

Construction Specialty Contractors: Concrete, Foundation, and Paving Industry Digest

IN THIS DIGEST



SUMMARY

Concrete, foundation, and paving contractors specialize in the creation and installation of concrete structures. Their projects span various project types, from residential, commercial, industrial, and civil. These businesses are integral to the construction industry, whether pouring a building's foundation, constructing a building slab, or paving surfaces, such as parking lots.

Keeping other contracting crews and supervisors informed of progress is paramount because concrete work is often at the start of a construction project with deadlines and details that impact the overall project timeline. Project timing and collaboration top the list of concrete contractor challenges, along with workforce management, quality control, and risk management.

With these concerns at the forefront, concrete, foundation, and paving contractors can ill-afford to run their businesses on disconnected legacy ERP solutions. Unclear lines of communication, over or underspending on resources, and safety compliance violations introduce risk for specialty contractors.

Begin your digital transformation with a modern cloud ERP solution with best-in-class financials, embedded CRM, unit-based processing, AIA billing and reporting, and robust compliance and inventory features. Harness the power of an unparalleled business platform with cross-industry functionality for production and field service with low-code and no-code customization tools. Extend the platform with hundreds of certified marketplace applications to fit your unique business needs.

Read this Industry Digest to learn about the challenges that concrete, foundation, and paving contractors commonly face. Identify market opportunities and drive growth through digital transformation. Get a specialty contractor ERP checklist and access industry-specific resources to help you grow and thrive in today's competitive construction economy.

"Acumatica is more flexible with less work than any other package out there. Everyone can get what they need, when they need it from their computer, their phone; anywhere."

– SHEL WAGGENER, PRESIDENT, AMERICAN ASPHALT REPAIR & RESURFACING

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INDUSTRY Overview



Concrete, foundation, and paving contractors are in demand for projects of all types and sizes, but are limited by disconnected systems and siloed data. Many of these specialty contracting companies are poised for growth. Internal growth requires they hire and retain skilled workers. External growth opportunities means being nimble enough to expand product and service offerings, such as manufacturing, distribution, retail, and field services. Technology with cross-industry functionality positions specialty contractors to move with agility as opportunities arise.

INDUSTRY GROWTH PROJECTIONS AND MARKET SIZE

Due to their similarities, predictions for concrete and paving contractors' market growth are grouped together. SIC Code 1771 includes private driveways, concrete contracting, asphalt paving, and some concrete foundation work. Paving contractors under SIC Code 1611 are responsible for paving public roads, sidewalks, parking lots, and airports. The concrete contracting and paving market is predicted to grow significantly through 2030 at a compound annual growth rate (CAGR) of 11%.¹ This growth is attributed to infrastructure development and a shift towards sustainability initiatives and innovative materials. Eco-friendly construction practices and precast concrete manufacturing will play a significant role in this market growth driving demand for skilled contractors.

Foundation contractors, categorized under SIC Code 1794, are experts in constructing foundations for buildings, bridges, retaining walls, and other underground structures. This market is expected to grow at a CAGR of 4.7% by 2027.² As urban populations grow, so does the demand for new residential and commercial land development, fueling this growth rate.

Many of these companies have 20 employees or less, yet many will play a part in larger construction projects, emphasizing the need for collaboration with excavation subcontractors and general contractors. Difficulty in hiring and retaining skilled labor could negatively affect growth. In one survey, 91% of contractors said they have difficulty filling some or all positions.³ Many contractors focus on employee engagement and workforce management to retain skilled workers. Having a healthy collaboration with job site teams and investing in employee satisfaction position these companies perfectly for growth opportunities.

Concrete Contractor Market Size⁴ (company size and number of companies)

SIC CODE	INDUSTRY SEGMENT	1-20	21-50	51-100	101-250	251-500	501+	TOTAL
1771-05	Concrete Contractors	20,871	2,371	761	374	69	36	24,482
1794-05	Foundation Contractors	6,949	802	199	90	11	2	8,053
1611-01	Paving Contractors	9,904	1,435	531	311	60	33	12,274

1. Source: [LinkedIn](#)

2. Source: [The Business Research Company](#)

3. Source: [Construction Dive](#)

4. Source: [Data Axle 2023](#)

"It's a lot easier [with Acumatica] to bring new locations into the fold, and we now have visibility across multiple locations and multiple entities."

