



ERP FOR CONSTRUCTION FIRMS

Your 2026 Buyer's Playbook



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Book your ERP Discovery Call

About Aktion



INTRODUCTION

Enterprise Resource Planning (ERP) systems have the power to transform how construction firms operate, from managing job costs and WIP to coordinating field operations and controlling margins. For small to mid-sized contractors, selecting the right ERP isn't just about choosing the most popular platform; it's about choosing one built for the realities of the construction market.

Construction companies face unique operational and compliance demands, including complex job costing, multi-entity structures, union and prevailing wage requirements, tax and revenue recognition rules, and the need for real-time visibility across projects. Your ERP must be purpose-built to support these challenges, without relying on workarounds or spreadsheets.

The right solution provides the foundation to scale confidently, improve financial control, and make faster, more informed decisions as your business grows.

Key Considerations for Construction Firms



Complex tax and reporting requirements across federal, state, and local jurisdictions; often varying by project location, entity, and revenue type.



Labor compliance and workforce reporting, including prevailing wage, certified payroll, union rules, and safety tracking that must be accurately supported within the system.



Data security and regulatory compliance, particularly for organizations handling sensitive financial, payroll, or customer data in cloud-based environments.



Multi-entity and multi-location operations, which require accurate consolidations, intercompany accounting, and real-time visibility without manual workarounds.

The bottom line? An ERP that isn't purpose-built for the construction industry, or one that relies heavily on customization to meet industry requirements, can introduce unnecessary cost, complexity, and implementation risk.

This playbook was created to help construction firms evaluate ERP options with confidence. Inside, you'll find practical tools, checklists, and scorecards designed specifically for small to mid-sized organizations.

ERP Readiness Checklist

Is your business ready for a modern ERP system?

Before you start comparing vendors or booking demos, it's worth asking: is your organization truly ready for a system-wide transformation?

Answer the questions below to assess your ERP readiness.

<i>Question</i>	<i>Yes</i>	<i>No</i>
Are you still relying on spreadsheets or disconnected systems to run core operations?		
Do your teams re-enter the same data in multiple systems (e.g., accounting, CRM, payroll)?		
Are reports slow, manual, or out of date by the time they reach the decision makers?		
Is it difficult to track project costs, labor hours, job progress or inventory in real time?		
Has your business changed, but your system hasn't kept pace?		
Are you expanding into new locations or service lines in the next 12-18 months?		
Do you lack visibility into KPIs like margin erosion, resource utilization, or cash flow?		
Have you recently experienced data errors, missed deadlines, or compliance issues?		

Next Steps

If you checked three or more "Yes" boxes, your current technology solution may be holding your business back.

The good news? You're in the right place. This playbook will guide you through evaluating, selecting, and preparing for an ERP solution tailored to construction firms like yours.

CORE BUYING CRITERIA

What Every Buyer Should Look for in an ERP Solution

Not all ERP systems are created equal. The right platform should solve your operational challenges, meet compliance requirements, and scale with you as you grow. This section outlines the core buying criteria for evaluating your top contenders.

Deployment Flexibility (cloud vs. on-prem)

The deployment model you choose affects cost, IT resources, and security.

Consider:

- Do you need remote access across multiple job sites or offices?
- Are you aiming to reduce IT infrastructure costs and maintenance?
- Does your organization require a cloud environment that meets data security, SOC, and compliance standards?

1



Tip: Cloud-based ERP platforms offer more than convenience; they enable real-time job cost visibility, faster closes, and easier scalability without the burden of maintaining on-premise infrastructure.

Integration and Customization

Modern ERP systems should work with your existing tech stack and not replace everything all at once.

Ask:

- Does the ERP work with the tools you already use (like estimating, payroll, or project management software)?
- Can you customize it without needing a developer every time?
- Will your team be able to add new tools or features later without significant disruption?
- Does it integrate smoothly with field reporting or job costing tools your crews already use?

2



Translation: Choose an ERP that is adaptable rather than one that restricts you to its structure.

Reporting & Visibility

Good decisions depend on good data. Your ERP should give you real-time, role-based access to the insights that matter.

