

## BIDDING IN THE CLOUD:

5 Guidelines to Manage  
Construction Bidding Online

# Table of Contents

---

■ 2

2

2

3

4

■ 5

5

6

7

7

7

■ 8

■ 9

---

# Communication in the Cloud

## *What is the cloud?*

Cloud technology has been around for several years now and continues to become more and more prevalent in the construction industry. When we say the “Cloud” – it means that we are leveraging virtual (online) servers and available bandwidth to deliver secure applications and information.

- The Cloud provides a central location to securely store and exchange information without needing in-house physical servers.
- The Cloud allows real time collaboration at a virtual table with access and accountability for each user.
- The Cloud is compatible with existing in-house systems and processes regardless of a company’s level of technology.

## *Benefits of Using the Cloud for Construction Communications*

When utilizing a cloud based system you have the ability to connect with anyone at any time from multiple locations, allowing your project team to connect through one single system. This one system helps eliminate the challenges that arise when team members use various isolated practices such as paper, fax, or email to communicate and manage information.

A cloud based system can be a more cost efficient method of handling the large amounts of data and information a construction project demands, as it eliminates the need for multiple organizations to continually upgrade internal systems to meet increasing demands for speed and security of information. As we all look for ways to be more “green”, this reduction in upgrading physical hardware is also less harmful to the environment.

A cloud system can save significant time spent on administrative activities, including tracking and organizing all the data and communications that need to be managed within a construction project. With a cloud based system, the accuracy of information is much more reliable as team members can update and review in real-time.

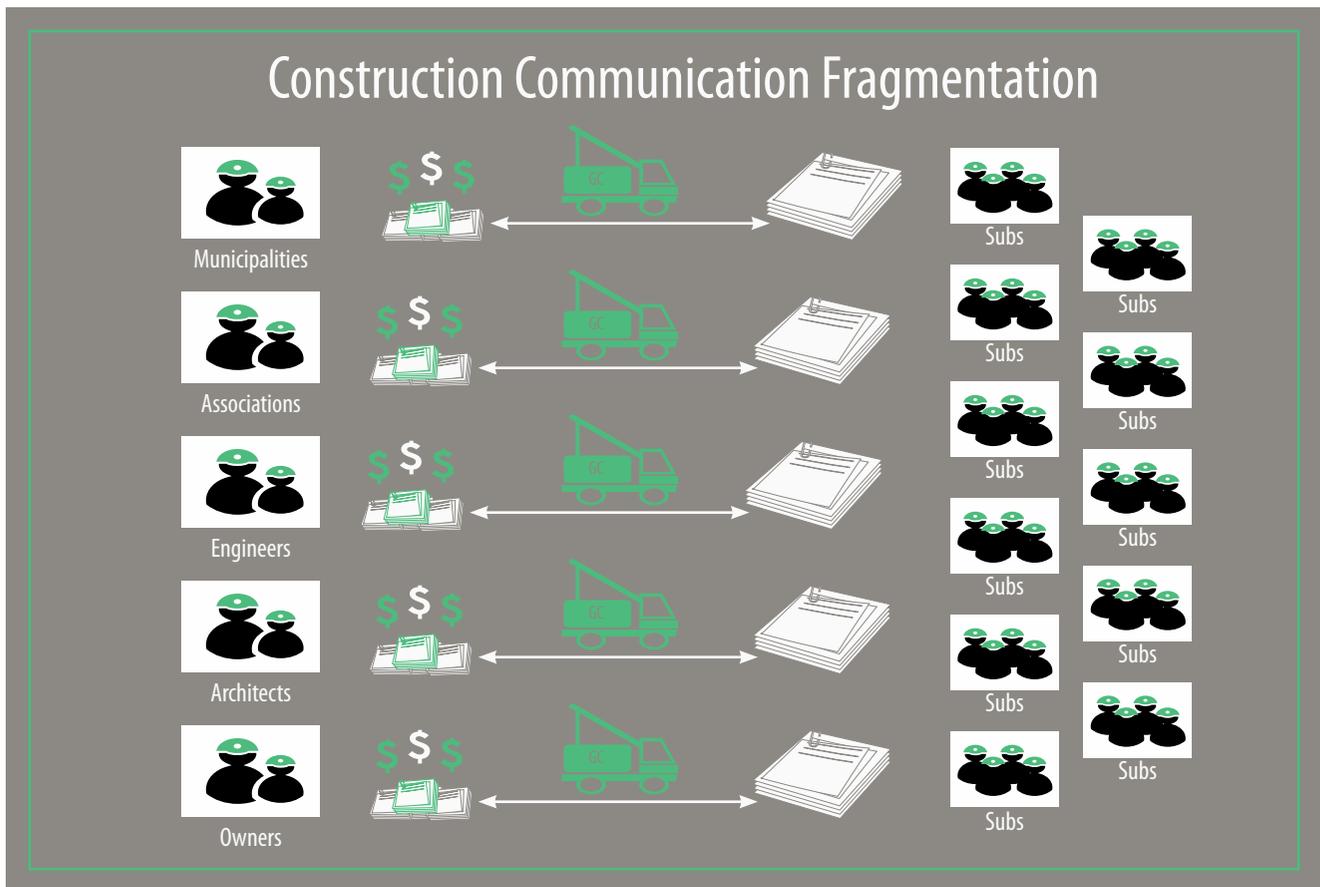
### Traditional Construction Communication Processes

