NOVEMBER 2019 | CONSTRUCTIONBUSINESSOWNER.COM

# CONSTRUCTION BUSINESS OWNER

THE LEADING BUSINESS MAGAZINE FOR CONTRACTORS



# 20 Outstanding Women in Construction

***From CEOs to specialty trades, the powerhouse females advancing the industry***

**HOW TO**
**MINIMIZE FINANCIAL RISK**
**IN AN UNCERTAIN ECONOMIC CLIMATE**

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8 steps to create a continuing education program

**IN THE FIELD**
Jobsite distractions & what you can do to stop them

**Kabri Lehrman-Schmid**
Project Superintendent at Hensel Phelps Construction Co.

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# FROM THE EDITOR

**KATHY WELLS**



As a part of my work as editor, I speak with a number of incredibly driven, successful men who work hard to move the construction industry forward. Much like the industry itself, the majority of CBO readers are male, many of whom are warm and welcoming to an inquisitive editor delving into the inner workings of their business processes and problems. I cannot express how glad our team is to know to know these men and how grateful we are to work with them to share their knowledge and experience with our readers.

However, of the 60 issues we've produced in the past 5 years I've served as editor of this magazine, only 5 of them have featured a woman on the cover. Given the construction industry's historical and current demographics, this substantial slant is not new or surprising information, but it is information that sparked a stronger curiosity about the imbalance and left us wondering, "Where are the women?" And this question kicked off a new pursuit: Outstanding Women in Construction (OWIC).

OWIC was designed to recognize industry-leading females and their skills, achievements and contributions to construction—and it delivered. In just a little more than one month, we received nearly 200 nominations—all of which are genuinely exceptional. Credit is due in large part to the many thoughtful nominators (mostly colleagues and coworkers, although we had a couple of spouses, too), who took the time to give such considerate recognition to the nominees.

Society has suggested for years that simply being a member of the female sex represents weakness, which is a stereotype our OWIC finalists strive to overcome. As the industry continues to evolve, it's important to recognize the hardworking women shaping construction today and to welcome new generations into a more inclusive environment. Turn to page 24 to meet our OWIC finalists, read their stories and learn how you can step forward in support of women.

Take good care,

Kathy Wells




Speaking of women in construction, Managing Editor Elizabeth Manning recently traveled to Portland, Oregon, for Viewpoint Collaborate 2019. Manning spoke as part of a panel of industry media about the need for a more inclusive industry, how tech is changing the construction landscape and what economists are predicting for the year ahead.

*Image courtesy of Evergreen Event Photography*

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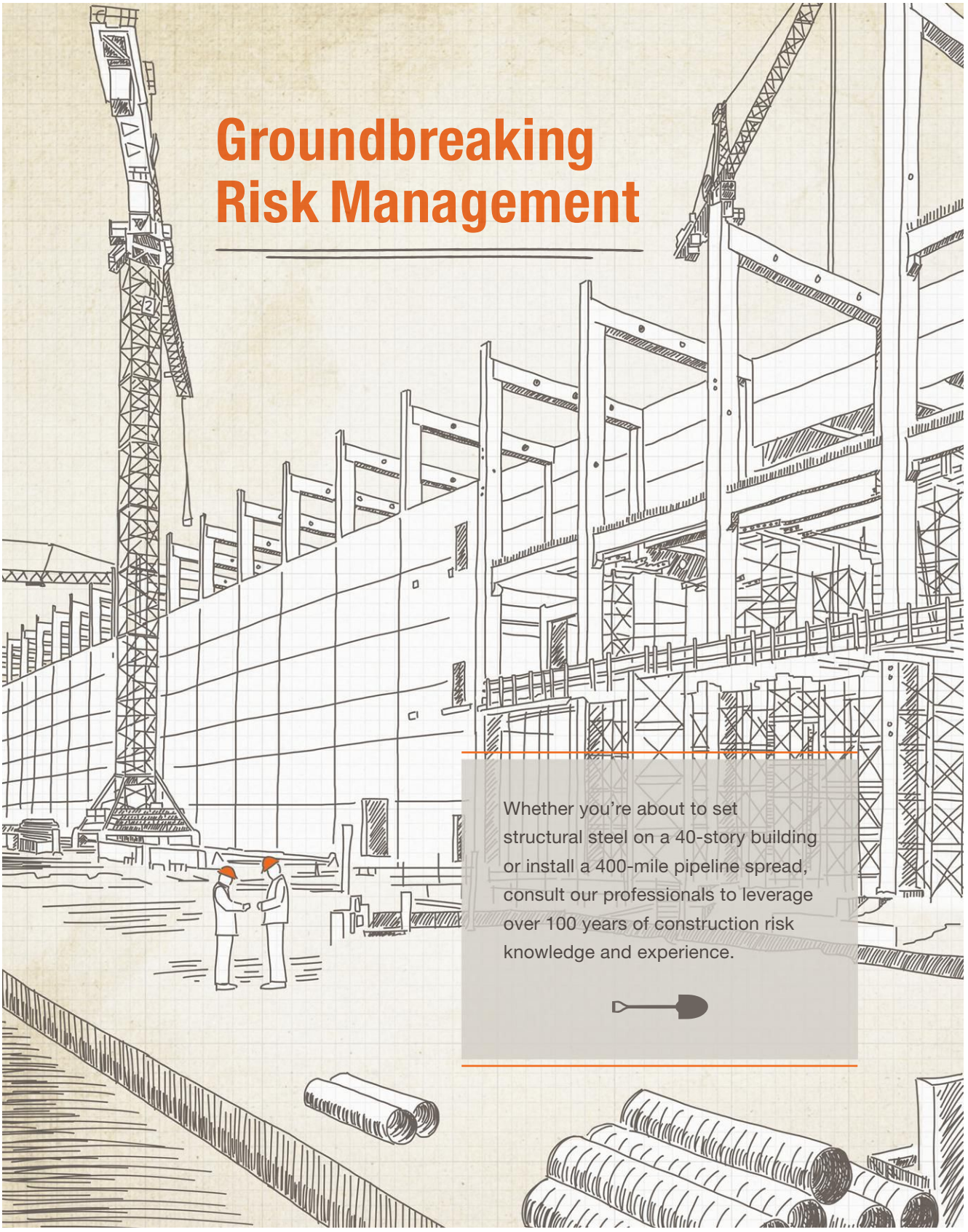







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### KAI Enterprises Promotes CFO


Dan Forguson

KAI Enterprises has announced the promotion of Dan Forguson to chief financial officer (CFO). Forguson has been with KAI since June 2018 when he was hired as vice president of finance. Forguson will work closely with the leadership team as he leads, manages and is accountable for the activities of KAI's finance team. He is also responsible for work progress, policy management and the oversight of KAI's enterprise resource planning software. "I am a firm believer that consistent adherence to well-defined processes and procedures produces consistent results, so we will be utilizing our team's experience to strategically align our protocols and drive performance," said Forguson. Forguson has 11 years of experience in the architecture, engineering and construction (AEC) industry. Prior to KAI, he was the regional project controls director at Jacobs in St. Louis, Missouri. Forguson has a bachelor's degree in finance from Southern Illinois University, Edwardsville, and a master's degree in business administration from Lindenwood University in St. Charles, Missouri. Visit kai-db.com.

### US Department of Labor Announces Final Overtime Rule

The United States Department of Labor (DOL) has announced a final overtime rule, which will make an estimated 1.3 million American workers eligible for overtime pay under the Fair Labor Standards Act. The rule sets the minimum salary threshold for overtime eligibility at $35,568. That "standard salary level" breaks down to $684 per week, up from the previous $455 per week set in 2004. The rule also raises the total annual compensation for "highly compensated employees (HCE)" from the current level of $100,000 to $107,432; allows employers to use nondiscretionary bonuses and incentive payments that are paid at least annually to satisfy up to 10% of the standard salary level; and revises special salary levels for workers in U.S. territories and the motion picture industry. The rule will go into effect Jan. 1, 2020. The new rule's overtime exemptions only apply to white-collar professionals, including executive, administrative, professional and outside sales employees, as well as some computer employees. Visit dol.gov.

### New Report Reveals 'Data Ownership Battle'

A new study by Dodge Data & Analytics in collaboration with construction technology provider e-Builder, a Trimble Company, reveals the unintended consequences of increased adoption of project management software by project owners. The study, "Connecting Owners and Contractors: How Technology Drives Connected Construction," highlights the challenges that arise when owners and contractors manage construction projects using disparate software applications without automated data exchange. Key findings from the study are: 42% of contractors report using both the owner's project management application and a specialized project management application designed for contractors; only 45% of respondents are satisfied with the current state of data connectedness; 65% of owners and 51% of contractors see high or very high value in a single data platform that all parties can use for collaboration and sharing; 73% of contractors report medium or high impact on the productivity of workers due to double entry of construction data. "The need for contractors and owners to use their own project management applications has always been there," said Steve Jones, senior director of industry insights at Dodge Data & Analytics. "The problem is, they [the two applications] have not worked together well. The data in this research quantifies the impact of the data silos between contractor and owner." Visit construction.com.

### Fluor Corporation Lead Director to Retire From Board

Fluor Corporation has announced that Peter Fluor, the company's current lead independent director, will not stand for re-election at the 2020 annual meeting of stockholders. In connection with this announcement, Fluor has also stepped down as the chairman of the organization and compensation committee. Fluor is the current chairman and chief executive officer (CEO) of Texas Crude Energy LLC, an international oil and gas exploration and production company, and has served in that role since 2001. Prior to that, he was the president and CEO of Texas Crude Energy from 1980 to 2012. Fluor was also formerly a director for Anadarko Petroleum Corporation and Cameron International Corporation. Visit fluor.com.

### Senate Advances T-HUD Infrastructure Bill

The U.S. Senate Transportation, Housing and Urban Development (T-HUD) and Related Agencies Appropriations Subcommittee have approved a fiscal year 2020 appropriations bill that authorized approximately $86.6 billion in transportation spending, and the full Senate Appropriations Committee has advanced the bill. The bill's funding is $167 million more than the fiscal year 2019 budget and earmarks $25.3 billion in discretionary appropriations and $61.3 billion in obligation limitations for the U.S. Department of Transportation. Some of the ways legislation will affect infrastructure spending are: $1 billion for Better Utilizing Investments to Leverage Development (BUILD) grants; $46.3 billion in funding from the Highway Trust Fund for the Federal-Aid Highway Program (including $1.25 billion for bridge repairs in small states and $1.25 billion for the Surface Transportation Block Grant funds and for hazardous railway-highway crossings); $13 billion for Federal Transit Administration projects and ongoing programs; $2.8 billion towards rail projects funded by the Federal Railroad Administration; $1.9 billion for transportation safety projects, including $972 million in budgetary funding for the National Highway Traffic Safety Administration; $904 million for maritime projects, including ports and intermodal water and land transportation. Visit appropriations.senate.gov.

### Brown & Caldwell Announces Integrated Project Delivery Leader

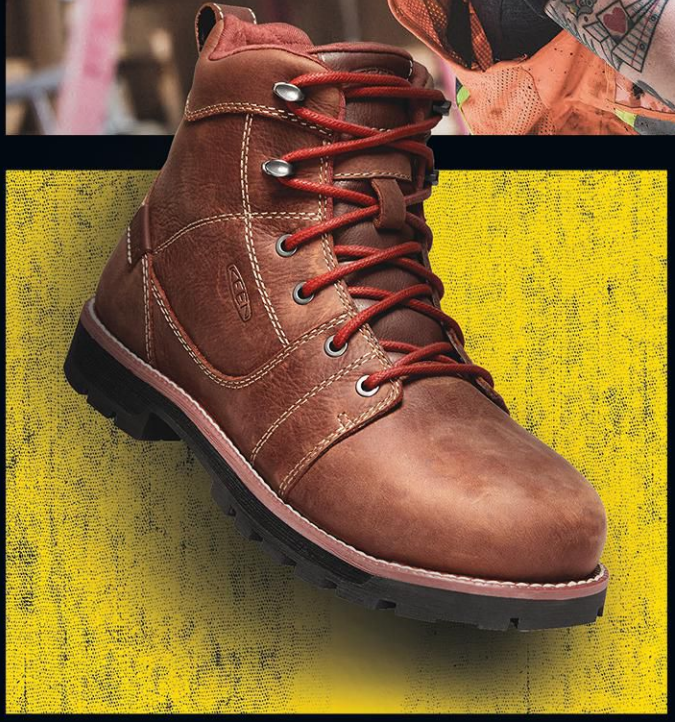

Carey Allen

Brown and Caldwell, an environmental engineering and construction firm, announced Carey Allen has joined the firm as senior vice president and leader of its integrated project delivery (IPD) practice. Allen brings a 26-year track record of executive guidance and strategic focus in the environmental engineering and construction field. Her expertise covers corporate strategy and planning; business development and marketing; teaming agreements; contract management; and talent advancement. Allen will be responsible for directing Brown and Caldwell's collaborative delivery strategy while growing its share in the market. She will establish and sustain strong client and contractor partner relationships in addition to developing and expanding the firm's IPD team to meet market

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and customer demands. Allen is a certified professional services marketer and holds a bachelor's degree in communications and construction management from the University of Nebraska, Lincoln. Visit brownandcaldwell.com.

### ▶ AIA Calls for Building Renovation & Stronger Building Codes

In testimony before the U.S. House Energy and Commerce Committee's Subcommittee on Energy, the American Institute of Architect's (AIA) 2018 President Carl Elefante, FAIA, outlined critical steps the U.S. must prioritize to reduce greenhouse gases in the built environment. "The threat posed by climate change to our homes, cities, nation and the planet require that we fundamentally reexamine how we develop and adapt the built world," said Elefante. "We know that new standards of design and construction can be utilized to combat climate change. Success on these initiatives will mean a holistic approach and long-term commitment from every aspect of our society to incorporate these principles into the design, construction, operation and maintenance of the nation's buildings." To reduce the impact of buildings on our environment and meet the 2050 net-zero emissions target, Elefante said the U.S. will need to renovate and retrofit 75% of the existing building stock, which amounts to 54 billion square feet. Complete hearing details can be obtained on the U.S. House Committee of Energy and Commerce's website. Visit aia.org.