Evaluate:

- Are dashboards customizable by role (finance, operations, project managers)?
- Can you track KPIs across locations, departments, or business units?
- How easy is it to build or export reports?
- Does it provide real-time visibility into project performance and cost variances?



Recommendation: During demos, ask to see real dashboards built for different roles; not sample reports. A strong ERP should let executives, finance teams, and project managers each view the metrics that matter most to them in real time.

Ease of Use & Training

Even the best ERP fails if users aren't using it. Simplicity and support are crucial, especially for teams that lack technical expertise.

Check for:

- A clean, modern user interface
- Access to onboarding and training
- Local support or partners in your area
- Training and support options that work for both office and field teams



Be Prepared: Confirm who will conduct training and the ongoing time commitment required from your team to drive adoption.



INDUSTRY CONSIDERATIONS

What Matters Most for Construction Firms

Construction firms don't just need accounting software—they need real-time visibility. With dozens of moving parts on every project, from labor and schedules to costs and billing, your ERP must accurately reflect what's happening in the field as it happens, not weeks later.

3 Must-Have Features:

Real-Time Job Costing

Real-time job costing gives construction firms immediate insight into how work is performing as it happens—not weeks after the fact. By capturing labor, materials, and committed costs as they occur, teams can spot budget variances early, control margins, and make informed decisions before small issues turn into costly problems.

1

Project-Based Accounting

Project-based accounting is critical for construction companies because performance is driven by individual jobs; not just the overall business. A construction ERP tracks costs, revenue, billing, and profitability at the project level, enabling accurate WIP reporting, progress billing, and revenue recognition.

2

Labor & Compliance Tracking

Labor and compliance tracking is a critical requirement for construction firms, where workforce rules and reporting obligations are complex and constantly changing. An ERP built for construction helps track labor hours, certifications, prevailing wage and union requirements, and compliance reporting in one system.

3

Questions to Ask ERP Vendors

1. Can it track job costs in real time by project, task, and cost code?
2. How does it handle change orders, billing stages, and retention?
3. Is it flexible enough for general contractors and specialty trades?
4. Can field teams enter time or expenses from a mobile device?
5. Does it provide visibility across multiple active job sites or project phases?



Ask for a demo using real construction scenarios, not just generic demos that show widgets in a warehouse.

EVALUATION SCORECARDS

Compare your top ERP contenders with confidence

Choosing the right ERP isn't just about features. It's about fit. Fill out these scorecards to compare your top vendor options across the categories that matter most for your business.

How to Use the Scorecards

1. Pick your top 2-3 vendors.
2. Score each vendor in each category from 1 (Poor) to 5 (Excellent) based on how well they meet your needs.
3. Repeat this for all categories and vendors.
4. Add the weighted scores together to calculate a total score for each vendor.

Note: You can change the weighting for each category based on what matters most to your business. This means that instead of using the suggested weight of 5 for something like Canadian compliance, you might decide it's only a 3 and adjust accordingly. Just be consistent across all vendors and try to keep your scoring objective.

Example: Here's what a completed scorecard might look like for fictional Vendor A. Use this as a reference when filling out your other scorecards. Red numbers indicate fields that will vary per scorecard.

Criteria	Weight	Score (1-5)	Weighted Score
Construction Industry-Specific Features	5	5	25
Ease of Use	4	4	16
Integration & Flexibility	4	5	20
Reporting & Dashboard	4	4	16
Implementation & Support	3	5	15
Cost & Licensing Model	3	3	9
TOTAL SCORE			101

EVALUATION SCORECARDS



This scorecard is meant to guide your decision, not make it for you. Use the results to identify strong candidates, then follow up with demonstrations, team discussions, and real-world context before making your final decision.



Stick to the six categories listed to keep your results aligned with the score interpretation chart. You can adjust the weighting of each category to reflect your priorities, but we don't recommend adding or removing categories, as it will impact your total scoring range.



It's easy to over-score vendors you already like. Stick to your criteria, be honest with your ratings, and score each vendor consistently to keep the comparison objective.