General contractors (GCs) exchanges documents (pre-qualifications, project files, plans, specifications) with their list of subcontractors.

The GC stores the information in their internal systems (silos) and then re-distributes that information back out to the municipalities, owners, architects, engineers, and/or associations they work with.

One GC can have multiple lists of subcontractors that they manage, which increases the amount of information that has to be coordinated, exchanged, tracked, managed and distributed. In reality there are multiple companies all exchanging the same data with multiple sets of partners, subcontractors and vendors. They all store this information internally and then redistribute back to the municipalities, owners, architects, engineers and/or associations.

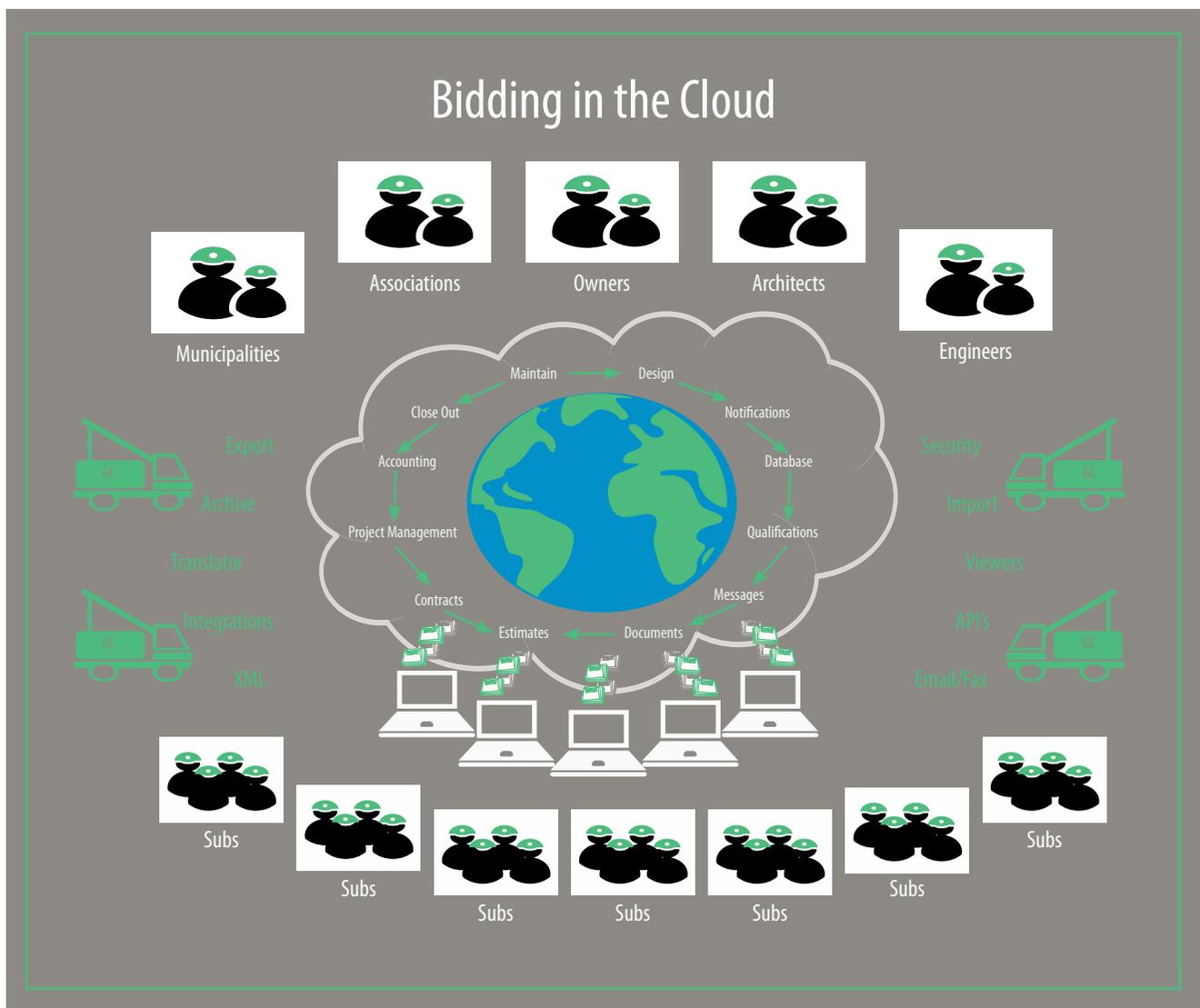
Even if all parties have access to technology (i.e: email), it is not connected and fosters inaccuracy and delays with sharing information as it is continually being distributed to multiple inboxes.