### ▶ FMI Report Reveals Increase in Megaprojects

FMI Corporation, a provider of consulting and investment banking services to the built environment, has released the report "Megaprojects: Changing the Conversation," presenting FMI's latest market forecast on megaprojects and insights from industry leaders on five key ingredients that drive successful megaprojects. The research was conducted in collaboration with the Construction Industry Round Table. Sabine Hoover, FMI's content director and author of the article, stated, "Our initial research confirms that a small group of engineering and construction players and owners are deploying a fresh approach to collaboration and teamwork on these large projects, taking on a 'one-unit' mindset—unified by a shared sense of purpose and a fair business model—rather than working as separate entities against each other. While this seems simple to do, it's surprisingly difficult to get right." Key highlights of the report include: between 2013 and 2018, the annual value of U.S. megaproject starts increased from 3% to approximately 33% of all U.S. construction project starts; at least 320 megaprojects have been awarded in the U.S. since 2012—an investment valued at over $700 billion; another 670-plus megaprojects are being planned, representing a future investment opportunity likely to reach $2 trillion; over the next decade, annual construction put in place on megaprojects in the U.S. will increase nearly 600%, from about $50 billion to just over $350 billion. Visit fminet.com.

### ▶ Yanmar Completes Acquisition of ASV Holdings

Yanmar Group has announced the completion of its acquisition of compact equipment manufacturer ASV Holdings Inc. (ASV), a designer and manufacturer of compact tracked loaders and skid-steer loaders, the final step in the acquisition through the mechanism of a statutory merger. Yanmar has acquired 100% of ASV's outstanding shares of common stock for total consideration of $70.70 million, or $7.05 per share. ASV's independent dealer network throughout North America, Australia and New Zealand will join Yanmar's existing global construction equipment operations. The company also sells original equipment manufacturer (OEM) equipment and aftermarket parts, and owns and operates a 238,000 square-foot production facility in Grand Rapids, Minnesota. The acquisition broadens Yanmar's range of compact equipment products, allowing it to offer full dig, load and carry solutions on the worksite. Visit yanmar.com.

**$3.69 BILLION**

*U.S. construction and real estate industry merger and acquisition (M&A) deals in Q2 of 2019 totaled $3.69 billion, according to GlobalData. The U.S. recorded 147 M&A deals, with the top five deals accounting for 99.9% of the overall value. Visit globaldata.com.*

### ▶ Bomag & SMS Equipment Inc. Make Distribution Pact

Bomag Americas Inc. and SMS Equipment Inc. have announced their cooperation for the sale and support of Bomag compaction, milling, paving and reclaiming/stabilizing equipment for roadbuilding and other construction market segments throughout Canada. Beginning Dec.1, 2019, the collaboration will bring together two companies with complimentary product offerings. The 38-branch, Canada-wide network of SMS Equipment Inc. will pave the way for growth and expanded customer support for Canadian customers. For customers of SMS Equipment, the collaboration with Bomag creates access to new, used and rental equipment, along with a commitment to spare parts, planned service maintenance and repairs. Visit bomag.com.

### ▶ Male NY Construction Executive Honored in 'Women of Achievement'



**Richard Wood**

For the first time, Professional Women in Construction (PWC) has included a man among its honorees of industry professionals for their contributions to empowering women in the AEC industry. This year, Richard Wood, CEO of Plaza Construction, was selected among the 2019 honorees. According to PWC Executive Director Chelsea LeMar, "It is important for management in a male-dominated industry to support and advance the careers of women and promote diversity within the AEC fields. We feel that leadership has a role in making this goal a reality, and that is why we nominated our first male recipient." Women currently make up around 9% of the construction workforce nationally. "At Plaza Construction, our workforce is currently 25% female, and there isn't a job in construction that a woman can't do as well as, if not better than, a man," said Wood. The company maintains a policy of acceptance and has instituted mentoring programs for female employees, separate bathroom facilities for women on construction sites, support for women balancing life and family (via maternity leave, for instance) and more, aiming to encourage more women to pursue construction. Visit pwcusa.org.

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# What's the best professional advice you've received regarding risk mitigation?



**RAYNALD MORRIS**
Vice President & Chief Information Officer
*W.M. Jordan Company*

Use technology to help manage risk. The objective of any risk management process is to minimize the impact of unplanned events by identifying and addressing them before significant negative consequences occur. And the use of technology to assist with this has exploded in the construction industry.

With tech, you can scrub a specification or set of plans for items that are outside the normal or that may have changed. And you can integrate a model with an estimate to produce more accurate results.

With building information modeling (BIM), you can build projects virtually to assist in identifying potential conflicts before you encounter them in the field. You can also build your schedules and manage lean planning efforts.

Tech tools help you document and update progress, as well as identify and share unforeseen conditions you may encounter. And now, you can **use artificial intelligence and machine learning to help perform lower-level tasks and analyses,** so you can focus on the critical items.



**STEVE TENNEY**
Construction Industry Consultant
*BerganKDV*

Risks are part of every organization and can include contractual, environmental, employee, cyber, safety, auto, property, reputation and many others. They must be mitigated. Work with an insurance agent or brokerage firm to **identify and classify your exposure to certain risks, and make decisions to manage them,** such as:

- *Avoid*—In some cases, avoidance may be the best solution. Don't engage in the activities that created the risk for the company.
- *Transfer/Reduce*—Some risk situations are better handled by reducing risk via transferring or assigning some portion of that risk to others.
- *Insure*—Many risks can be managed by obtaining the correct insurance. The scope of coverage and limits of protection can vary significantly for different exposures.
- *Accept*—In some cases, coverage may not be available, or the costs of coverage may not be desirable. In those cases, the company is essentially self-insuring and accepting the risk.



**GLENN M. BESTEBREUR**
Vice President,
Project Development
*Bestebreur Bros. Construction Inc.*

The last time you can make money on a project is just before you turn in the bid. The pen that writes in the bid numbers is the most valuable piece of equipment you'll ever own. Use it wisely.

Remember that you are ultimately in control of your company's destination. With that in mind, you can **control your risk by choosing your clients and subcontractors for each project wisely.**

When was the last time you fired a client? Some of the best jobs are the jobs we never got but let our competitors get instead. When it comes to getting paid as contractors, we need to remember that we are contractors, not banks. The 90-days-same-as-cash philosophy is not acceptable. We need to remember that the quickest way to get out of a hole is to stop digging.

Choosing your team members for a project may affect more than just that project. If they perform well, then you have no worries. If they don't perform well, not only will it affect that job, it will also cost you more in the long run by taking away supervision and resources from other (profitable) jobs. Choose your team members with their past experience in mind, not just their bid amount, and factor that into your total bid. Don't forget to pay your subcontractors on time, as they are a major part of your success.

**To submit your question,** email Associate Editor Rachel Crosby at rcrosby@cahabamedia.com.

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# Setting More Definitive & Attainable Goals

## How to refocus on specific strategies that will grow your business



GEORGE HEDLEY, CSP, CPBC, is a professional construction BIZCOACH and industry speaker. He helps contractors build management teams and get their businesses to work for them. He is the bestselling author of "Get Your Construction Business To Always Make A Profit!," available on amazon.com. Email George at gh@hardhatpresentations.com to sign up for his free e-newsletter, start a BIZCOACH program, attend a 2-day BIZ-BUILDER Boot Camp or get a discount at hardhatbizschool.com online university for contractors. Visit hardhatpresentations.com for more information.

### Ask George

*To submit a question for George Hedley, email Editor Kathy Wells at kwells@cahabamedia.com.*

Owning and managing a busy construction business is overwhelming and demanding. There are lots of moving parts, processes and requirements that are sometimes difficult to control, and numerous decisions to make every day that determine how you do business.

The pressure to get it all done is a constant stress, which will take its toll on your attitude, outlook and energy level. So what's the secret to building a successful construction company that delivers quality workmanship, on-time completion, safe jobsites and high margins without sacrificing your sanity?

### FOCUS ON RESULTS

As a construction business owner, there are dozens of things you must do well to build a profitable business and achieve your goals. The problem is that there are way too many daily accountabilities, responsibilities, tasks, systems and processes required to ensure your company is working like a well-oiled machine. The key is to focus on the top five must-do strategies and actions that will make your business successful 90% of the time.

Start by defining the specific results you wish to achieve. From there, determine the top five strategies that can produce these desired results. These desired results will determine how you must conduct business to achieve your vision for the company and the growth you want. And the resulting strategies define what is required to become a top contractor in your marketplace. Remember: These strategies should include your employees, processes, policies, tactics, projects, clients, contracts, locations and how you will win work.

Following are specific results and clear strategies to produce those results. Review these to develop and/or select the top five that will guarantee success.

### DEFINE YOUR GOAL

- Produce a minimum 6% net profit with 15% annual growth.
- Have management hold their workers accountable for results.
- Shift your sole focus to company leadership and business development.
- Use the latest technologies to organize and systemize the company.
- Make your business a great place to work, with opportunities for training, growth and promotion.
- Produce accurate estimates and maintain updated job-cost and field-production tracking.
- Make sure all projects meet job-cost budgets and schedule specs without profit fade.
- Maintain a safety program and an experience modification rate (EMR) of less than 90%.
- Procure loyal, high-margin clients.
- Achieve a bid-hit-win ratio that is

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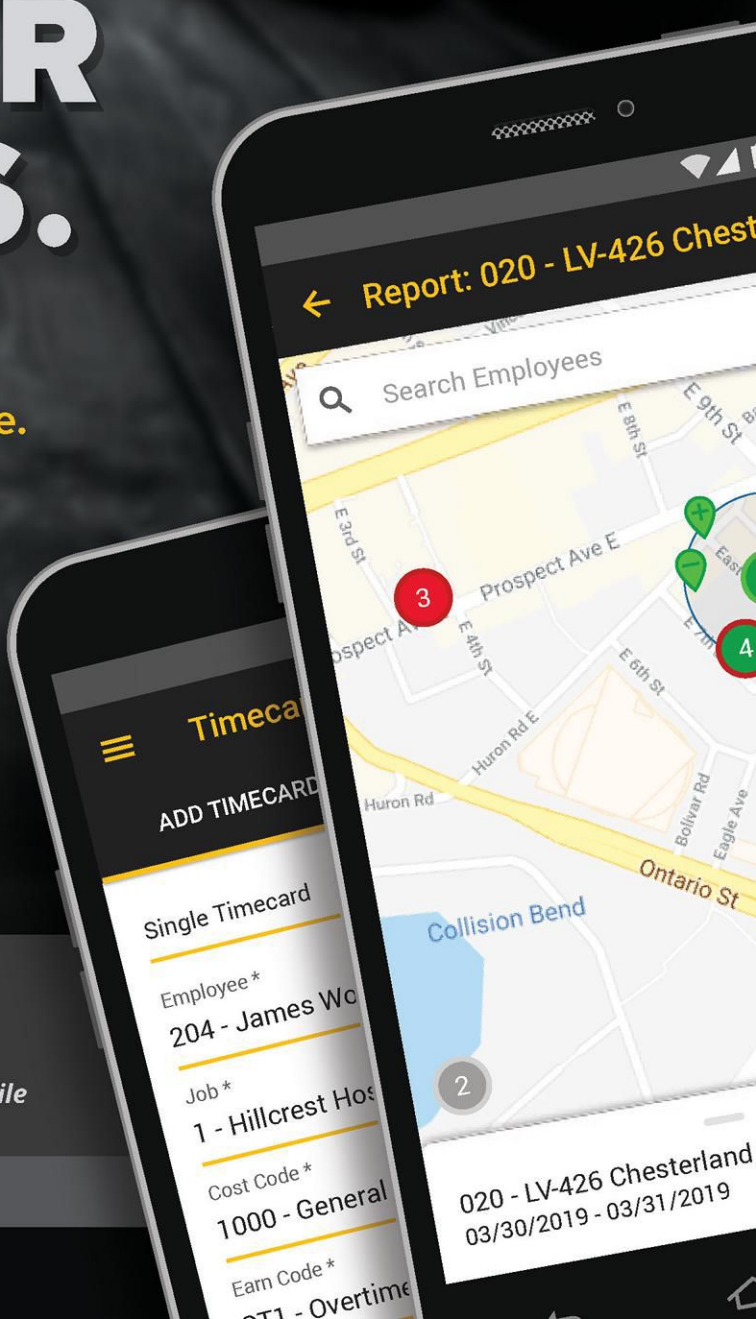
greater than 33%.
- Maintain a profitable, well-managed and well-utilized fleet with a return on investment (ROI) of more than 15%.
- Make two income-producing investments per year.

## SPECIFY YOUR STRATEGY

- Only seek work with high margins and high barriers to entry.
- Seek negotiated contracts with loyal clients within 50 miles of your main office.
- Invest in building relationships with your top 20 clients quarterly.
- Never bid on projects with more than three competitors.
- Have a job size target of $200,000 to $800,000, with a 15% markup minimum.
- Demand quality work from your teams, with little to no call-backs or rework.
- Produce and complete a weekly punch list and safety inspection report for every job.
- Track, update and review job-cost production scorecards weekly with project managers, superintendents and foremen.
- Update and complete job-cost budgets and estimated costs monthly.
- Produce accurate estimates with up-to-date production rates and no missed items.
- Review project results and adjust estimating rates monthly.
- Consistently schedule and conduct mandatory team meetings to review results.
- Enforce core values and maintain team players with positive attitudes.
- Hold employees accountable and don't tolerate poor performers.
- Pay top dollar salaries and provide full benefits to employees.
- Maintain a work environment in which your employees believe they can advance and succeed.
- Provide all employees with written and enforced job descriptions, with expectations of accountability, responsibility, tasks and deadlines.
- Have managers meet weekly with employees to review tasks and results.
- Maintain an ongoing employee hiring, recruitment and training program.
- Provide ongoing training for all management and field employees.
- Provide regular feedback and reviews for all levels of managers and employees.
- Provide incentive-based compensation plans that require results and are paid out quarterly.
- Consistently enforce company systems, processes and standards.
- Make project close-out a top priority, regardless of workload.
- Do not allow change orders to be performed without prior written authorization.
- Always put safety first, and provide safety programs, weekly jobsite inspections and regular safety training.
- Only hire professional, qualified subcontractors and suppliers.
- Demand strong performance and treat subcontractors, suppliers and customers firmly, but fairly.
- Follow and enforce all contracts, requirements and terms, and accurately document every step.
- Manage and maintain company equipment and usage to make a minimum 15% ROI.
- Promote innovation with the latest technologies and integrated software systems.
- Have your accounting department deliver accurate, timely accounting reports.
- Reinvest 25% of your profits back into income-producing investments.