– MATT STONER, CFO, DAKOTA RED CORPORATION

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INDUSTRY Challenges



Future-minded concrete, foundation, and paving specialty contractors overcome their challenges with a complete and modern technology solution like Acumatica. A central location for all company and project data ensures that everyone knows when staffing, material, equipment, and compliance changes may affect the project timeline.

INDUSTRY CHALLENGES

Many concrete, foundation, and paving jobs occur as an initial step for larger construction projects that impact other contractors and crews at the job site. As a result, the timing of these projects requires a great deal of orchestration. Along with project timing, skilled labor needs, quality control, and risk management are the primary concerns that weigh on the minds of these specialty contractors.

TIMING AND COORDINATION

Contractors who work with concrete and asphalt depend on specialized equipment to perform their jobs. If a critical piece of machinery is unavailable when needed, it causes a domino effect of project delays and deadline misses. Furthermore, weather plays a large part in the timing. Too much precipitation and cold temperatures can postpone concrete work indefinitely.

Acumatica lets construction leaders avoid timing issues that may otherwise derail the project. Use Acumatica's daily field reporting to record and submit real-time weather conditions. Facilitate delivery of equipment and materials needed for each job and adjust on-the-fly depending on weather delays. Collaborate with stakeholders on price changes that could impact the project's success. Manage inventory with drop-ship purchase orders to be delivered to the job site.

WORKFORCE MANAGEMENT

The hiring and retaining of skilled workers has been a primary concern for the construction industry for years. Finding qualified candidates is difficult enough, but the onboarding paperwork and verification process can be daunting.

Concrete, foundation, and paving companies that invest in job satisfaction levels enjoy a tenured workforce. Find qualified candidates and retain them with Acumatica's open APIs and award-winning usability. Connect to workforce management solutions like Arcoro and Workforce Go! to streamline hiring and minimize HR paperwork.

QUALITY CONTROL

Consistent quality through the course of a concrete project is an ever-present challenge. Quality work depends on weather and the availability of materials, equipment, and experienced laborers. Concrete, foundation, and paving jobs require rigorous inspection protocols and quality assurance processes.

Use Acumatica's role-based dashboards to view project specifications and ensure the job is completed as close to the original plan as possible. Document and post quality standards and safety notices in Acumatica. Track job site conditions with Acumatica's daily field reports.

SAFETY AND RISK MANAGEMENT

The construction industry's safety regulations are among the most stringent of any trade. Concrete, foundation, and paving projects are inherently risk-prone. Safety records must be kept, and training procedures must be documented. Occurrence logs help organizations track safety incidents and their outcomes.

Acumatica gives users the power to create training documents and record occurrence logs. Produce compliance proof quickly to ensure the project continues as planned and no penalties are incurred. Connect Acumatica with leading human capital management solutions, such as Workforce Go!, to manage employee skills, training, and certifications.

INDUSTRY SEGMENTS

CONCRETE CONTRACTORS

Specialty contractors pour, shape, and finish concrete and lay asphalt for private use. This includes driveways, patios, sidewalks, and even stucco work and chimneys. Client demand for green materials has generated innovative options requiring less waste and time to install. Since not every project will have the same payment schedule, project management and document control help concrete contractors get paid on time.

FOUNDATION CONTRACTORS

A foundation contractor's job includes planning, designing, and constructing the base of the building. They must also clear and prepare the earth before

pouring the concrete. After the excavation portion is complete, foundation contractors build forms and pour the concrete. Because it is the backbone of any structure, foundation work is subject to many safety and compliance needs. Specialized materials and equipment are crucial to create a foundation that meets building codes and regulations.

PAVING CONTRACTORS

These specialty trade contractors use concrete and asphalt to construct roads, streets, alleys, public sidewalks, parkways, and airports. Most projects are government or commercially funded, and paving contractors must adhere to scores of specific workforce and payroll regulations.

CROSS-INDUSTRY Opportunities



Growing businesses need technology that adapts to changing workloads and business opportunities. Acumatica's modular and adaptable architecture enables users to meet rapidly changing needs. Our emphasis on SMBs is matched by a focus on providing holistic solutions for construction firms who also manufacture, distribute, sell, or offer field services. This innovative approach helps customers meet today's challenges and seize tomorrow's growth opportunities.

CROSS-INDUSTRY OPPORTUNITIES

Cross-industry functionality puts construction leaders in the driver's seat. A modular ERP platform enables companies to move with agility when the opportunity presents itself.

