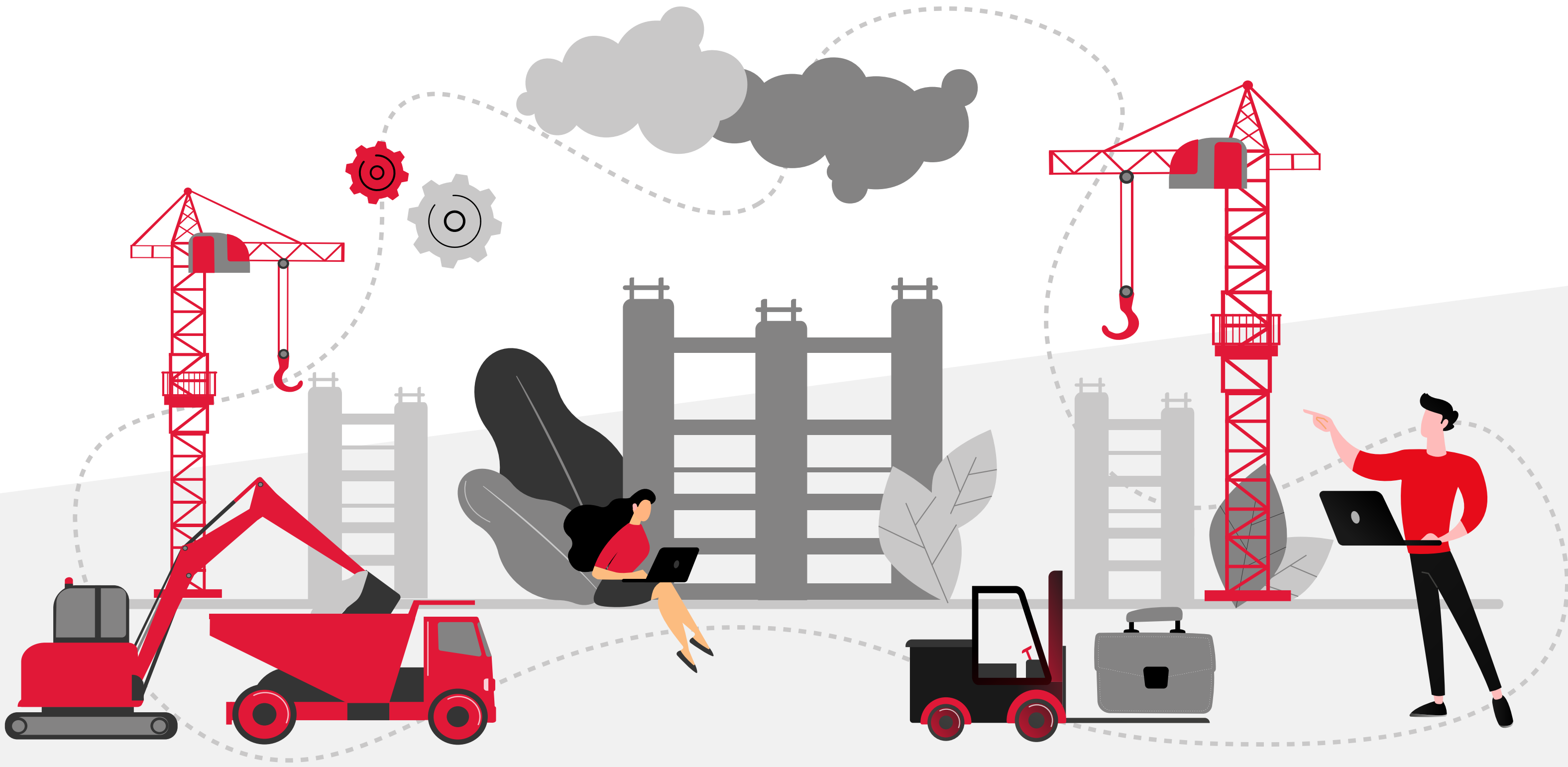
MUZULU



The Future of Construction: Supporting the full asset lifecycle

The future of construction is integrated

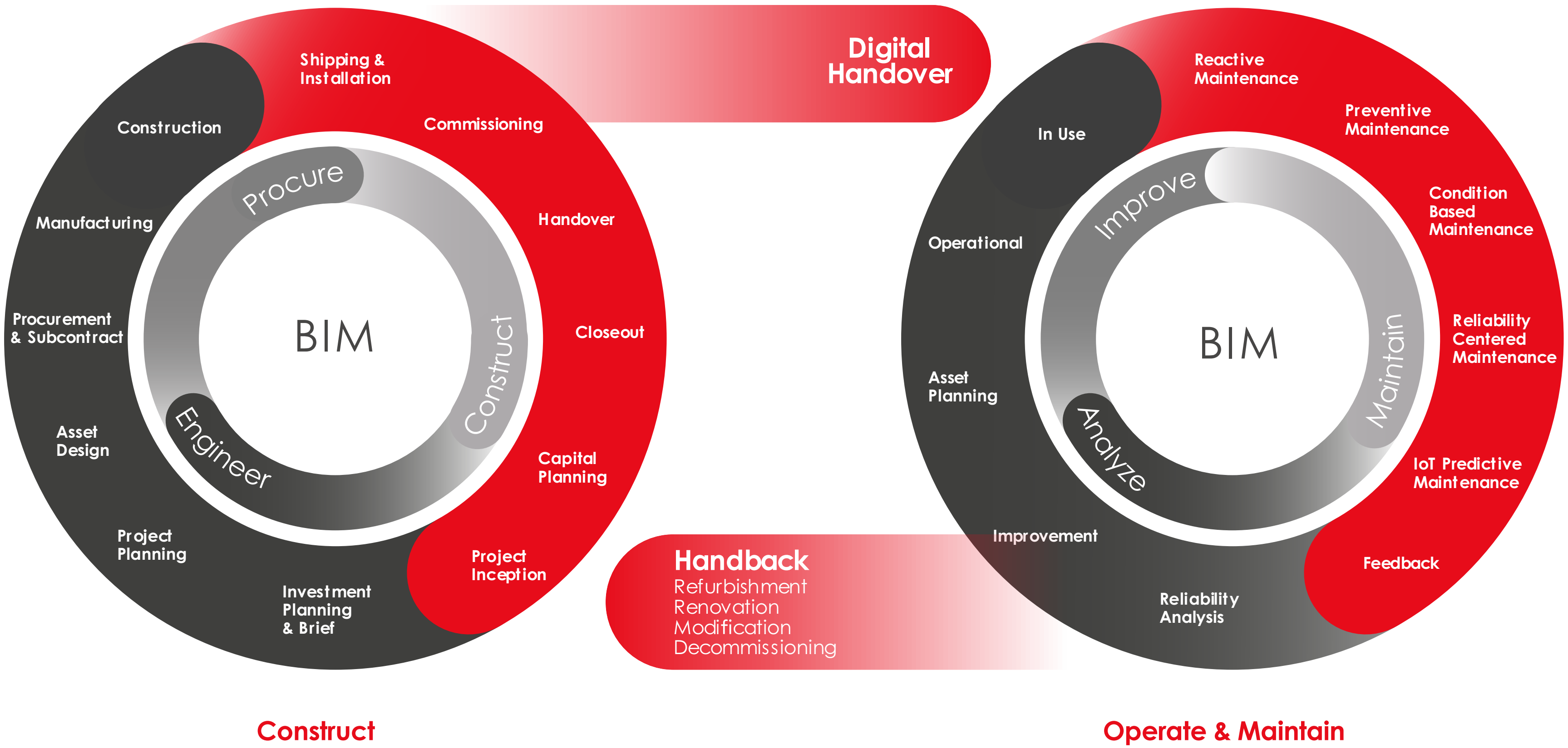
The global construction sector is one of the world's largest industries – but it remains reluctant to embrace full transformation. The ultimate result of this is tight profit margins – even a 1% increase in project cost can make the difference between profit and loss – and sluggish productivity, resulting in a sharp drop-off in revenue once a contract is won.

But with this challenge comes opportunity. A service-based outcomes business model, which supports an asset's full lifecycle, is rapidly becoming the way to build successful and resilient engineering, construction and infrastructure businesses. IFS Cloud Solutions from Muzulu supports the full asset lifecycle and makes your business fit for the future.

To gain a competitive advantage, providers need digital infrastructure and the capacities to offer a more robust business model for the long term: one that gives contractors the opportunity to grow their business and increase the value of their contracts via multiple, reliable revenue streams.