You may want to implement all of these strategies, but that is not feasible. To maintain your focus, start with five. Then, get to work making the improvements necessary to build a better business. Once those strategies are in place, reset and begin the process again with five new priorities. Keep in mind that strategy development is not a one-time meeting; it's an ongoing process. CBO

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# Rise of the Machines

## Why builders must think like manufacturers in a world of modularization



GREGG M. SCHOPPMAN is a consultant with FMI Corporation, management consultants and investment bankers for the construction industry. Schoppman specializes in the areas of productivity and project management. He also leads FMI's project management consulting practice. Prior to joining FMI, Schoppman served as a senior project manager for a general contracting firm in central Florida. He has completed complex construction projects in the medical, pharmaceutical, office, heavy civil, industrial, manufacturing and multifamily markets. He holds a bachelor's degree and master's degree in civil engineering, as well as a Master of Business Administration. Schoppman has expertise in numerous contract delivery methods, as well as knowledge of many geographical markets. Visit fminet.com or contact Schoppman by email at gschoppman@fminet.com.

The construction industry continues to hear how it lags behind the rest of the civilized world when it comes to innovation, productivity and efficiency. Studies benchmark the massive gains that manufacturing has experienced, while construction languishes at the bottom. Before the pile-on continues, it is important to acknowledge there are never footnotes that provide contextual evidence to support manufacturing gains.

Items like automation, technology, controlled environments, and even the daily production of some goods have greatly enhanced manufacturing's claim to dominance. Furthermore, manufacturing has eliminated one of the greatest variables—humans. But construction projects are still largely dominated by humans doing things that humans do (e.g., working, resting, communicating, interacting and, yes, making mistakes).

As a result, construction has continued to evolve and attempt to replicate many of the successes that have aided manufacturing. Prefabrication, modularization, automation, autonomous equipment and robotics have all become the zeitgeists.

So, what does this mean for the construction company of tomorrow? Do the challenges and problems dissolve once the machines have taken over? Do construction firms that look more like manufacturers have all of the upside with no downside?

### MODULARIZATION

The upside of modularization has been characterized repeatedly: improved productivity and enhanced safety. The controlled setting provides unbridled oversight that a jobsite never could.

For instance, building a multistory commercial office building in Florida in the summer poses a host of risks that manufacturing never has to consider. Extreme heat, weather and safety hazards are all external factors that rear their ugly heads before internal processes, such as workforce development, even enter the conversation.

While modularizing any or all of the elements of an office building sounds like a superior build, there are important ramifications firms should consider when embarking on this new strategic concept.

### SPATIAL CONSTRAINTS

Most contractors would argue that jobsites are becoming smaller and smaller. Building in an urban setting is the equivalent of playing a high-stakes game of pick-up sticks, hot potato and cup-stacking simultaneously, and then being forced to move that operation into a warehouse. It sounds simple enough, but where will you build that structure or system?

Look at the most sophisticated manufacturer, and you will come to the realization that it takes real estate—not simply to build, but also to store finished items and inventory, conduct quality

control and mock-up components. A commercial general contractor or specialty trade contractor that has historically brokered all of its work or used "just-in-time" inventory practices has not had to deal with the encumbrances of space planning. The jobsites may have been small, but so too was the warehouse, which was used on a limited basis.

### VARIABLE COST TO FIXED COST

Most contractors operate on a fairly low overhead basis, proportionally speaking. In the event of a recession or economic downturn, the cost to cover overhead is much smaller when compared to a fixed-cost business like a manufacturer. All of that extra space, fixed equipment, inventory, etc., costs money. While there are productivity gains, those gains are achieved on backlog. With no backlog, there is a sizeable cost burden that must be absorbed.

### TRANSPORTATION

An electrical contractor who prefabricates junction boxes or light fixtures, complete with whips, is one thing; while a contractor who builds entire modularized sections of classrooms or laboratories is another logistical hurdle altogether. Obviously, there are plenty of amazing examples of firms that have overcome this challenge.

Overcoming it began in preconstruction planning and stemmed from having a detailed logistical sequencing plan. However, there are also costs to consider, which are incurred during shipping, staging and erecting, and are significantly different than the traditional trucking expenses.

In the end, a cost-benefit analysis must be done to weigh the modularization cost impacts with the traditional build costs.

### TRAINING & WORKFORCE DEVELOPMENT

Yes, in a manufacturing model, you still have to invest in people—training and development is just different within this setting. The skills needed to be successful may look similar, but there are elements that need to be included in an associate's development that a traditional builder might not consider.

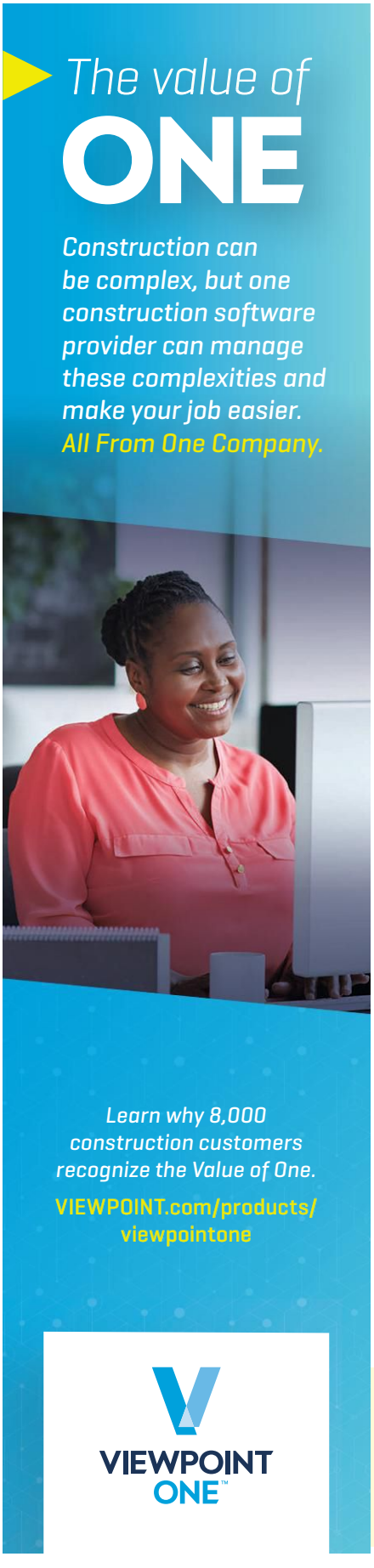
All of the previous elements discussed—logistics management, workflows, modularization—are great examples and are all variations on themes that should be covered. While automation and robotics may enhance construction, there is still a need for humans to use these tools effectively. In an industry plagued with the "dirty job" moniker, these new jobs bolster its reputation.

### SAFETY

One of the main tenets of prefabrication and modularization is the ability to drive safer work. This does not happen by chance—firms must still plan to be safe. However, there is also the risk of complacency. Manufacturers have just as many risks as contractors, but they are different risks.

For instance, working on the leading edge of a manufactured component that is 12 feet tall is the same 12 feet that a craftsperson sees on a jobsite. Fall protection, lanyards, leading edge awareness, etc., are all things that still must be considered.

The industry continues to make massive shifts in building methods to keep up with the growing demands from clients and customers. Few could argue that these trends are not innovative and progressive. However, it is key for firms to understand all the factors that go into making drastic strategic pivots. CBO

# How to Train & Train Well

## 8 steps to create & coordinate a continuing education program

BY EUGENIO JARAMILLO

Think about different professions: doctors, engineers, general contractors, etc. They are required by law to take a certain amount of training, known as continuing education units (CEU), professional development hours (PDH) or continuing education credits (CEC). Doctors need 40 hours annually to keep their board certification. Engineers need 18 hours of CEC every two years to renew their licenses. General contractors need 14 hours of CEC per year. Why wouldn't you require the same of employees?

The U.S. Bureau of Labor Statistics predicts that by 2015 millennials will represent the majority of the workforce, and by 2030, this hyperconnected, tech-savvy generation will make up 75% of the workforce. This group was brought up with technology in their hands but are often reported as lacking the soft skills and people skills to thrive in corporate America. Plus, baby boomers are retiring. In 2016, the leading edge of this great boom of people turned 70. They are a huge resource with a wealth of information that needs to be passed on to the next generation of leaders.

Seventy-one percent of Fortune 100 companies have a mentor-protégé program. Is that just a coincidence? Of course not. Consider using your company's baby boomers to mentor your millennials and Gen Xers. Establish a formal program, but allow the informal relationships to develop, too. For a chance at true success, every generation needs to continue to develop the next.



So, where do you begin? The following are eight guiding steps to initiate a training and development program.

### 1 DETERMINE NEEDS

If programs are going to be effective, they must meet the needs of participants. There are many ways to determine these needs, but some of the most common include:

- Start with where you are now. Have human resources (HR) find out what degrees and training certificates your employees hold and what courses they have taken. Set the bar from there.
- Ask participants what they believe to be their educational needs.
- Ask management what they believe to be the educational needs of their employees.
- Ask others familiar with the job tasks,

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Swider combines his experience and strategic perspective to help InEight clients identify areas for increased efficiencies within their organizations. Prior to InEight, Swider held positions at ARC Technologies, iSqFt, and Dodge Data & Analytics (McGraw-Hill Inc.). With more than 25 years leading the efforts of these construction technology companies, Swider has a deep understanding of the strategic benefits of a truly connected project life-cycle workflow. Swider holds a bachelor's degree in business from Catawba College.

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including subordinates, peers and customers, what they perceive to be the training needs of employees.
- Test participants to determine the areas in which they are lacking knowledge and skill.
- Analyze performance appraisal forms, which often reflect deficiencies in ability and understanding.

## 2 SET OBJECTIVES

It is a must to set goals and metrics—what is measured is monitored. So, how many people will you train? How many training sessions will you have? What results are you trying to accomplish? These results can be stated in terms, such as production, quality, turnover, absenteeism, morale, sales, profits and return on investment.

## 3 DETERMINE CONTENT

Trainers need to ask themselves which topics would meet the company's newly defined needs and accomplish the objectives. Then, limit training sessions to 1 hour. An easy way to do this is to schedule a lunch-and-learn once a week, which accomplishes 52 hours of training in just 1 year.

## 4 SELECT PARTICIPANTS

All levels of management can benefit from training programs. Obviously, some levels can benefit more than others. At least some basic programs should be compulsory for first-level supervisors, if not also for others. If a program is voluntary, many who need the training may not sign up, either because they feel they don't need it or don't want to admit they need it.

Those who are already good supervisors and have little need for the program can still benefit from it, as they can help train the others. This assumes, of course, that the program includes participatory activities on the part of attendees. To supplement the compulsory programs, other courses can be offered on a voluntary basis. Remember to include any training required by local, state and/or federal training regulations.

## 5 SET A SCHEDULE

The best schedule takes three things into consideration: the trainees, their bosses and the best conditions for learning. Many times, training professionals consider only their own preferences and schedules. An important scheduling decision is whether to offer the program on a concentrated basis—as a solid week of training, for example—or to spread it out over weeks or months.

One good schedule, besides the 1-hour weekly lunch-and-learns, is to offer a 3-hour session once a month. Three hours leave you time for participation, as well as for the use of videos and other aids. The schedule should be set and communicated well in advance, and the program date and time should be established to meet the needs and desires of both the trainees and their bosses.

## 6 SELECT FACILITIES

Facilities should be both comfortable and convenient. Avoid rooms that are too small or that have uncomfortable furniture, noise or other distractions, inconvenience, long distances between training rooms, uncomfortable temperatures, etc.

## 7 SELECT INSTRUCTORS

Instructor qualifications should include extensive knowledge of the subject being taught, a desire to teach, the ability to communicate and present, and skill at getting people to participate. They should also be learner-oriented, or have a strong desire to meet learner needs.

Budgets may limit the possibilities. For example, some organizations limit the selection to present employees, including the training director, the HR manager, and line and staff managers. In this case, there is no money to outsource, so subject content needs to be tailored to the available instructors, or the instructors will require special training before teaching. If budgets allow and internal expertise is not available, outside instructors can be hired.

The selection of these instructors also requires care. In order to be sure that a potential instructor will be effective, the best approach is to observe their performance in a similar situation. The next best approach is to rely on the recommendations of other training professionals who have already worked with the individual. Avoid interviewing potential instructors and then making a decision based on your impressions alone.

## 8 COORDINATE THE PROGRAM

Sometimes, the instructor coordinates and teaches. For those who coordinate and do not teach, there are two opposite approaches to the position of coordinator.