CONCRETE CONSTRUCTION

The installation, maintenance, and repair of concrete structures span everything from residential to commercial to civil projects. Tools to manage materials, stock, and equipment help them ensure each project is profitable. Concrete, foundation, and paving contractors must accumulate a portfolio to bid on jobs as subcontractors. A positive referral network is valuable for smaller, independent paving jobs.

Many concrete contractors expand into new markets as they grow. Seize these new revenue opportunities by controlling material costs, selling to smaller specialty contractors, and providing concrete maintenance and repairs.

CONCRETE MATERIAL MANUFACTURERS

Ownership of asphalt and concrete manufacturing facilities allows businesses in the construction industry to control material prices. Pricing control is especially crucial as the industry shifts to eco-friendly and innovative materials and manufacturing methods.

Furthermore, the manufacturing and installation of precast concrete is a growing segment that demands attention. Precast concrete benefits include reduced waste, lower prices, and greater quality control within a set manufacturing plant setting. The precast process also provides a safer workplace with fewer incidents and injuries.

CONCRETE SUPPLY DISTRIBUTORS

Distributing concrete and asphalt materials is an excellent growth opportunity. When a company manufactures its own materials, it will likely require a distribution facility for storage and stock control. This gives them the opportunity to expand to become a full-service supplier to smaller contractors. A distribution operation demands inventory and warehouse management to handle order fulfillment and stock replenishment effectively.

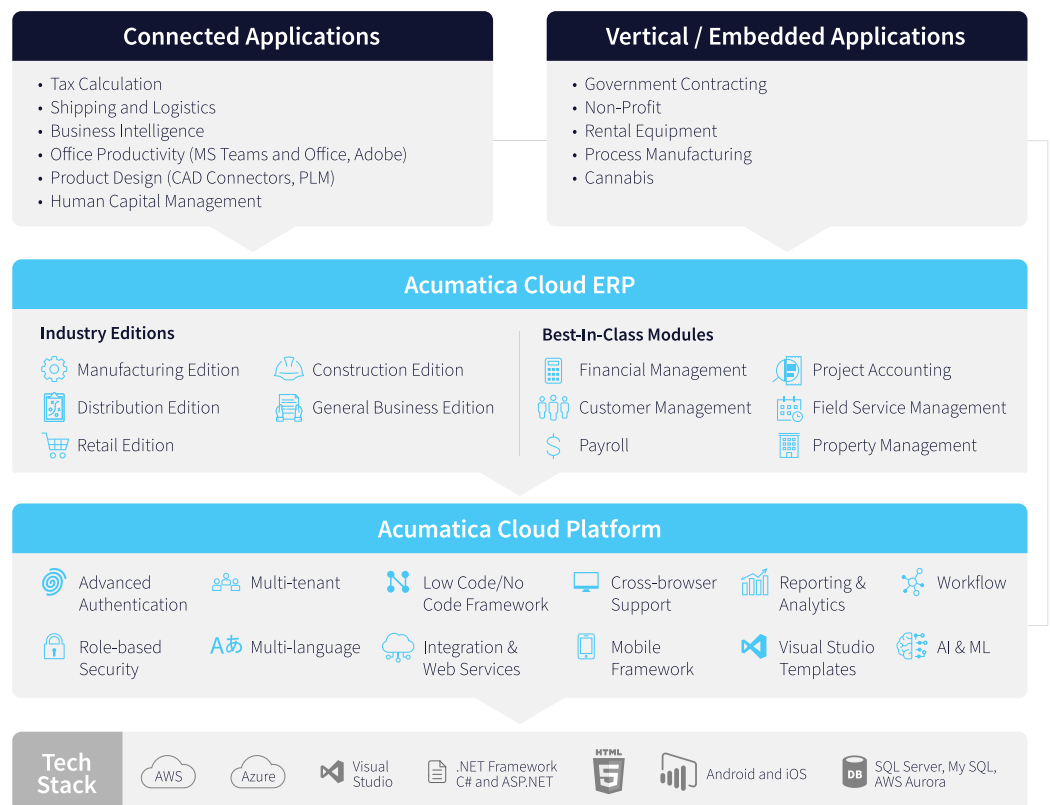
CONCRETE RETAILERS

As another next-step growth opportunity, companies may open brick-and-mortar or online showrooms to sell concrete and paving equipment, tools, and products to a broader market. Concrete material retailers sell directly to the consumer or to independent contractors. To reach a larger clientele, order management and a point of sale (POS) system is necessary.