Criteria	Weight	Score	Weighted Score
Industry-Specific Features			
Ease of Use			
Integration & Flexibility			
Reporting & Dashboard			
Implementation & Support			
Cost & Licensing Model			
TOTAL SCORE			

How to Interpret Your Total Score

Total Score Range	What It Means
0-90	⚠ Not a strong fit There appear to be significant gaps in functionality, industry fit, or compliance. This vendor may require costly workarounds or compromises.
91-115	✅ Worth considering This vendor meets many of your core needs but may fall short in some areas. Look closely at the lower-scoring categories to assess risk.
116-130+	★ Strong candidate This vendor aligns well with your priorities and appears to offer a strong all-around fit. Confirm with demos, references, and real-world examples.

EVALUATION CONSIDERATIONS

Red Flags to Watch For

Even if a vendor looks great on paper, watch for signs that they may not be the right fit.

Common Warning Signs:

Heavy Reliance on Customization

If core construction requirements—job costing, WIP, billing, or compliance—require extensive customization, the system likely isn't purpose-built for construction. Customizations increase implementation risk, cost, and upgrade complexity.

1

Spreadsheet-Dependent Processes

If WIP, billing, forecasting, or consolidations still rely on spreadsheets outside the ERP, visibility and accuracy will suffer. A construction ERP should eliminate, not depend on, manual workarounds.

2

Limited Real-Time Visibility

Delayed job cost updates or batch reporting prevent proactive decision-making. If project and financial data are not updated in real time, issues are identified too late to protect margins.

3

Poor Integration with Construction Systems

An ERP that does not integrate cleanly with payroll, time tracking, project management, or field systems creates data silos and reconciliation challenges.

4

Limited Industry Expertise from the Implementation Partner

Even the right software can fail with the wrong partner. A lack of construction-specific implementation experience often leads to missed requirements and adoption issues.

5

IMPLEMENTATION PREP Q'S

Before you say yes, make sure your team is ready to implement.

Choosing the right ERP is only half the equation. The other half? Making sure your business is prepared to roll it out successfully. Use the questions below to spot gaps, spark internal conversations, and avoid expensive delays down the road.

Questions to Ask Yourself (and Your Team):

Question	Yes	No	In Progress
Do we have a project owner or internal champion for the ERP rollout?			
Have we mapped out our current workflows and pain points?			
Do we have clean, accurate data or a plan to clean it?			
Are our execs and department leads aligned on the goals and timeline?			
Have we set aside time and capacity for user training?			
Do we understand how success will be measured post-implementation (KPIs, ROI, etc.)?			



If most of your answers are “In Progress,” take that as a signal to slow down. You may not be ready for an ERP yet. Moving ahead without clear goals, clean data, or internal alignment increases the risk of delays, cost overruns, and user resistance during implementation.

If you've made it this far, you already understand that shopping for an ERP isn't only about the software; it's about choosing a system (and a partner) that supports the way your business works.

The tools in this playbook are meant to help you evaluate your options with clarity and confidence.

Now it's time to take the next step.

WHAT COMES NEXT?

You've done the research. Now it's time to move forward strategically.

Let's Talk About What's Next

Aktion partners with construction companies to deliver ERP implementations that go beyond software deployment. With deep expertise in the construction industry, we guide firms through planning, migration, and adoption, ensuring the system is configured to support real-world job costing, billing, compliance, and growth. Our team remains engaged long after go-live, providing ongoing support and strategic guidance to ensure your ERP continues to deliver measurable value as your business evolves.



BOOK YOUR ERP DISCOVERY CALL

Let's talk about what you need, what's working (and what's not), and how to make your ERP decision with less guesswork and more certainty.



About Aktion

Aktion Associates is one of North America's largest Value-Added Resellers (VARs), trusted by thousands of customers in Construction, Distribution, Manufacturing, Architecture, Engineering, and Professional Services. With hundreds of employees across the U.S. and Canada, Aktion delivers next-gen ERP software, Managed Services, and Cloud Hosting solutions. We help customers achieve their business goals with innovative technology solutions.



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Note: These scorecard categories are based on common ERP evaluation criteria cited by ERP Focus, Top10ERP, Apetea, and others. Refer to the end of the playbook for the complete list of sources.