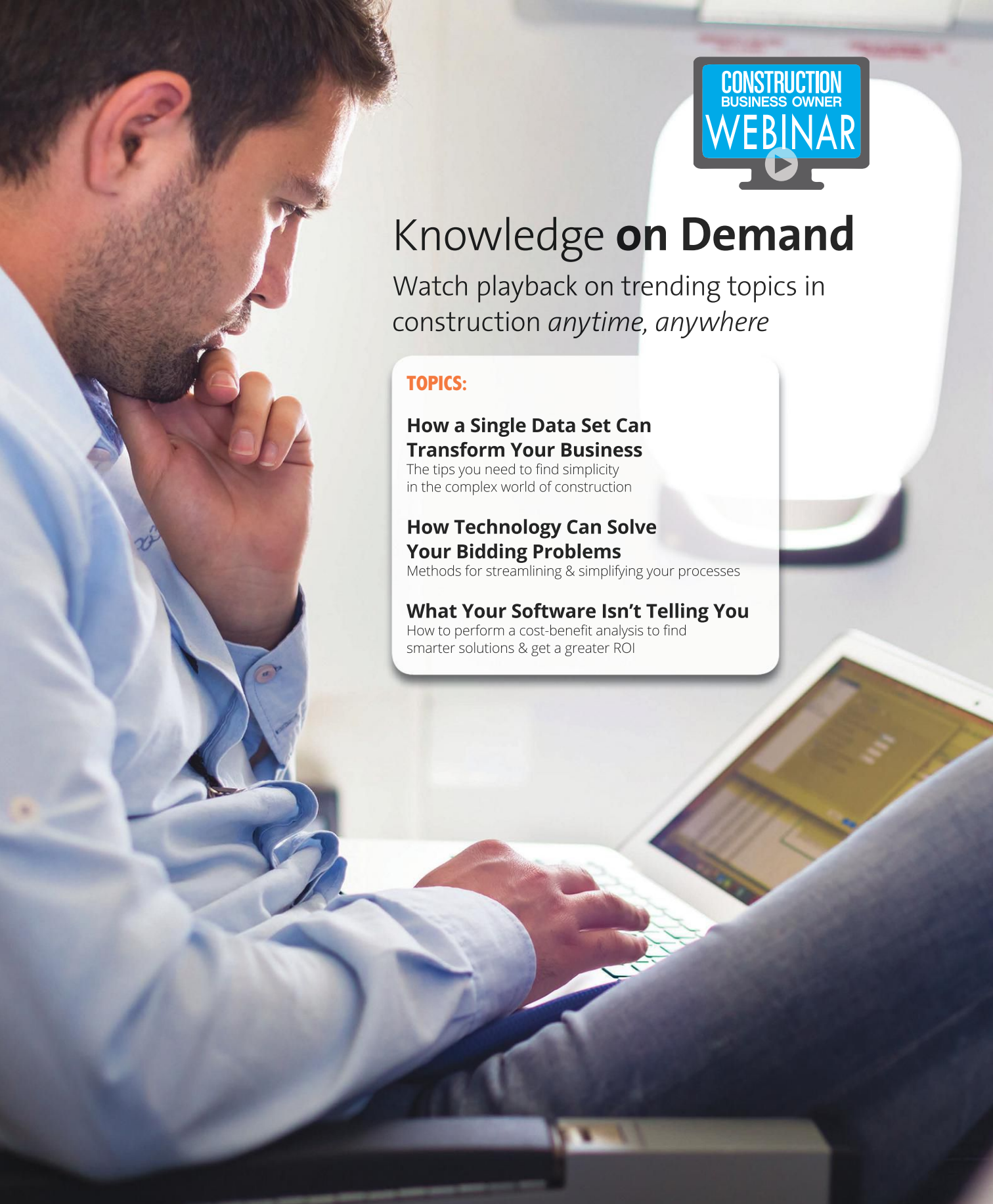
Some instructors must introduce themselves, find their own way to the lunchroom, tell participants where to go for breaks, conclude the program, and even ask participants to complete reaction sheets at the end.

On the flip side, some coordinators drive the instructor between training and the airport. They also work to ensure the instructors have ample setup time before the meeting, introduce instructors to others team members, handle breaks, conclude the session, and even stay for the entire program, helping with handouts. **CBO**

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*Eugenio "Geno" Jaramillo is a professional speaker, a construction consultant, a mentorship and networking expert, and a public speaking coach. Jaramillo is an adjunct professor at Florida International University in the College of Engineering and Computing in the Moss School of Construction, Infrastructure and Sustainability. He is a lifetime member of the Society of Hispanic Professional Engineers and sits on the board of directors of the Brinker Education Initiative. Jaramillo holds a bachelor's degree in electrical engineering from the University of South Florida and a master's degree from the University of Miami.*






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# Understanding Employee Stress

## Measures for better monitoring & managing mental anguish

BY MARK PEW



Stress can help one mature after learning a lesson the hard way ("I'm not going to make that mistake again."). It can help motivate growth and enhance performance, forcing adaptation and creativity, and encouraging new and improved coping skills. In construction, for example, a fear of heights can be positive, as it can create caution and encourage the proper use of safety techniques. When a person is properly equipped and trained, their stress can be reduced and faith in their ability to do the job well can be increased.

However, never-ending stress is a problem. According to ScienceDaily, stress puts the body on constant "alert," with severe repercussions. From a physical perspective, "chronic psychological stress is associated with the body losing its ability to regulate the inflammatory response." Stress can also "suppress the immune system," trigger "severe bronchoconstriction in asthmatics," increase the risk for diabetes, lead to "peptic ulcers, stress ulcers or ulcerative colitis," create issues for the heart with "plaque buildup in the arteries," and maybe even increase the likelihood of cancer, according to the Malaysian Journal of Medical Sciences.

From a psychological perspective, chronic stress can create neuroses that can have "a formative role in the onset of neurotic depression (mixed depressive illness) and a precipitating role in schizophrenic episodes" while creating anxiety that impacts performance and emotional well-being.

So how does stress impact a workplace and its workers? Not surprisingly, they intersect. Although absenteeism is usually characterized by a willful negligence to attend, workplace stress can certainly create valid reasons for it. Whether the reason is unreasonable expectations (long hours, aggressive metrics, shift-work sleep disorder), dangerous or difficult circumstances, disharmonious relationships, frustrating bureaucracy, or perceived incompetence, workers might need a "mental health day" periodically just to deal with the stress of being at work.

The issue of presenteeism—a worker being present but not functioning optimally—can be much more insidious. If the workplace stress level, whether originating there or brought from home by the employee, is so high as to be unmanageable, then it can have a significant negative impact on productivity through lowered attention to detail, quality of work and their team. Adding to this is the natural contagion of stress because, although it may be specifically related to one person, relationship or scenario, it almost always affects others.

### WHAT'S AN EMPLOYER TO DO?

An employer should be responsible for minimizing stress in the workplace through proactive measures. Just as some employers have a "zero defect" policy, employers can likewise target a "zero stress" environment. "Zero" might not be achievable in either situation, but constantly reinforcing the goal heightens awareness to strive for that goal. This awareness can be accomplished through practical policies such as:

- Creating an open communication channel between management and

employees to highlight issues in the workplace that cause undue stress, and then, creating an action plan that shows responsiveness

- Organizing education on personal stress-management techniques (e.g., a lunch-and-learn on mindfulness or personal finance skills) and wellness programs on topics, such as smoking cessation and nutrition
- Establishing a highly publicized Employee Assistance Program (EAP) that offers anonymity
- Highlighting a management team that exhibits proper stress management in the office, especially in crisis situations
- Encouraging workload balancing (on the job) and work/life balancing (at home) by promoting flexible schedules
- Training management on prompt, proactive conflict resolution techniques and how to eradicate gossip
- Form a committee focused on ridding the workplace of undue stress through specific programs and processes

## WHAT'S AN EMPLOYEE TO DO?

"Among the factors that influenced the susceptibility to stress," according to the Malaysian Journal of Medical Sciences, "are genetic vulnerability, coping style, type of personality and social support." An individual cannot influence or change genetic vulnerability or personality type. However, coping style and social support are constantly influenced by the individual.

Being better equipped to cope with stress in a productive rather than destructive manner is something that can be learned through experience, mentorship and repetition. Sometimes, psychotherapies, like Cognitive Behavioral Therapy, Acceptance and Commitment Therapy and Motivation Interviewing, can be helpful for enhancing coping skills. Choosing a quality social support system is often within an individual's purview to manage. While disconnecting from toxic relationships and environments can be a painful process, once done, it can be liberating and propellant toward better outcomes. CBO

*Mark Pew, senior vice president of product development and marketing for Preferred Medical, serves on the International Association of Industrial Accident Boards and Commissions' medical issues committee and the Self-Insurance Institute of America's workers' compensation committee, as well as Simple Therapy's advisory board. He also serves as technical advisor to regulators and legislators in over 20 jurisdictions on subjects, such as drug formularies, treatment guidelines, opioid task force initiatives, encouraging support of nonpharma treatment options and the medicinal use of cannabis. Visit thepreferredmedical.com.*





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SPECIAL SECTION

# OUTSTANDING WOMEN IN CONSTRUCTION

**THIS INDUSTRY IS CHANGING.** For some, that truth is hard to stomach. But others are leaning in, no holds barred. The construction leaders of tomorrow are welcoming tech adoption, alternative methods for project delivery, and other changes with open arms. They're also looking to a labor force that has historically been underrepresented as a way to alleviate the ongoing skills shortage.

Currently, women represent only 9% of the construction workforce. In the field, that statistic has an even starker contrast: For every 100 men on the jobsite, there is only one woman. However, many of the women who go to work in construction every day do so with the drive and a vision for a more diverse and more inclusive workforce.

In the following pages, we've highlighted 20 of those women. CBO's Outstanding Women in Construction drew nearly 200 nominations from industry leaders for women working in the office, in the field and everywhere in between, all over the United States and in myriad sectors of the industry.

Finalists were chosen based on their skills, leadership and management techniques, as well as their exceptional contributions to their companies, industry and communities. The women in this section represent some of the very best in the industry—each and every one is working to build a better environment for all who work in construction, regardless of gender, race or background.


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## Jessica Adame

**National Outreach Manager**
McCarthy Building Co.

**Job Must-Have:** *"I'd have to say a safety plan. How are we developing and keeping people safe? How are the foremen taking care of workers? I want everyone taken care of on our jobsites."*

When Jessica Adame left a staffing position in manufacturing to become the acquisition manager for McCarthy Building Co.'s Texas region, she was surprised to learn her new role didn't involve staffing the trades, but, rather, those in salaried positions. "I was told they deal with that on the jobsite," she said. But she made it her mission to change things, and it paid off.

In 2016, McCarthy executives approached Adame, saying, "I know we said we didn't need to pay attention to craft professionals, but we want to now." They then gave her the reins to change how the company recruits, staffs and trains the trades. The progress Adame has helped McCarthy make since then is her biggest accomplishment, she said.

"I've built a better recruiting structure and labor management process. Hiring craft professionals is no longer left to the jobsite, where craftspeople were hired for one job and fired afterward. I was able to change the recruiting and labor management processes," she said. It's an entirely new manpower system, where McCarthy really understands who its people are, where they are and where they're going next. The process has been implemented nationally, not just in Texas.

But Adame's work hasn't stopped at McCarthy's walls. She is also focused on changing the minds of those who don't see the trades as a lucrative or practical career choice and can still be convinced before they're forced to make those decisions—students. Through her program to attract a diverse group of young people to the industry, Adame visits trade schools and middle and high school students, providing hands-on activities and speaking about the careers available in construction. "They see the money you can make in construction instead of owing so much in student loans," she said. "We also have some say they were considering architecture but have decided to go into construction management or technology and work outside with their hands instead."

The most underreached population within this subset of students—girls—especially need the outreach to ever see the trades as an option, Adame says. "When people think of construction, they think of hands-on building, but there is also a lot of problem solving and relationship building involved. Women have the ability to approach problems with great communication and bring a bunch of ideas together," she said. Helping girls realize this will take creating a whole new industry culture, but Adame acknowledges that the industry has come a long way. "There is a lot of initiative and support in the industry now that wasn't there in the first couple of years after I joined," she said.

Her advice to women entering construction: "Don't question yourself. Create freely. Be assertive. Ask questions. Speak your mind. Stop yourself from overthinking. It's not important to have all of the answers, just a few great ideas."



## Rita Brown

**President**
Brown Construction Collective [BCC+]

**Job Must-Have:** *"Authenticity. The kind that allows even those at the top to recognize they're not always correct—that everyone still has something to learn."*

Rita Brown gained industry experience from the ground up, first by working at her father's company as a teen, and later by co-owning a construction company with her husband. Brown Construction Collective (BCC+) was born on this side of the Great Recession and now stands as a major contractor in the Detroit, Michigan, area. "I've had an exceptionally positive experience as a woman in construction, but I do recognize that many women have different experiences—it would be myopic to think that my experience is universal," Brown said.

It's that perspective that drove the genesis of Project Accelerate, a Detroit-based program that aims to educate women about the multifaceted opportunities in construction. "It's about making things happen for ourselves as women, and not waiting for somebody else to come along and benevolently 'empower' us," Brown said. "The word 'empower' implies women might somehow not be capable of something before being given help to get there." The free program is designed to help women in the construction industry better understand their options and build out their knowledge. It also drives education for those considering working in the trades.

While programs like this are shaping inclusion, we still have some work to do. According to Brown, there are a lot of issues that must be addressed to make the industry a more inclusive environment. "Incremental changes will help us better service our projects, and that's all we're after," she said.

Brown is involved in the Construction Equity and Inclusion Council (CEIC), dedicated to defining, spotlighting and advocating for equity and inclusion in the construction industry, and collaborating on issues of importance, with the goal to harness the power of the collective and influence policy and best practices. "It's not enough just to have a conversation—everybody's talking about inclusion," she said. "Things are changing; things have changed; and they'll change even faster in the future. And we can either help lead or drag our steel toes."



## Denise Carnahan

**Human Resources Coordinator**
T&K Roofing & Sheet Metal Company Inc.

**Job Must-Have:** *"A Pepsi on my desk at 6:30 a.m. sharp. Truly, my coworkers—having a great group of people to work with is all that matters at the end of the day."*

It takes a strong, focused person to develop and implement a program that turns the safety culture at a contracting company from one where hazards on the job are "just a cost of doing business" to one with 5 consecutive years of zero recordable cases and zero lost-time incidents.

For Denise Carnahan, it's been her greatest career achievement—but not because of the safety records and awards. And there's been a lot of those—T&K Roofing Company & Sheet Metal Company Inc. has received the Midwest Roofing Contractors Association's highest level of achievement for safety for 5 years running and the Iowa/Illinois Construction Labor and Management Council's highest-level safety award for the last 12 years. For Carnahan—who is quick to say she was only part of the equation in the company's safety revolution—it's her biggest achievement because it helps ensure every employee goes home safely at the end of the day.

"Every one of our guys has a life outside of this job. I want them to have the drive to do their jobs well and safely," Carnahan said.