CONCRETE SERVICE AND MAINTENANCE

Field service is necessary for maintenance and repairs to concrete structures of all types. Technicians are trained to patch and fix damage. Customer support, appointment scheduling, resource tracking, route optimization, and inventory planning are all inherent to field services. This discipline also demands extra-mile offerings such as equipment management, service contracts, and warranties.

Acumatica's modular and adaptable architecture enables users to tailor the application to meet rapidly changing business needs.



Find out why multi-discipline customers rely on Acumatica as their trusted partner in growth and success.

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ERP Features



It can be confusing to compare your business needs against the many solutions on the market today. The software you select to run your business should give you agility and flexibility. Many products offer construction-specific features, but very few provide a modular with cross-industry capabilities. Acumatica's [Construction ERP System Evaluation Checklist](#) is a good starting point when evaluating your options. This interactive checklist contains critical features that concrete, foundation, and paving contractors need to succeed today and in the future.

FEATURE	BENEFIT	PRIORITY	Acumatica		
Job Cost Accounting	Guarantee important contracts, clients, and revenues are not lost with included AIA reporting and billing. Compare costs with original and revised budgets.		✓		
Project Management	Enable flow of project data between managers, field teams, and office staff. See changes in project scope, labor, materials, and equipment in real-time.		✓		
Change Orders	Manage change orders with automated workflows. Streamline change orders for multiple projects with unit rate changes, custom retainage, and cost-only change requests.		✓		
Cost Tracking	Track each job's estimated cost per unit.		✓		
Revenue/Billing	Enable users to see each price per unit by project.		✓		
Units Complete	Record project progress by unit with progress worksheets via the Daily Field Report.		✓		
Compliance	Manage lien waivers, insurance certificates, and status updates. Provide expiration dates and other alerts to staff and suppliers. Generate automated compliance documents.		✓		
Payroll	Flexible payroll supports multiple unions, locals, classes, benefits packages, complex wages, and certified wages.		✓		
Labor Documentation	Each employee's compensation records are easy to track and report on. Certified payroll allows subcontractors to complete all government-required documentation.		✓		
Daily Field Reports	Collaborate with other subcontractor teams in the field. Ensure everyone has the same project updates to improve planning, scheduling, and billing.		✓		
Embedded CRM	View real-time customer data, including quotes, orders, invoices, payments, support cases, and service calls. Empower customers with a self-service customer portal.		✓		
Document Management	Store and retrieve all project documentation electronically for improved communication with all stakeholders.		✓		
Estimating	Use connected estimating solutions, such as ProEst to save time and create more accurate estimates and win more profitable jobs.		✓		
Field Services	Manage technician schedules and use mobile devices for GPS navigation, voice note dictation, mobile time reporting, and mobile expense receipt capture.		✓		
Inventory Management	Track project materials in warehouses, mobile service vehicles, and on other job sites.		✓		
Purchasing/Procurement	Built-in drop shipping ensures materials and equipment arrive at the job site when they are needed.		✓		
Equipment Tracking	View equipment service history in the field. Connect to equipment rental solutions to tie rentals to project and company financials.		✓		
Cross-Industry Functionality	Add manufacturing, distribution, and retail modules to grow and evolve into new industries.		✓		

INDUSTRY Resources



Concrete, foundation, and paving contractors embarking on a digital transformation journey have more success when they work with a network of industry peers with resources from trade media and industry events. Use the resource list below to learn about industry trends, identify new business technologies, and network with peers and industry experts to expand your business.

INDUSTRY EVENTS

- ABC Convention ([Link](#))
- ACI Concrete Convention ([Link](#))
- AWCI's Build Convention & Expo ([Link](#))
- BEI Conference ([Link](#))
- Conexpo Con/Agg ([Link](#))
- ENR Future Tech ([Link](#))
- Greenbuild ([Link](#))
- The International Surface Event ([Link](#))
- NAHB International Builders Show ([Link](#))
- National Pavement Expo ([Link](#))
- NCSEA Engineering Summit ([Link](#))
- NFRA Conference ([Link](#))
- NRMCA Annual Convention ([Link](#))
- The Precast Show ([Link](#))
- SUBExcel ([Link](#))
- World of Concrete/World of Masonry ([Link](#))