But it's not just the build of an asset that needs to provide revenue – it's the service, maintenance and demolition of that asset, too. In this eBook, we'll look at how IFS Cloud Solutions from Muzulu can enable your construction-centric business to face this challenge head-on while reaping the financial rewards of supporting the full asset lifecycle.

Integrated project and lifecycle management



Globalisation and new market entrants

The challenge:

Engineers and contractors are under pressure to transform their process so they can profitably offer a lower total cost, faster project delivery and higher quality asset. For this, they need technology that provides data and insight, supporting a seamless end-to-end process and helping to support the full asset lifecycle.

Construction firms are increasingly encountering new disruptors in the market, emerging from non-traditional sectors such as finance and retail. These firms are revolutionising the way the linear construction model is viewed, enabling multiple revenue streams throughout an asset's lifespan.

To combat this displacement, there is an opportunity for constructors to take on service and maintenance contracts in order to build longer-lasting and closer relationships with customers – boosting profit margins while improving build quality.

MUZULU

Globalisation and new market entrants

The solutions:

IFS Cloud Solutions from Muzulu supports the full asset lifecycle in one seamlessly integrated platform. This helps to deliver the predictable, consistent revenue streams which are vital to a financially secure future.

Asset lifecycles consist of five main stages: planning, manufacturing and construction, operation, maintenance and disposal. Traditionally, maintenance and disposal would be handled by a third-party firm. But as businesses look to extend their service offering, the natural progression is to take on services and maintenance contracts to provide an additional revenue stream.

Muzulu's IFS Cloud solution reduces complexity and mitigates risk by driving end-to-end project lifecycle capabilities. From bid to contract, construction and execution, IFS Cloud enhances efficiency by automating and removing manual processes, while ensuring that businesses have complete visibility across the full asset lifecycle.

Our IFS Cloud solution helped award-winning UK construction systems manufacturer Stewart Milne Timber Systems digitise its value chain and increase efficiency.

FIND OUT MORE

"We chose IFS because of the team's and the product's deep industry expertise and capabilities. IFS Cloud will help us increase efficiency, stay on quality and reduce the lead-time, down-time and processing time associated with the manufacturing and installation of offsite systems. IFS is a central pillar in our digital transformation journey, which will help us work smarter, quicker, and greener."

Craig Thornhill, Finance Director at Stewart Milne Timber Systems

MUZULU

Maintaining skilled workers and managing productivity levels

The challenge:

Construction is suffering from a decline in skilled workers , an ageing workforce and an often unfavourable public image of weak job security, a lack of diversity and pay inequality has produced a widening gap between skilled workers and young, inexperienced talent.

As the industry is reliant on highly productive and engaged workers to deliver projects on time and to specification, there is a risk of further inefficiencies. Currently, manual processes are executive in a labour-intensive way, which can hinder productivity and causes friction for businesses looking to maximise their capabilities.

MUZULU

Maintaining skilled workers and managing productivity levels

The solutions:

Low technology adoption and increased regulations are an ever-changing roadblock for firms looking to thrive in today's evolving landscape.

A full asset lifecycle approach towards managing labour and resources can help businesses utilise limited, skilled workforces to maximum effect. IFS Cloud Solutions from Muzulu, for Construction includes industry-specific functionality to support core processes such as procurement, manufacturing, construction execution and ongoing service and maintenance.

IFS Cloud users report that having a defined digital strategy has helped them reduce operational costs by 10% and boost their employee retention rate by 20%.

IFS software was used to empower 9,000 Fugro staff worldwide with cloud-based capabilities across global finance and accounting, project management and procurement.

FIND OUT MORE

"The IFS solution will standardise and harmonise our project-oriented processes in one highly intuitive ERP platform. Having all of our people accessing the same data and working in the same way will be faster and more enjoyable for our teams. We look forward to working with IFS in the next phase of our company's business transformation journey."

Mark Heine, Chief Executive Officer at Fugro

MUZULU

Increasing profit margins

The challenge:

In today's competitive climate, constructors are often driven to lower bids to win a project. This puts pressure on profit margins, leaving little space for dealing with any issues, hold-ups or unforeseen circumstances that later crop up.

This problem is exacerbated by reliance upon multiple disconnected systems and spreadsheets to run a project. Businesses lack real-time insight and accurate visibility over the whole operation, with processes run in a disjointed and unnecessarily time-consuming way. This can result in ill-informed business decisions, adversely affecting project delivery and profit margins.