She said her work surrounding T&K's safety culture has been much the same as her career in construction overall: It hasn't always been easy, but it has always been worth it. She likes to start her days early. That way, if the jobsite crews need her, they can get in touch before the day starts. She also likes to spend time on the jobsite when she has a chance. "I like to get out there with them and learn what they're doing, if possible," Carnahan said. "It also helps me develop a camaraderie with the teams in the field."

That open mind to whatever the job entails is something she thinks women have a particular affinity for, too. "Come to the job with a willingness to learn, and don't be afraid to ask questions," Carnahan said. "Construction is starved for talented workers—and there are both women and men out there who have a lot to offer when placed in the right roles. It would be a shame not to consider this industry; it's full of opportunity."



## Blue Coble

**Journeyman Ironworker/Quality Control Manager**
Local 75 Ironworkers/Derr & Gruenewald Construction

**Job Must-Have:** *"My laptop, so I can access all the codes I need on any given day."*

You know that feeling when it's time for a career change? After 10 years as a graphic designer, Blue Coble was ready for a different role. She applied to the ironworkers' union, with design as her fallback. "I fell in love," Coble said. "I loved the physical aspect and being out in the field." In fact, her entire career is a testament to her love for the industry—even though it hasn't always been a walk in the park. The good days outweigh the bad days, though, Coble said. "The positive impacts I have the ability to make on the jobsite are worth more."

The last project I worked on—at an airport—had five women on my company's team alone. I love that I can connect with other women on-site now. It's like having built-in friendships." Off the jobsite, Coble is currently working on a bachelor's degree in industrial hygiene.

She was a safety coordinator in a previous job and moved from that into quality control. She said she enjoys her role as quality control manager because it allows her to be involved in the field but also indulge her (self-proclaimed) nerdy side with all of the codes involved. Although her role doesn't look the same day in and day out, Coble says it's fascinating to be privy to how many different jobs and processes must come together to make a successful end product.

Her advice for women new to the industry? Stick it out, no matter the obstacle. "Take advantage of every opportunity you have—it's all worth it in the end," Coble said. "Women who are coming into the industry now are hungry for success. They are very aware that they are going to have hurdles, and they dive in anyway."

And as for the companies that are hiring those women? Coble doesn't hesitate to answer. "Make room for them," she said. It's as simple as that.



## Mary Patricia Geppert

**President**
Geppert Bros. Inc.

**Job Must-Have:** *"All of your necessary personal protective equipment (PPE), of course!"*

Mary Patricia Geppert has worked in the demolition industry for more than 25 years, during which she's overseen some of the largest projects in Geppert Bros. Inc.'s 95-year history. As company president, she not only oversees projects, but also manages the daily office operations, compliance, safety and claim mitigation, accounting, estimating, dispatch, and field operations.

In recent years, Geppert has played a crucial role in the National Demolition Association (NDA) in formulating and implementing its first industrywide safety manual (still in circulation today). Alongside NDA and the General Building Contractors Association (GBCA), she has also helped Philadelphia, Pennsylvania's, city council to rewrite legislature that oversees the area's demolition industry after the events of the deadly Market Street Collapse in 2013. Geppert, who now sits as the chairperson for the safety committee of the GBCA, says that while women are still in the minority in construction, they have a growing voice. "When I first began in this industry 20+ years ago, instances of seeing a fellow woman within the construction/demolition industry were truly few and far between. What I saw even less of was women working in the field as tradespeople, as opposed to administrative office workers. Those demographics are continuing to favorably shift as well, though," Geppert said.

Geppert Bros. Inc.'s motto, "Tearing down to make way for progress," also rings true for the United States construction industry itself actively making that progress. Geppert has participated in an array of massive demo projects across the skyline, including nine high-rise structures in the city of Philadelphia and, in particular, one implosion for the Pennsylvania Convention Center expansion project, which, today, still stands as the first and only implosion to take place in downtown Philadelphia.

According to the National Association of Women in Construction (NAWIC), women make up 9.1% of the U.S. construction workforce. Geppert hopes that number will rise and encourages fellow business owners to seek out women for recruitment possibilities in the continuing worker shortage. To those women joining the industry, Geppert cautions, "Expect that you will have to prove yourself. Understand that you may have to interact with some individuals who still aren't used to seeing or working with women in the industry. Don't be afraid to show them that you know what you're talking about. In time, you'll begin to change their perspective on the matter and will garner a different respect from them."



## Marilyn Grabowski

**President**
Atlantic Infra

**Job Must-Have:** *"Safety. The mindset of safety is everything. If you have good trade skills, passionate people and safety best practices, you can figure out any job."*

"My grandmother owned a residential building company in the 1960s," said Marilyn Grabowski. "As a kid, I played on foundations and picked paint with her." Still, Grabowski never thought she would go into construction. She pursued pharmaceutical sales and marketing before ultimately coming back to the industry that helped make her. "It's in my blood," she said.

When she met her husband Tommy at 40, he was working for a paving company that had no cash flow or marketing strategy. But Grabowski saw the potential. "We bought a piece of the business, and we went out and made it what it is today," she said. She's most proud of the fact that the business employs over 100 people and counting, and she knows each of them individually. "All final-round interviews are still with me," she said—just one reason the company has been able to retain what she calls a "family atmosphere."

As a woman in the construction industry, however, it isn't always smooth sailing for Grabowski. "At cocktail parties, people hear construction and immediately want to talk to Tommy." But this error hasn't stopped her; she knows what she has to offer. Grabowski says women have a great advantage in construction because they are detailed-oriented and good at multitasking, skills that lend themselves to better work in this business.

"You just have to know your work 150%. The moment you walk on the job, the men are questioning whether or not you can assist them well. I've been in this industry 18 years, and, for the first 10, many asked me to 'Please send the man to do the job,'" she said. But Grabowski is seeing some changes, specifically with more women in the civil engineering side of the industry, which she attributes to groups like the National Association of Women in Construction (NAWIC).

Still, she said, she was recently one of only a handful of women in a meeting of 100 people focused on an airport expansion. This will happen for a while. Her advice for other women in these situations: "Be friendly, persistent and assertive. Walk up and stick your hand out to shake the hands of men. But never be anything but a lady. Don't be afraid to stand out as a lady." And when it comes to this advice, she's definitely walked the walk.

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## Emily Herndon

**Marketing Director**
CT Wilson Construction Company Inc.

**Job Must-Have:** *"The drone. I had the opportunity to become an Federal Aviation Administration-certified small unmanned aircraft systems remote pilot when my boss decided to perform aerial photography in-house. It is definitely one of the coolest aspects of my job."*

After graduating with a bachelor's degree in architecture, Emily Herndon started her career in construction as a field laborer before being trained as a project manager. "While I was learning to manage projects, executive management thought my design background would be useful for assisting with the company's marketing efforts," Herndon said. After a few years, she found she was more passionate about the marketing role she was creating for herself than the project managemennt role. Today, at age 29, Herndon is CT Wilson Construction's first and only full-time marketing director, and recently received the Executive Spotlight Award for creative talent from the National Association of Women in Construction.

"There's no question the industry needs more workers, and women represent a demographic of people who have been historically underutilized. As the construction industry continues to grow and become more complex, women can leverage this opportunity to pursue various positions in the industry," Herndon said.

Having a culture that supports employee development, open communication and fairness, she said, has contributed to her success in construction. While many women have faced conflict, Herndon said she's met more resistance due to her age and position than she has for being female. "Even my younger male coworkers have struggled managing older men who have decades of experience and are resistant to someone younger than them trying to tell them how to do their job," she said.

Herndon's advice for the incoming generations is to disregard the naysayers. "Regardless of what type of prejudice you face, communication and collaboration are necessary to keep the project moving forward. Ignorant people are everywhere. Forget about them. Be willing to hear your critics, rectify your mistakes and move forward without letting it hold you back," she said. "I am valued for my mind and demeanor—not my gender—and I am indebted to the sacrifices of those who went before me to make that possible."



## Isha Kassen

**Vice Chair for Construction Leadership Council Steering Committee & Project Manager**
U.S. Engineering Company

**Job Must-Have:** *"Chapstick. I have 100 of them stashed all over the place."*

Isha Kassen has done it all in construction. "I sort of fell into construction when I was 19 or 20 and began working for a home builder. Through it, I met a friend whose family owned a mechanical contracting business. I did payroll, accounts receivable, all kinds of pieces. I was actually the front-desk girl when I started at U.S. Engineering Company," she said. Kassen has worked in a variety of settings, too—from nine-person, mom-and-pop shops to firms of over 100. From the diverse and inclusive to the not-so-much, she's nearly seen it all.

Because she didn't take the traditional 4-year college path, being approached by executives and asked to become a project manager is Kassen's greatest accomplishment in her eyes. "I can understand and appreciate everyone's role because I've been in most of them," she said. According to her, it's been an invaluable tool and the basis of her advice to women entering industry: "Don't disregard any info or anything someone is trying to teach you. It all matters, even if it doesn't seem relevant at the moment." These are words she says to Pittsburg State University's construction management students as she fills them in on their options to become mechanical contractors and general contractors, too.

On her beginnings in the industry, Kassen said, "When I was coming up through my career and I found myself on-site in the field, not only was I a woman, but I was young. And I felt like the older, more tenured field men and tradesmen would either take me under their wing and want to teach me things, understanding I was serious and taking the time to really explain processes, or they would call me 'hon' and 'babe.' You had to have thick skin to be a young woman on the project site."

But it's different now than it was 10 or 20 years ago, she says. "Sometimes, I'm the only female I see all day, but more and more, I'm seeing women in both field and office positions." One of those women, a Ford engineer Kassen met at a plant shutdown in Kansas City, Missouri, taught Kassen how to be a woman in the field by example.

"I never wanted to bring any attention to the fact that I was female," Kassen said. "This woman wore pink from head to toe—things I didn't even know you could get in pink. But no one messed with her because they knew she meant business, and she was respected." Through this woman, Kassen said she learned that you can be both feminine and powerful in a male-dominated industry—something she's clearly mastered.



## Amanda (Mandi) Richalle Kime

**Director of Safety**
Associated General Contractors of Washington

**Job Must-Have:** *"I should say personal protective equipment (PPE), but I have to say your smile. It's your brand, and it's how you connect with people. You never know who you are going to encounter on the jobsite, but a simple smile will open so many doors. And it's better than the alternative."*

For the past 12 years, Amanda (Mandi) Richalle Kime has served in a director-level position at the Associated General Contractors of America (AGC) and was the youngest person to ever fill one. Her role includes the tasks of administering the safety team program and conducting jobsite audits for contractors to help develop their safety programs. "We're like the Occupational Safety and Health Administration (OSHA) without a ticket book. If we see something missing from a program, we offer advice and resources for improvement," Kime said. "We often see people on their darkest days professionally. I'm not there to lead an investigation, but to act as support. When bad stuff happens, you want someone in your corner representing you."

Kime provides support for the disadvantaged. For years, she's played a large role in developing AGC's diversity and inclusion program. "It's about creating the kind of environment where people want to go work. We spend more time with coworkers than we do with our family. That parlays into mental health, into diversity, into inclusion … There are so many ways in which having the right culture makes it one where people want to be," she said.

For women in particular, Kime believes that having this level of support in the same way AGC has provided it to her can be the driving factor in personal success. "I wish that someone had come to me earlier in my career and said, 'You can do it all.' Unapologetically. You can be married and have kids (if that's your journey), or you can do none of that. Other people don't get to dictate to you what your potential is," Kime said. "If you're a working mom, let's face it, everyone wants you to act like you don't have a job, but then you are supposed to turn around and work like you don't have kids. You have to set appropriate boundaries and have a good balance. You can still kick ass at a lot of things."

Kime says it's not just about making the workplace better, but also improving the way we talk about construction to the next generation to ensure there's an incoming workforce. "The way we encourage folks to consider a career in construction is huge. If we all start working a little harder to see what we all might have in common, we find out that those things are connected. That connection helps us welcome people of different backgrounds and experiences, and when we do that, we get better solutions to our problems."



## Tiffany LaBruno

**Director of Professional Services**
Gafcon

**Job Must-Have:** *"Tech, of course! Specifically, Microsoft Teams and OneNote, because the tools allow me to work on multiple devices and collaborate with my team in real time."*

A woman working in construction is rare enough, but a woman working in construction technology—that's a unicorn, according to Tiffany LaBruno. She's proud to say she's not the only one out there, though. She manages a team of 10 in her role with Gafcon, and eight of them are women. After getting her start as a project administrator for a multifamily contractor in California, LaBruno went to work as a consultant with the Navy Facilities Engineering Command (NAVFAC). She helped manage the construction battalion's projects and facilities finance system for 20 years. She made the move to Gafcon 6 years ago.

Although Gafcon is software agnostic, her role is focused on helping guide the company's team managers and project owners through program implementation, life-cycle reporting, etc. She is also charged with setting standards on Gafcon projects for process optimization, requests for information (RFIs), submittals, safety reporting, building information modeling (BIM) and more. Put simply, her team goes into a fairly low-tech environment and works to generate a passion for tech usage on the jobsite.

"When you're facing the adoption of technology—especially when you are working with people who have never used tech [on that level]—being empathetic and listening to team members' fears is the only way to work toward a collaborative environment," LaBruno said. "We're still using paper and clamshell phones in this industry—it's got to change."

One big step forward? LaBruno says it's important for newcomers to the industry, as well as those not even considering it as a career path, to know that construction is not just heavy lifting. "The lack of resources in construction is really hurting us," LaBruno said. But, she says, the only way to change that is to change the perception of what the industry has to offer someone looking for a lucrative, challenging career.

On a company level, LaBruno credits Gafcon as an excellent example of what organizations should be doing. "Gafcon is a company that recognizes excellence in employees and has a clear-cut plan for promotion," she said. She advises looking to the current workforce to see underlying values and company culture. "If you're working for a company where everyone looks the same, you pretty much know that may not be a place you want to go." Last but not least, find a mentor. "Find a group to network with. The National Association of Women in Construction (NAWIC) is a great place to start."



## Sandra Lawson

**Director of Operations**
Venture Construction Group of Florida Inc.

**Job Must-Have:** *"More time in the day. There's never a dull day in my job—it is consistently busy."*

If you want to see an example of climbing the corporate ladder, look no further than Sandra Lawson. In 2005, she joined the team at Venture Construction Group of Florida Inc., which was under another name at the time, as a part-time receptionist. Over the years, she gradually learned every division of the company.