INDUSTRY ASSOCIATIONS

- American Concrete Institute ([Link](#))
- American Society of Concrete Contractors ([Link](#))
- American Subcontractors Association ([Link](#))
- Associated Builders and Contractors ([Link](#))
- Association of the Wall and Ceiling Industry ([Link](#))
- Bridge Engineering Institute ([Link](#))
- Cement Association of Canada ([Link](#))
- Concrete Advancement Foundation ([Link](#))
- Concrete Foundations Association ([Link](#))
- Concrete Industry Management ([Link](#))
- Concrete Masonry & Hardscapes Association ([Link](#))
- Construction Financial Management Assoc. ([Link](#))
- Global Cement and Concrete Association ([Link](#))
- The Institution of Structural Engineers ([Link](#))
- International Concrete Repair Institute ([Link](#))
- National Concrete Masonry Association ([Link](#))
- National Council of Structural Engineers ([Link](#))



- National Foundation Repair Association ([Link](#))
- National Precast Concrete Association ([Link](#))
- National Ready Mixed Concrete Association ([Link](#))
- Precast Concrete Industry Foundation ([Link](#))
- Precast Concrete Manufacturer's Assoc. ([Link](#))
- Precast/Prestressed Concrete Institute ([Link](#))

TRADE MEDIA AND ANALYSTS

- Concrete Construction ([Link](#))
- Concrete International ([Link](#))
- Concrete Plant Internationals ([Link](#))
- Concrete Products ([Link](#))
- Construction Business Owner Magazine ([Link](#))
- Construction Dimensions ([Link](#))
- Construction Executive ([Link](#))
- Constructor Magazine ([Link](#))
- Contractor Magazine ([Link](#))
- Global Cement ([Link](#))
- Masonry Design Magazine ([Link](#))
- Masonry Magazine ([Link](#))
- Precast Today ([Link](#))
- Pro Remodeler Magazine ([Link](#))
- The Structural Engineer ([Link](#))
- Structure Magazine ([Link](#))
- World Cement ([Link](#))



ACUMATICA RESOURCES

Access the Acumatica Resource Center to learn more about Acumatica Construction Edition for specialty contractors.



[Visit Resource Center](#)



Discover How Specialty Contractors Grow with Acumatica

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ACUMATICA Benefits



Concrete, foundation, and paving contractors leverage Acumatica Construction Edition for its flexible and scalable platform. Tailor the software to each business's unique needs with modular architecture, low-code, no-code customization tools, configurable workflows, and access to hundreds of certified marketplace applications.

ACUMATICA FOR CONCRETE, FOUNDATION, AND PAVING CONTRACTORS

Acumatica Construction Edition gives concrete, foundation, and paving contractors a complete solution to support their unique needs. Industry-specific challenges like project timing, workforce management, risk management, and quality control are conquered with a single point of entry for all data. Everyone sees the same information, speeding up the time it takes to react and come to a resolution.

Leverage real-time communication for staffing needs. Provide automated updates when staff or company compliance documents are close to expiring. Create forms within the system to record employee training and occurrence logs.

Streamline unit-based processing with cost tracking for estimated cost per unit, revenue billing for price per unit, and units complete via progress worksheets on the daily field report. Maintain project timelines with the ability to drop-ship stock directly to job sites and connect them to change orders. Ensure the right supplies and equipment are available to complete each job. Materials used are restocked as needed with real-time visibility into each project.

Acumatica's modular architecture enables add-ons for manufacturing, distribution, retail, and service modules. Its adaptable platform facilitates rapid integrations with project management, estimating, human resource management, and many more proven applications.

With customer-friendly business practices and growth-friendly licensing, Acumatica's intelligent, robust, and easy-to-use product is designed to help concrete, foundation, and paving contractors grow on their terms and control their own futures.

"Acumatica really is an all-in-one, adaptable solution that quickly enables everything you need to run your business. And it is effortless to use."

– GRAHAM LEONARD,
CFO & OPERATIONS
MANAGER,
DUKATHOLE GROUP

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Acumatica Cloud ERP is a comprehensive business management solution that was born in the cloud and built for more connected, collaborative ways of working. Designed explicitly to enable small and mid-market companies to thrive in today's digital economy, Acumatica's flexible solution, customer-friendly business practices, and industry-specific functionality help growing businesses adapt to fast-moving markets and take control of their future.

For more information on Acumatica, visit www.acumatica.com or follow us on [LinkedIn](#).