The solutions:

By adopting the full asset lifecycle, contractors have a single view of their operations, allowing them to instantly make smarter, critical decisions under pressure and with confidence.

This helps to improve margins and enable deadlines to be met both on time and to specification. IFS Cloud's risk management module allows organisations to identify risks and take action to mitigate them by approximately 20%.

IFS Cloud for Construction contains all the functionality you need for best practice processes, all embedded in one platform. This functionality can be utilised when it's needed, which helps to ensure the business's long-term longevity.

In addition, IFS Cloud Solutions by Muzulu offers portable technology that streamlines processes, ensuring a seamless experience and providing total visibility for both customer and client.

Driving performance

The challenge:

Even where they know the KPIs they need to achieve, many construction businesses are unable to deliver projects on time, on budget and to a sufficiently high standard.

To overcome this, construction firms must have an accurate picture of how a project is proceeding at every stage of the asset lifecycle, paying particular attention to design, construction and operation.

The solutions:

To succeed in a competitive environment, construction firms need flexible, reliable and forward-thinking technological solutions that allow for data-driven insights and real-time analysis.

IFS Cloud Solutions by Muzulu provides construction firms with complete project control, improved productivity and operational savings by enabling them to support an asset through its full lifecycle. By using an ERP that manages the full asset lifecycle – instead of multiple add-on solutions – businesses can benefit from a seamless experience.

With Muzulu's IFS Cloud solution, construction firms/businesses can access, share and analyse all relevant information and content via one single platform, whenever they need it.

What does the full asset lifecycle model deliver?

Build quality: To deliver service and maintenance as part of the full asset lifecycle, businesses naturally invest in making sure that the asset is built to the highest quality – otherwise risking extra maintenance and repair costs in the future. Improving build quality allows construction firms to enhance overall profitability.

Data-driven approach: A data-driven approach to common construction issues allows businesses to benefit from improved operation and maintenance strategies, staffing requirements and asset performance.

Stakeholder clarity: Having a single contractor responsible for both the construction and ongoing maintenance of a project ensures a more consistent and detailed level of reporting on the status of an asset.

Profit margins: Adopting a full asset lifecycle model can deliver healthier profit margins for contractors, unifying processes and expenditure across a project to enable enhanced efficiency and improved customer satisfaction.

MUZULU

Supporting the full asset lifecycle, together

Low profit margins have hindered the construction industry's adoption of new technologies which could spur renewed innovation. But if businesses want to survive in a sector driven by enhanced productivity and high-quality work, digitising is now a necessity.

Muzulu's IFS Cloud solution supports the full asset lifecycle, unlike other providers. It supports a hybrid method of working combining manufacturing and construction – a clear step towards utilising modern construction methods that are geared towards the future.

IFS Cloud is unique in this sense and has already proven to be a real driver of success for many of the businesses that have adopted it. It has provided them with full-project commercial control and enabled them to deliver accurate estimates with greater clarity over project cycles.

In addition, IFS Cloud Solutions from Muzulu is able to integrate all aspects of finances in one single platform, so that businesses are only ever operating from one single version of truth.

All of this puts your business in a stronger position to sell maintenance and service contracts at the best value, boosting revenues and improving margins – which can be as high as 14%, as opposed to 3% on new construction projects.

Download the **IFS whitepaper, Asset Lifecycle Servitisation**: The New Business Revenue Model for the Construction Sector, for more insights on the benefits of full asset lifecycle management.

DOWNLOAD

MUZULU

About Muzulu:

Muzulu is a dedicated IFS specialist, committed to helping businesses grow by delivering industry-leading IFS consultancy. We simplify processes, enhance connectivity, build resilience and enable businesses to work smarter, prioritise what matters most and scale with confidence.

Owned and managed by six highly experienced IFS professionals – with more than 120 years' combined experience – Muzulu offers unrivalled knowledge of IFS functionality and best practice. Our unique approach allows us to deliver IFS Cloud both faster and more cost-effectively.

Muzulu is proud to be a trusted IFS Authorised Service Partner and IFS Silver Channel Partner. We also partner with complementary software providers including Pagero, Xelix, AccessPay and Boomi.

IFS Cloud Solutions from Muzulu can drive your construction business forward. Arrange a call with a member of Muzulu's specialist team and learn more about what IFS can do for you.

+44 (0)1865 578800 **www.muzulu.com**