She's now approaching her fifth year as director of operations. In this role, she oversees every department of the company, including production of all projects, sales managers, multiple branches of offices, and philanthropic efforts. Managing all of that takes an organized mind and a lot of hard work, but it's a dynamic role to play, Lawson said.

"My biggest career achievement was starting off in that entry-level post and working my way up to where I am now," Lawson said. "It's part of my value system—if you're dedicated and you work hard, you will see progress. Plus, being a woman in a [predominately] male industry, it's satisfying to make it to this point."

That positive attitude, a good work ethic and attention to detail are all traits she sees in many of the women she works with, within her own company and with the trade partners she works with daily. "Women are used to multitasking, whether you're a mom or you're in an executive position at a company—or both. And we're used to listening to what's going on around us," Lawson said.

What's important to remember, though, is that everyone is on the same team, Lawson said. "Work together, instead of against each other. There's a lot of younger women in our business coming in, and I try to continually remind them of that. Keep persevering—this is a rewarding career if you do so."

Respect and responsibility are two aspects of a career in construction that, for Kabri Lehrman-Schmid anyway, have been hard-won but worthy of the challenges. Lehrman-Schmid was originally a civil engineering student, but she saw the work happening on the Pentagon renovation project and decided she wanted to be involved. "I walked up to a superintendent on-site and asked for an internship," Lehrman-Schmid said. She landed the job, and decided to pursue a career in construction. According to her, it was the best thing she could have done for herself.

Now a project superintendent, Lehrman-Schmid has been working with Hensel Phelps for more than 12 years. She's worked in both field and office management roles—Hensel Phelps expects each employee to spend time in both, and, once they reach a middle management position, decide which path they want to pursue. Lehrman-Schmid is responsible for the safety quality and coordination of all the trades on her particular jobsite. She's been in the role for 3 years, and said she loves getting to coordinate with trade partners face to face.

The role she is currently in is one she's proud of, but not because of the title. "It's because I've had to earn the respect of the people who have supported me in this position and the teams I work with on the jobsite," Lehrman-Schmid said. Because of this management role, Lehrman-Schmid feels she has a responsibility to the industry to use her platform. "Although networking events have never really been my thing, I know I have to get involved, support other women in the field and be a resource for women who want to enter the field," she said.

And that's just what she's done. Lehrman-Schmid has been a national conference speaker at events for the National Association of Women in Construction (NAWIC), the Construction Management Association of America, Procore's Groundbreaking Women in Construction, and the Associated General Contractors of America. She also serves as the NAWIC Puget Sound board director and has worked to forge many relationships with Seattle, Washington-area, women-specific construction organizations, including Sawhorse Revolution, Women Leaders in Construction and more. Her work with the Seattle-area groups has led to a leadership roundtable series for industry women in the area. She's also spoken at national conferences and is involved in work aimed at generating support for LGBTQIA+ representation in the trades and extensive volunteering efforts.

Speaking of support, Lehrman-Schmid is quick to say she has found nothing but support in her journey in construction, but notes she comes to the job willing to learn, listen and work her butt off. The challenge she currently sees in increasing female representation in construction is due to silos. "We have all these amazing organizations making progress, but often, there is no united front," she said. "By being able to connect the dots between all of these organizations working toward one common goal, we can really help each other and the industry." She urges women not to limit themselves based on their own perceptions of what the industry can offer. "There are so many different interfaces in this field. It's a people-focused industry, so if you're up for a challenge, jump in!"



## Kabri Lehrman-Schmid

**Project Superintendent**
Hensel Phelps Construction Co.

**Job Must-Have:** *"My Day-Timer leather folio. I've had the same one since I started, at the suggestion of a mentor. It allows me to make notes on projects and continually follow up. It also helps buck the idea of the field management being team members who sit on their phones all day."*



## Peggy Hogan Marker

**President**
Marker Construction Group

**Job Must-Have:** *"Purell and a sweater because I'm a germophobe and jobsites are always cold. Of course, this is in addition to a hard hat and work boots."*

To women considering careers in construction, "I say definitely go into the industry. There is a lot of opportunity here for women," Peggy Hogan Marker said. "Make the effort and learn as much as you can to be that much more successful. Be prepared—it's male-dominated. There's going to be rough language, and you will frequently be the only woman in the room. So, get comfortable with that and be assertive."

Marker grew up in her family's construction company and later married a contractor. The couple then started their own firm. "I've been blessed to have rarely run into someone who gave me a hard time by being disrespectful and dismissive because I'm a woman," she said. "I'm aware that my position makes me unique, as I'm not necessarily in the trenches. Coming from a position of power, I'm given a bit of a waiver, if you will. And I know that. There are people out there holding onto the belief that women aren't suited for the industry."

But Marker doesn't agree. "I think women are great multitaskers and highly organized—more so than their male counterpoints—particularly in management positions. And when things get heated on a jobsite, women are able to take the testosterone down a notch and resolve the issue."

But she thinks men are no less uniquely suited, and it's the job of both parties to foster inclusion and diversity. "It has to be a focus of every company. There can be zero tolerance for sexist behavior. Team members who aren't as progressive as they should be need to be educated and held to a higher standard," she said. And she's proud to work at a company that does just that. "Our company is 40% women, all of whom are smart and successful and respected."

Of being honored in CBO, Marker said, "The awards I've won are amazing and incredibly flattering. It's nice to be recognized, especially as a woman in industry. I think my daughter and her friends seeing women being recognized is powerful." But what is Marker most proud of? "My greatest achievement is not an award, but the satisfaction of seeing our company be successful and our team members thriving and excited to be here."



## Christine M. McAnney

**Vice President & General Counsel**
Balfour Beatty U.S. Civils

**Job Must-Have:** *"It's not something tangible you need; it's safety and ethics. Without them, there is no industry. We have to be honest, trustworthy experts."*

"I work with a young female engineer at Balfour Beatty, who came from our United Kingdom headquarters," said Christine M. McAnney. "One day, not long after she'd been working in the United States, she pulled me aside and said, 'In the U.K., I felt my opinions weren't valued as they are here.' And I think that's a huge step forward for the industry," said McAnney. In an industry that had no women in C-suite positions when she entered, McAnney says this is a testament to how far construction has come.

Still, she says, "There aren't even enough people in the industry, but we're missing 52% of the population—women." She's working to help change that, though. In 2008, the general counsel of granite construction at Balfour Beatty gave McAnney a list of other general counsels for large construction firms and proposed she get them together to form an industrywide ethics and compliance initiative. The Construction Industry Ethics and Compliance Initiative (CIECI) was born.

CIECI has grown from 11 to 44 members, all focusing on greater inclusivity and diversity. "It's been nice to see the influx of women and industry groups for women," McAnney said, noting that she used to sit in boardrooms with mainly white, male men. "But they, too, want to add more diversity," she said. "They know women can do it."

But it's more than a case of women simply being able to do the work. They can do it well and bring a unique skill set. "I think women solve problems with a different mindset than men. Construction isn't about making widgets or sitting in manufacturing and pushing a button for identical outputs. The industry will benefit from a different view. And the more diversity you have, the more mindsets and better outcomes you'll have."

And it seems she's changing minds in the field, too. "I worked with very old construction guys when I first came in," she said. "On the first day, one of them told me he didn't like lawyers, and I told him I was sure he would come to like me. Many years later, when he retired, that same man told my boss that hiring me was the best thing Balfour Beatty ever did."



## Vicki O'Leary

**General Organizer**
Ironworkers International

**Job Must-Have:** *"An open mind. Stay humble, keep learning and try new things. Work through your fears and know when to choose your battles. That—and a good pair of work boots."*

For Vicki O'Leary, a career in the trades all started with a bet. Her brother and father were both ironworkers, and following a discussion over the dinner table, O'Leary set out—with her mother's blessing—to prove that she was just as capable of doing iron work as her brother.

Thirty-four years later, O'Leary has a long list of accomplishments under her belt as an ironworker, including serving as the chairwoman of the North American Building Trades Union's Tradeswomen's Committee (NABTU); instituting a groundbreaking paid maternity leave program (6 months pre-delivery and 6 to 8 weeks postpartum paid leave) for female ironworkers; and the Ironworkers International (IW) "Be That One Guy" program aimed at fighting workplace harassment on an individual level. This year, O'Leary won Engineering News Record's 2019 Award of Excellence for her work to create a more inclusive industry. When O'Leary lists her greatest accomplishments, though, becoming a journeywoman and being the first woman working for IW are among them.

"I'm not going to pretend it was easy, because it wasn't," O'Leary said. "The best ironworkers aren't the strongest ones, though even the strongest ones will get broken down in this trade. Women in construction should rely on their mental strength over their physical strength whenever possible. I mean, come on, we can have a baby without drugs. We can do this." According to O'Leary, that mental strength is something that her female peers in the industry use to their advantage. "The women I know are incredible problem-solvers. They don't always assume they know how to do something, but they use their brains," she said.

O'Leary has made it a lifelong focus in her career to advocate for an industry that is more inclusive, and her advice is two-fold, including what you can do as an individual and why you need a community around you: Attempt to be that one guy—or woman—on the job that speaks up for positive change on your team. But don't go it alone. "The industry will only change when the people working in it demand change. Advocate for diversity in supervision and instructors. Recruit more women and minorities. Listen to other women, minorities and LGBTQ working groups. We're all stronger together."



## Guiomar Obregon

**Chief Executive Officer**
Precision 2000 Inc. (P2K)

**Job Must-Have:** *"A challenge—projects out of our team's comfort zone give us a chance to show our potential."*

Starting, growing and running a successful business is a difficult feat for anyone. For Guiomar Obregon, it's a challenge she was and still is all too ready to take on. She and her husband started their civil construction contracting company, Precision 2000 Inc. (P2K), in 1998. The couple, both civil engineers, saw a need for more minority-owned companies and an opportunity for growth through ongoing construction work at Atlanta, Georgia's Hartsfield-Jackson International Airport.

While Obregon was more than qualified for the job (she holds a bachelor's degree in civil engineering and master's degrees in civil engineering, business administration and finance), she said she was forced to learn on the job for many years.

Twenty-one years later, P2K is a midsize company competing with a number of larger, more established companies for work. Obregon said it is often challenging to win bids when going up against larger competitors, but challenges are something P2K is well-versed in handling. "Over the course of the company, we've had to overcome many obstacles. My best achievement has been leading the company through those difficult times," Obregon said. "We've learned many lessons from them—how to be efficient, how to be flexible, and how to navigate any issue that comes our way. We've come to see challenges as opportunities in hiding."

And as a woman working in construction, Obregon sees an environment ripe with opportunity. "We are so few, so there is lots of room for growth. We have to make a concerted effort to increase representation at all levels," she said. Obregon voiced optimism that the industry is on the right track toward making this a reality but still has lots of work to do.

"From recruitment to retention, we have to make the industry more open to women, and there needs to be a stronger support system in place for women who are already in the industry," Obregon said. "This includes greater accessibility to mentors and those looking to mentor. We currently work reactively where women in the industry are concerned, but we should be preparing them for the potential challenges that lay ahead." After all, those challenges aren't necessarily challenges—just opportunities for growth.



## Debbie Michelle Rodriguez

**President/Owner**
Competitive Edge Partners & Consulting LLC

**Job Must-Have:** *"My 'iBuild' armband—it's construction orange, and it ties all my worlds together."*

Debbie Michelle Rodriguez is no stranger to the industry and its fluctuations. In her 21 years in construction, she's worked in day labor, human resources and as chief operations officer of her own consulting firm, which she began in 2008. In 2013, however, she tired of traveling and longed to make a community impact through the industry she loves so much. Thus, Rodriguez founded iBuild Central Florida, a nonprofit focused on eradicating the public stigma attached to construction and trade positions, and helping young adults realize the validity of those career paths—a feat Rodriguez said is her greatest achievement.

"In the area, we have a huge influx of Venezuelans escaping communism, which I experienced through my own parents' immigration from Cuba. Now I get to help these people. We're teaching them how to be carpenters, plumbers and electricians. We teach them English, as well, and because I'm fluent in Spanish, it's easy for me. These people go on to make good money," she said. And nothing makes Rodriguez happier. "I had a full ride to go to college, and I just wasn't college material," she said. "I respond, 'the school of hard knocks,' when I'm asked where I went to college."

Any challenges Rodriguez has faced as a woman in the industry have only served to propel her forward, rather than hold her back. "People can sit back and take challenges, or they can make those challenges into something. I am Hispanic and a woman, and still I walk around and do everything I should. You deal with what you allow. Sure, people have made sideways comments to me, but at the end of the day, it's how you respond that matters," she said.

Rodriguez encourages others to "embrace being a woman in this industry," too. The temp staffing she does at her company is some of the hardest work, especially as a woman, because people think it's where failures go to find employment. But it's in that work she most clearly sees the real value of women in construction.

"By teaching women trades, you take away barriers for them, and it has been so much more effective than teaching men," she said. "Women hold the world together. And now people are starting to realize that because we are making time to stand up for ourselves. We're finally realizing our value, too."



## Julie Schafer

**Project Manager**
Aurora Builders Inc.

**Job Must-Have:** *"Builder Trend software on my iPad—it's impressive and essential. Mostly for residential builders, it houses project information and connects owners with subcontractors, with updates in real time. Subs can work in it and immediately see the building schedule and any updates."*

Eighteen years ago, Julie Schafer joined Aurora Builders Inc., where she is now a project manager. She left the company during the Great Recession and joined Community Connections, a nonprofit for homeless women and children. She returned to Aurora after 5 years, but brought with her the determination and passion for the education of young women. A point of pride for Schafer is the science, technology, engineering and mathematics (STEM) program she created in participation with Girls Inc., a nonprofit organization with the central goal of empowering and inspiring girls and young women.

The Girls Inc. STEM program provides year-round, after-school programming, weekend activities and experiences that expand upon and support girls' STEM learning and engagement. Through hands-on activities, girls can explore, ask questions, persist and solve problems. By interacting with women and men pursuing STEM careers, girls can come to view these careers as exciting and realistic options for themselves and they get the chance to see how STEM makes the world a better place.