## Using Cloud Technology for Construction Communication

In contrast to traditional processes, the Cloud provides a solution in which everyone can access the same, real-time information from their own infrastructure and start to work through the full construction life cycle without having to update the same information across multiple systems and multiple companies

Eliminating information distribution across multiple parties greatly reduces the risk for errors and delays and saves significant costs associated with the man hours and infrastructure needed for this distribution of information.



## Five Guidelines to Manage Construction Bidding Online

Construction success is fully dependent upon a foundation of accurate and timely communication. Leveraging the cloud offers greater connection for all project team members to ensure solid and efficient communication.

Are you leveraging the most current technology available to create a successful bidding process? Here's five guidelines to leverage the cloud for an improved bidding process:

### *1. Provide access to a centralized contact database*

Is your database stored in a centralized location or do you have multiple lists, managed by multiple team members? Do you have to be in the office in order to access this information? Do you spend too much time on database management?

Having an easily accessed contractor database in the cloud can save significant time spent on administrative tasks. With one central database your team can combine, update and organize all contacts. If an estimator receives a new email for a subcontractor, he can quickly update the central database so others will not be working with outdated data. A centralized database also offers improved organization by searching, filtering and reviewing contact information.

### *2. Create a standardized qualification list*

Do you have a standardized process for qualifications? How is this information being stored? What information are you tracking?

A standardized qualification system allows you to easily track and access data necessary to make educated decisions during the bidding process. With a standard online system, companies you work with submit qualifications in the same format so you can easily access and compare their qualification information. A cloud solution allows you to exchange qualifications, track credit ratings, access lien information and ultimately mitigate risk by being more knowledgeable about the companies you work with on your construction projects.

### *3. Manage project documents online*

What size of documents can you exchange? Can you easily access a set of blueprints in the field?

Ten years ago most contractors were exchanging and shipping paper documents, often waiting days to get information needed to move forward with a project. Today many companies manage documents online with email, FTP or other internal software, though these practices can also create delays and unexpected costs. For example, email systems can have file size restrictions creating hold ups in sending documents and costs can incur for expansion of server infrastructure to support growing amounts of files.

Managing projects and documents in a cloud based system provides immediate access to the most recent project documents for anyone of people you add to the system. Another advantage of using the cloud is the elimination of the need to download, install, manage and update software as cloud technologies are updated automatically behind the scenes. Project documents are backed up automatically in the cloud to ensure reliability that your data will always be there.

### *4. Utilize a messaging system*

Do you have the ability to send private and public communications? Do you spend a lot of time tracking that your messages are delivered?

A cloud based system offers a centralized messaging system to streamline communication with other parties. You can deliver more messages in less time by eliminating the need to look up contact information, sending to contacts by filtered criteria such as by project, trade or company and instantly distributing thousands of messages (many email servers only allow for a max of 500 per 24 hours). You can also spend less time tracking messages to ensure they've been delivered with the ability to track the delivery of messages and send automated alerts to inboxes.

### *5. Analyze your process with enhanced reporting*

Are you able to easily identify missing gaps from bid estimates? Do you know how many projects your staff can currently handle? Do you have easy access to historical information?

A cloud based system houses information in one place to easily review bid responses and project activity. Reports generated from a centralized location allow you to quickly spot bid holes, trade coverage gaps and other missing information. Access to historical data can provide the analysis needed to continually improve your current process, potentially allowing you to take on more business as you can more easily identify areas of improvement with better tracking with reports. Also increase accountability by tracking all activity, such as when messages are delivered and opened to know when information is actually accessed.

# Selecting a Cloud Based Solution

Use these five practices as a guideline when selecting a tool to manage your bidding process in the cloud. An optimal solution that includes these guidelines will allow you to:

- Work on more bids
- With more companies
- Located in more areas
- Over less time