"We connect with local community leaders who specialize in [STEM] projects to talk to the girls about what they do day to day," Schafer said. "The Girls Inc. program has since received a $100,000 grant to build a high school and middle school, and we intend to follow them and hook them up with a nonprofit here called Builders Care to build ramps for those in wheelchairs."

Schafer's drive for education extends to the professional level as well. She is a participating member of local home builders associations and sits on the council of the NAHB Professional Women in Building, whose goal, she said, matches her drive for education. "The council decides how to provide ongoing education to female employees and how to reach younger women. We have to help women network with the right people and get them to the next level. And that starts with business owners," Schafer said. On the jobsite, Schafer says people still sometimes assume she's the homeowner, rather than the PM. But that only fuels her passion.

Schafer's advice for women entering the industry and those looking to advance the cause? Get girls into the trades early. "I can't express how important field time is for them. The more you're out in the field, the more you know," she said—experience Schafer gained firsthand. "Empathy, which is not necessarily always present on the jobsite, is what makes compromises work, and women have that in spades. You can't work outside of the box without empathy." Schafer also said that communication—the ability to read a situation and not automatically thinking you know best—is also a crucial component to success.



## Elizabeth Vereen Sisson

**Owner/Operator**
Grand Strand Builders LLC

**Job Must-Have:** *"My DeWalt tape measure. My guys always steal it, so I keep it under my car seat."*

"There are no women in construction. Go do something else." That's what Elizabeth Sisson's father told her when she called home during her senior year at college and said she wanted to come home to work for him at his construction company. So, instead, she graduated and practiced environmental law for 6 years before coming back to work at the family firm anyway. When her father retired in 2009, she opened her own construction company, Grand Strand Builders LLC.

To help other young women avoid the same career detour, Sisson said, "industry associations will have to reach out to women purposely. It will take focusing on trades in high schools and encouraging girls to take part."

As for what makes women so well-suited for work in the industry, she said, "[Some] men will just throw something up without thinking of its functionality in the end. Women seem to naturally think more creatively." Still, though, the industry has come a long way, Sisson knows a place won't be made for women easily or organically. When asked how she dealt with the barrier to entry, she said, "My mother raised me to very independent, vocal and secure in my abilities. So, I don't let men make me feel like I'm less. I do get the occasional person not realizing I'm the contractor, or assuming I'm not." But she deals with it by being assertive and proving her abilities—something she's proud of.

She's also proud of her company. "What we like to brag about the most is that we are not the cheapest out there because we want to build things right the first time," she said. "I don't have clients call me back because things broke or don't work anymore. You can get cheaper [contractors] than us, but those contractors are probably going to cut corners, and you're going to lose in the long run. I'm most proud of the fact that we don't have callbacks. Our goal is to always do it right the first time."



## Jamie Vanek

**Vice President**
Valor Construction Group, a TST Company

**Job Must-Have:** *"The right team—100%. Your environment and the people you work with will make or break your experience in construction."*

Fifteen years ago, Jamie Vanek was an elementary art teacher in Pennsylvania. When she and her husband relocated to Virginia, she decided it was time to take a leap. She was initially placed as a temporary employee with a federal construction company in 2007. That grew into a full-time position as a project manager's assistant—her introduction to project management in federal construction. Vanek credits employers who didn't hesitate to force her out of her comfort zone as one of the biggest reasons she is in her current role as vice president at Valor Construction group.

"These days, we see more women who start their construction path in the field. But many women start in the office, and it's difficult to break free from that," Vanek said. For her, breaking out of her administrative role took a lot of hard work and self-education. When she went to work for TST in 2013, she started in an administrative role but moved to project management shortly thereafter.

Almost 7 years later, she has worked in a variety of roles for the company, including multiple roles in project management and, just prior to her current role, joint venture program manager. That last role had quite the learning curve, too. "When you're managing a project, it's very linear. Managing an overall team requires keeping track of a lot of moving parts," Vanek said.

In the midst of role changes, Vanek was diagnosed with cancer, and finding a balance between her work and her personal life is one of her greatest achievements to date, she said. "It was important to me that I maintained my workload while I was undergoing treatment to maintain a sense of normalcy and keep my mind and body active." One of the projects during that period was a $4.5 million build. It received a safety award and an industrial excellence award from the Associated Builders and Contractors of America.

Through it all, she's worked hard to continue educating herself. It's something she recommends for anyone in the industry, no matter your gender. First, do your homework, and second, find a mentor, Vanek says. "It doesn't have to be a woman, either. My mentors have been men, and they have been incredibly helpful to my career."

Vanek is not quiet about her aversion to being pigeonholed into one position. She said one important step toward building a more inclusive industry is staying away from that. Vanek warned against assuming based on someone's background, gender, race or current role that they would be best suited in any one job. They may not have had the chance to get exposure or educate themselves about the opportunities available.




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# HOW TO MINIMIZE FINANCIAL RISK IN AN UNCERTAIN ECONOMIC CLIMATE

While the domestic and international economies still appear to be moving along nicely, there is likely hesitation to admit some type of recessionary activity is on the horizon. Political uncertainty, trade tariffs, a lack of inflation and a very unpredictable interest rate environment have caused trepidation for celebration and provided at least the backdrop for a certain level of caution. Concerns over an economic pull-back may be making some contractors nervous, but most are simply too busy with day-to-day operations, labor shortages, material price fluctuations and job completion issues to really worry.

However, now is the time for company leadership to work on their financial disaster plan and ensure there is a strategy in place to address a potential softening in the construction economy. The findings discussed at a recent Dodge Data & Analytics Outlook conference made some solid predictions about the stagnation of the United States economy and related construction spending. The reported data reflected relatively flat construction starts of approximately $800 billion in 2019, compared to a similar level in 2018. While the report itself is not necessarily cause for concern, it may be indicative of the construction economy leveling off.

Currently, the financial markets, including banks and surety firms, continue to extend significant credit to financially sound construction firms, while lesser firms have seen a significant tightening in credit approval. With a somewhat booming economy, contractors have been enjoying the benefits of significant backlogs, healthy job margins, tax-cut enhancements, and improved profitability and cash flow. But, with this level of success comes risks—what goes up must come down. With these conflicting factors at play, construction firms are trying to identify ways to protect the financial stability of their businesses.

## WHERE TO START

The best plan of attack in this economic expansion may be to make your construction company as recession-proof as possible and to protect what you have built since the last recession. The lessons learned and financial distress indicators developed in the last downturn should provide some sound data points to assist in preparing for the turbulence that is eventually coming.

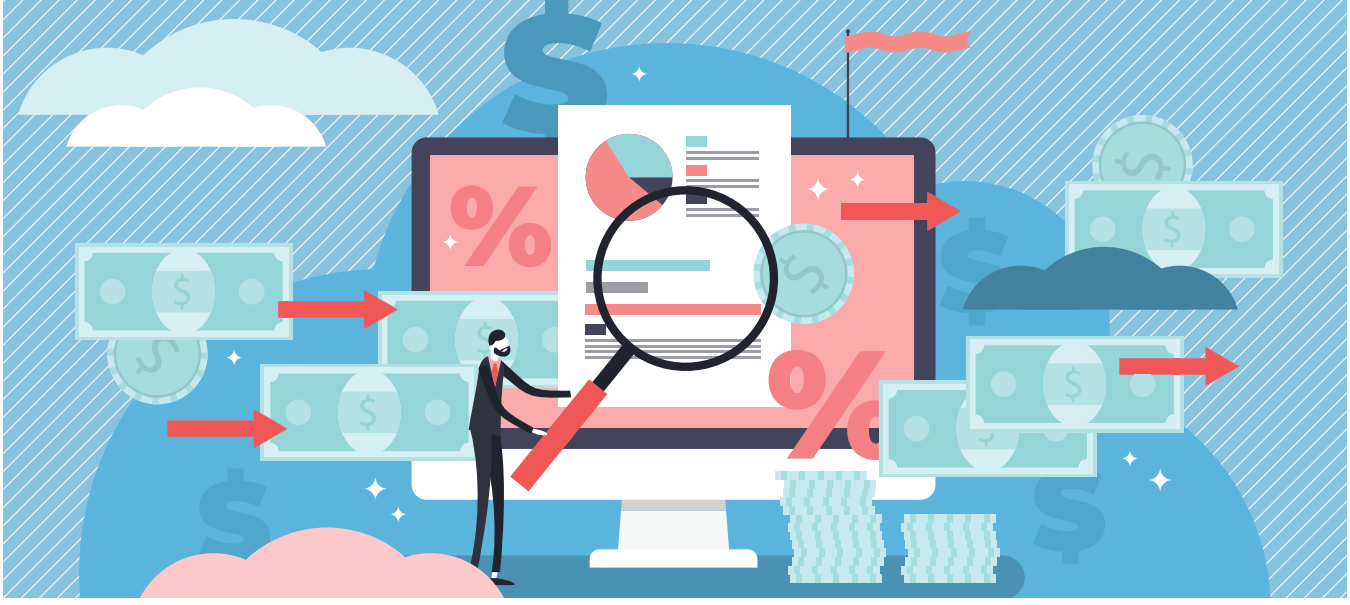
With these lessons in mind, there are five fundamental areas for construction executives to focus on during a strategic review of the company's operations and the development of a plan for what-if scenarios:

1. Develop a list of potential employee reductions for lesser performing workers at the field, operations and administrative levels, as well as any related employee benefits that may be evaluated for modification.
2. Establish a detailed financial plan to assess significant operating costs and identify potential areas you can target for reduction in a down economy.
3. Ensure your backlog includes solid construction contracts with predictable and profitable margins, and that there is limited exposure to significant profit fade.
4. Secure financing that provides long-term credit capacity, such as a 2- or 3-year bank commitment on the company's line of credit, and begin to develop relationships with alternative lenders and surety firms to develop Plan B financial relationships.
5. Maintain a financially sound balance sheet during the good times, and do not remove excess capital from the business for owner compensation. Cash has been and will always be king, regardless of the stability of the construction economy.

## HOW TO ASSESS FINANCIAL DISTRESS

It is critically important for construction leaders to understand how to properly deal with a potentially problematic financial situation and understand the key indicators of distress. While it may seem obvious to measure financial distress by a lack of cash to operate the business, there are many warning signs that may be present before the financial storm actually hits.

The five telltale signs of looming financial distress that every construction company should look out for are:



1. Fading margins and an inability to complete work within budget, causing cost overruns to become prevalent and losses on jobs to begin showing up
2. Inability to consistently secure enough work to generate an adequate backlog to protect current and future balance sheet financial stability
3. Difficulty generating the cash flow needed to fund basic operating costs like payroll, payroll taxes, union benefits, health insurance, etc., as well as a significant increase in vendor collection calls
4. A balance sheet showing signs of a financial instability, such as minimal working capital, limited cash reserves, deteriorating equity and limited ability to borrow on a bank line of credit
5. Inability to secure bid bonds and performance bonds on a consistent basis

## WHAT TO DO NEXT

If a construction company finds itself in a financially distressed situation, it is important to chart a proper course of action to address the issues at hand. First, evaluate the degree of the financial distress. If the situation is not lethal, determine how the financial distress and operations can be effectively resolved. Once a determination has been made, the company will need to prepare a complete and accurate statement of its financial situation. Executive leadership, along with exceptionally proficient financial consultants, will certainly need to be in place to address the fundamental operating and financial issues.

In an economic downturn, leadership must be able to reflect an accurate balance sheet and financial position, and accurately report contract accounts receivable, percentage of completion accounts, contract accounts payable, and final estimated realization of any outstanding disputed change orders and claims. This particular step allows for the company and its advisors to address the reality of the situation and not have a balance sheet cluttered with numbers that are meaningless and will not convert to cash.

During a recession, leadership, along with expert financial consultants, will review all operating costs, including payroll, rent, family perks, insurance and other expenses to determine which expenses will be reduced as part of the monthly operating plan.

From there, a detailed review of the company's real estate and equipment holdings should be performed in order to determine if any liquidation is needed. If the carrying costs of the building, including debt service, are too high, then sell the building. If certain pieces of equipment are no longer necessary, sell the equipment. Cost reductions, real estate liquidations and excess equipment liquidation will relieve cash-flow strain and allow related bank debt to be reduced.

As the financial crisis plan nears finalization and all major financial matters have been fully addressed, leadership will need to present the plan to the bank and bonding company. It is critical during a pending crisis situation to provide accurate, credible and timely information to key financial partners and to foster open, frequent dialogue. The company will need to manage the plan and work with its financial advisor on a monthly basis to determine the plan's level of success and any potential opportunities to improve the plan or reassess the course of action. As with any financially distressful situation, there are no guarantees of success, but if leadership can develop a well-thought-out financial plan, there is a greater likelihood of a successful outcome.

Remember: Success is measured in many ways. For some, it's improving operations until the business continues to thrive, regardless of the economy. For others, success is limiting the financial hardship caused to family members, banks, surety companies and employees. But for many owners, success is simply a clean scale-down of the business in which the vendors, bank and bonding company all come out unscathed. CBO

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**RISK:** A Closer Look Between the Lines | By Matthew Lakind

# 3 KEY EXCLUSIONS HIDDEN IN MANY STANDARD CONSTRUCTION INSURANCE POLICIES

Many contractors, subcontractors and developers believe the purpose of having commercial general liability (CGL) insurance policies is to cover injuries to workers on-site or defective work causing property damage to the construction itself. But they do not realize that there are perhaps dozens of exclusions buried in the hundreds of pages of these CGL insurance policies that allow an insurance company to deny coverage for these claims.

Depending on the type of claim against a contractor or developer, there are three key exclusions in many insurance policies that every claimant, contractor, developer and their attorneys should be aware of: the Your Work exclusion, the Exterior Insulation and Finish System (EIFS) exclusion and the Employer's Liability exclusion.

## 1. YOUR WORK EXCLUSION

The Your Work exclusion is perhaps the most common exclusion relied upon by insurance companies to deny coverage for damages caused by a contractor's (or subcontractor's) defective work. It essentially states that the insurance company will not cover property damage to "your work" that is caused by "your [defective] work."