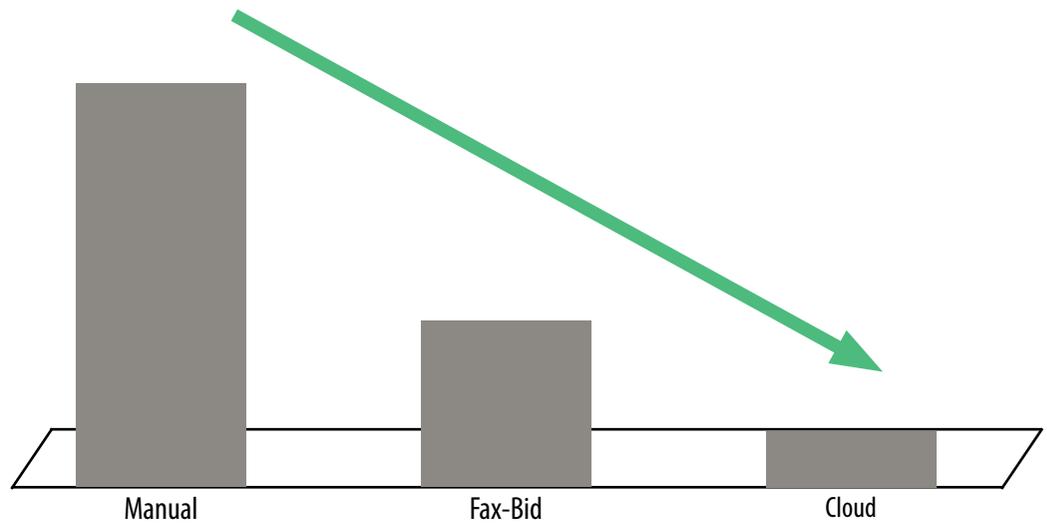
The table shown below illustrates the time spent in tasks associated with the bidding process. As you can see, a cloud based solution offers a significant reduction in time spent on these tasks. When seeking out a cloud solution, analyze the [5 Guidelines to Manage Construction Bidding Online](#) to ensure the system includes features that directly support these tasks.

**Man Hours = Cost**

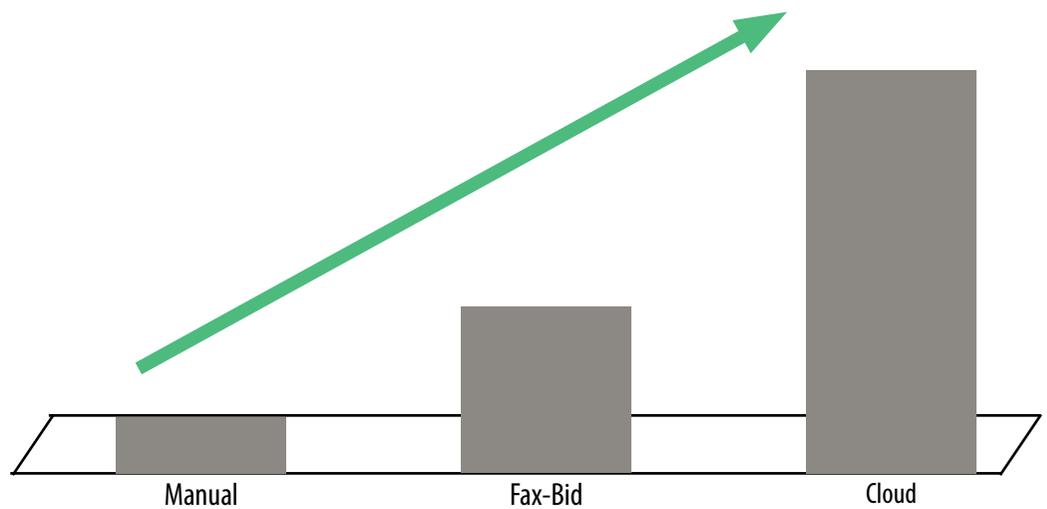
Task	Manual	Fax-Bid	Cloud
Project Setup	Forever	2 Weeks	1 hour
Messaging	Forever	2 Days	2 Clicks
Document Distribution	Forever	Forever	Automatic
Tracking	Forever	Forever	Automatic

Saving man hours spent on the bid process directly correlates to saving dollars. When implementing a cloud solution that supports these tasks you can expect to decrease your communication expenses and increase your business efficiency.

### *Communication Expenses Image*



### *Business Efficiency Image*



# Cloud Bidding Case Study

## General Contractor with 5 Office Locations

**10,257** Original Subcontractor List Prior to Cloud

**33,933** Subcontractor List After Implementing Cloud

## Analysis of Activity Completed with the Cloud

Projects	375
Project Bids Received	405,460
Documents Uploaded	38,480
Document Downloads	1,115,410
Messages Sent	1,092,303
Emailed Percentage	87%

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Textura Corporation's bid management solution, GradeBeam.com® is a secure, online resource for the exchange of information. GradeBeam.com allows industry professionals to post, manage and access critical project information at a central location. GradeBeam.com simplifies and expedites the massive information exchange that occurs in the pre-construction phases of projects, including invitations-to-bid (ITBs), drawing/specification distribution, corrections, addenda, requests for information and responses. By leveraging the newest information and communication technologies, GradeBeam.com enables construction firms to make their business processes more cost effective. GradeBeam.com provides more effective and efficient management of construction communications.

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