For example, if a roofing contractor fails to install a roof according to plan and the roof leaks, the insurance company will not cover the costs to repair the defects in the roof. If the roof leaks cause damage to other work also performed by that roofing contractor, the insurance company will not cover the costs to repair that damage either. Typically, insurance companies will only cover damage to "other property," or other work that was not performed by the roofing contractor. So, if a roof defect resulted in a leak, causing water damage to the framing of a building or a condominium unit, these damages would be covered by insurance, but the costs to repair the defects in the roof itself will not.

For general contractors, all of the work is considered their own, and thus, all work falls under the Your Work exclusion in their CGL policy. However, there are exceptions to this. For general contractors, the most important is the "subcontractor exception," which states that the Your Work exclusion does not apply if the work out of which the damage arose was performed "on your behalf by a subcontractor."

Continuing with the aforementioned example, if a roofing subcontractor fails to perform and the roof leaks, the general contractor's CGL policy should cover any water damage to work performed by other subcontractors on the project, such as the framer's work. So, even though both the framing and the roofing fall under the umbrella of the general contractor's work, the subcontractor exception requires the insurance company to provide insurance coverage to repair damages that may occur to one subcontractor's work (e.g., the framer's work) as a result of the negligence of another subcontractor (e.g., the roofer).

Note, however, that the costs to repair the actual defective work will never be covered. Only the costs to repair the resulting damage will be covered by insurance.

It is important for contractors, subcontractors and developers to review their CGL policies with their insurance professionals and ensure that those policies include the "subcontractor exception" to the Your Work exclusion. These exceptions can be used by property owners to argue in favor of insurance coverage for their losses, and by



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contractors who need their insurance carriers to provide counsel at no additional cost and to ultimately cover the costs of repairing any resulting property damage.

### 2. EIFS EXCLUSION

The EIFS exclusion is highly consequential on any project where EIFS is present, which is defined as a "non-load-bearing, exterior wall cladding system that consists of an insulation board attached either adhesively or mechanically, or both, to the substrate; an integrally reinforced base coat; and a textured protective finish coat" by the EIFS Industry Members Association.

The EIFS exclusion states that there is no coverage for bodily injury or property damage "arising directly or indirectly" out of "your EIFS product" or "your EIFS work." The EIFS exclusion may be incredibly broad, perhaps to the point of making the entire insurance policy coverage itself illusory an unenforceable, but this is because it appears to exclude coverage for any property damage or bodily injury occurring at any property where EIFS may have been installed anywhere on the building.

Thus, if there is EIFS on any "exterior component, fixture or feature of any structure" where property damage or bodily injury resulted from an accident or defective work, coverage for such damage may be denied based on the EIFS exclusion.

If a large building has a leaking roof, insurance coverage for the damages caused by that leaking roof may be excluded because EIFS is found somewhere else on the structure. It may not matter that the EIFS itself has nothing to do with the defective work or resulting damage. While this interpretation of the EIFS exclusion may be so broad as to render the insurance policy itself illusory, this proposition has not been fully tested in New Jersey's courts. In contrast, a Florida District Court has found that the EIFS exclusion, when applied to exclude coverage for unrelated property damage, is illusory.

There is a very real prospect that if bodily injury or property damage is suffered on a property where EIFS has been installed, the exclusion could preclude insurance coverage for damages resulting from that accident, even if the EIFS installation itself had nothing to do with the accident. The easiest way to protect contractors and developers from this exclusion is to ensure that they do not purchase any insurance containing this clause.

On top of this, the development team, including the architect, must ensure that the term EIFS is only used if EIFS in fact appears somewhere on the construction project. Decorative EIFS may not qualify as EIFS since it may not be installed for the purpose of insulation. If that is the case, referring to decorative EIFS as "EIFS" in any design documents will increase the likelihood that an insurance carrier will deny coverage based on the EIFS exclusion.

Eventually, the EIFS exclusion will have to make its way through various state court challenges, and those courts will have to decide whether such a broad exclusion is enforceable. Short of that, property owners, developers, and general contractors must either purchase coverage without the EIFS exclusion or refrain from using the product on their construction projects.

### 3. EMPLOYER'S LIABILITY EXCLUSION

The third exclusion injured workers, contractors and property owners must be aware of is the Employer's Liability exclusion, which precludes coverage for any bodily injury suffered by an employee, subcontractor, independent contractor, employee of an independent contractor, temporary worker, leased worker or volunteer worker on a construction project. There may be serious consequences for a host of entities involved in a project if a worker is injured on the construction site.

Typically, if a worker suffers an injury at a construction site, the employer has worker's compensation insurance that insures the injured worker, providing coverage for medical treatment and/or disability payments, regardless of fault. In exchange, the injured worker is generally barred from suing his employer for those injuries. However, that injured employee may still sue any other third party they believe was negligent and caused his or her injuries.

For example, if an employee of Roofing Contractor LLC is injured while working, that employee can obtain worker's compensation insurance coverage for their injuries through Roofing Contractor LLC but cannot sue this employer absent some applicable extenuating circumstances. However, if that subcontractor's employee believes the general contractor, property owner or developer was negligent and contributed to the cause of the accident, the injured employee can sue those entities for money damages in addition to whatever the employee received from worker's compensation insurance (subject to any subrogation rights of the worker compensation insurance carrier).

If an owner, general contractor, subcontractor, construction manager or developer has the Employer's Liability exclusion in their insurance policy, it is unlikely their insurance carrier will provide coverage for the damages claimed by the injured worker, and any damages and defense costs would have to be paid out of the company's own pocket. Not all insurance policies contain this exclusion, and it is crucial that any company (in construction or not) reviews their own insurance policy to determine if this exclusion applies to their business dealings. CBO

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*Matthew Lakind is an associate at Tesser & Cohen, focusing on construction law, including construction defect litigation, Consumer Fraud Act claims, equitable adjustment/delay claims and insurance issues related to construction, construction lien law, public bid protests, professional malpractice claims involving design professionals, and negligence/tort claims arising out of construction projects. Lakind also drafts and negotiates contracts for a wide array of construction projects, including large public and commercial projects, solar power installations under Master Service Agreements, and residential contracts. Visit tessercohen.com.*



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# 5 Ways to Minimize Jobsite Distractions

## How to monitor at-risk operator behavior & prevent accidents

BY AARON KLEINGARTNER

Experiencing distractions while operating construction equipment, such as excavators or wheel loaders, may not be as prevalent as while driving a car or truck, but they are something that every company needs to address with its employees. Distractions are everywhere—you don't have to look very far from your office or the cab of your machine to find ways to be distracted.

With most adults today carrying a connected smartphone in their pockets, the opportunities for distraction are endless (and tempting). Think about how often your phone dings or buzzes with incoming calls or texts, push notifications from apps, score updates from your favorite sports team, etc. Time spent checking your device can quickly build from seconds to minutes.

Of course, our phones aren't the only factor at fault for operator distractions—there are many other influences playing contributing parts. Are your operators under pressure to meet production goals? Yes, everyone needs goals, but are yours realistic? When setting deadlines, are your operators and their health and safety top of mind?

During the busy construction season, how frequently are your operators eating and drinking in the cab? Something as simple as eating a snack can turn into a tragic accident if the operator isn't paying attention to his or her surroundings.



Are your operators tired or stressed? Both of these factors can contribute to a higher rate of accidents. What steps are you taking to help ensure your company's employees have opportunities to relieve stress at work? Are you giving your operators ample opportunities to rest and rehydrate throughout the day?

Complacency is another leading cause of accidents at jobsites. How many of your operators become complacent with their tasks, then get distracted and don't pay attention to what they're doing? Are your operators overconfident about their abilities to perform their tasks?

### RISKS

The statistics about distracted driving are alarming. According to donttextdrive.com, using a cellphone while driving can be up to six times more dangerous than operating a vehicle while intoxicated, as writing or reading a text message takes your eyes off the road for an average of 5 seconds. At 55 mph, that's like driving the length of a football field blindfolded,

according to distraction.gov. Imagine your operator under the influence of drugs or alcohol. Then, imagine those effects multiplied. What might happen?

A lot can happen in 5 seconds, but there is much you can do to overcome these jobsite safety challenges.

### 1. PERFORM SITE INSPECTIONS

Be mindful of your jobsite, equipment, workers and the environment. If you can, meet with your operators (or ask a superintendent to meet with them) before your crew starts work every day. Walk around the jobsite to identify anything that may have changed since the day before, looking for potential challenges. Then provide advice on how to avoid them.

Are underground utilities clearly marked? If not, be sure to call 811 or your local underground service identifier. If the lines were marked but were later covered by dirt, remark them and make sure your operators know where the underground utilities are buried.

In addition to daily machine maintenance, look for any excessive machine wear that may contribute to unsafe operation. Work with mechanics to repair issues immediately or contact your local dealership's service department. More than likely, the dealer can dispatch a service technician to make the repairs at your jobsite and get you back to work.

Be aware of low-light times of the day, such as early morning and late evening, when visibility may be hindered. Use proper lighting on machines or bring in supplemental lighting, such as light towers, to properly illuminate your jobsite.

### 2. GIVE SAFETY BRIEFINGS

If your company does an annual safety briefing, that's a good start. Consider increasing the frequency to weekly. Remind operators about the importance of their work and doing everything they can to avoid distractions. Point out safety decals on the machines to remind operators about proper operation. Follow the recommended service intervals listed in the operation and maintenance manual and follow the proper machine maintenance to ensure your equipment is working as it should be.

Use safety briefings to inspect personal protective equipment (PPE). Does every operator have what he or she needs that day? If not, does your company stock extra items on-site? As an incentive, provide rewards for employees who show up with the proper PPE, as well as incentives to employees who follow safety standards. Encourage workers to come forward if they see someone doing something unsafe and being a risk to others.





Circle 101 on index.

### 3. PROVIDE BREAKS

Give operators an opportunity throughout the day to take short breaks. They don't have to be 15-minute breaks, but you should give operators a chance to get out of the cab and walk around. They can use the time to stretch before climbing back in the cab. It's also a good opportunity for them to drink water and eat a snack, and follow up on calls and texts. Some companies have banned cell phone use by operators in the cab. Do you have a policy? If so, are you enforcing it?

### 4. PROMOTE WELLNESS

According to Carol Keyes, co-owner of the consulting company Complete Health, Environmental and Safety Services Inc., "If workers are healthier and feeling better, they tend to handle on-the-job stress better and will stay more focused on the risks of the job."

What type of wellness program does your company offer? Do you offer opportunities for employees to perform physical and mental wellness activities? More and more companies are providing these services because the upside is tremendous—when operators bring a positive attitude to the jobsite, they're more likely to pay attention to their work and help reduce the risk of an accident.

### 5. USE MACHINE CAMERAS

Many of today's machines come standard with a rearview camera. Sideview cameras may be offered as an option for some earthmoving machines. Put these to use to help operators increase overall visibility.

Chad Cecil, a project manager for Native Environmental LLC in Phoenix, Arizona, says the cameras make a big impact for his operators when they're using excavators and wheel loaders, particularly when they are performing work in tight quarters. "You can see where your tail swing is coming, and it helps minimize damage to the equipment because you can see how clear you are for your tail swing," he said.

Distractions will always be a threat to construction equipment operators, but you can take steps to eliminate on-the-job injuries by taking distractions more seriously, implementing steps to curb them and rewarding those who do. CBO

*Aaron Kleingartner is the marketing manager for Doosan Infracore North America LLC, headquartered in Suwanee, Georgia. Kleingartner has 17 years of product development, analytics and strategic marketing experience with Doosan. Visit doosanequipment.com.*



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# Waging War Against Winter

## How software can help your fleet survive & thrive in colder conditions

BY ERIN CAVE

Winter is coming, but construction work stops for no season. While there is only so much construction professionals can do to prepare for frozen ground and rising fuel costs, fleet managers can start planning to keep equipment and teams ready before the first snowfall.

With increased exposure to the elements, it is important for fleet managers to be on top of vehicle health, the safety of drivers and the location of all their assets. Advanced fleet management software can help construction companies of all sizes keep fleets in check, safeguard teams and improve the bottom line during winter.



### BREAKDOWNS

In March 2018, the nor'easter Winter Storm Riley was initially only forecasted to be a rain event. Then heavy, wet snow and powerful winds (50 to 70 mph) hit several states along the East Coast. Devastation spread to homes just as quickly as the forecast changed. According to the Federal Motor Carrier Safety Administration (FMCSA), more than 230,000 families in New Jersey lost power within the first day of the storm.

Needless to say, it is best to be more than prepared and ready for anything—especially for fleet managers with jobs to fill and drivers to keep safe. And one way fleet managers can rest easier when winter weather approaches is with an updated understanding of fleet maintenance levels.

Beyond manual checks to brakes, the battery and tires, advanced fleet management software equipped with GPS tracking can monitor fuel usage and mileage, indicating how long a vehicle has been in service and alerting fleet managers when maintenance is needed or upcoming.

Then, using data as a guide, managers can quickly make a call on the health and safety of a vehicle. This not only helps boost equipment productivity, but also prevents future failures.

### SAFE DRIVING

It is also essential to educate truck drivers ahead of winter, when road conditions worsen. According to the FMCSA, speeding is a major factor in many trucking accidents, and with winter weather imminent, drivers may make reckless decisions if safe driving is not a core company priority.

Fleet management software not only tracks vehicle health and maintenance, but also harsh braking and acceleration, speeding versus the posted speed limit, and seat belt utilization within vehicles. This data can be used to rate and track individual driving habits and empower fleet managers with the information to coach their employees through specific risky driving behavior, making drivers more adept at maneuvering dangerous roads.

## VISIBILITY

The modern fleet manager handles vehicle logistics and dispatches jobs to mobile teams. However, for managers in the construction industry, these requirements take on a new meaning in winter. Even when ice and snow line the streets, construction work continues. As such, construction workers on the go rely on their fleet manager to play the role of both day-to-day manager and meteorologist.

This is where fleet management software's GPS tracking can make a difference by providing near real-time location data. In the case of a winter storm, GPS tracking allows fleet managers to make quick decisions about alternative routes and alert drivers of incoming weather conditions.

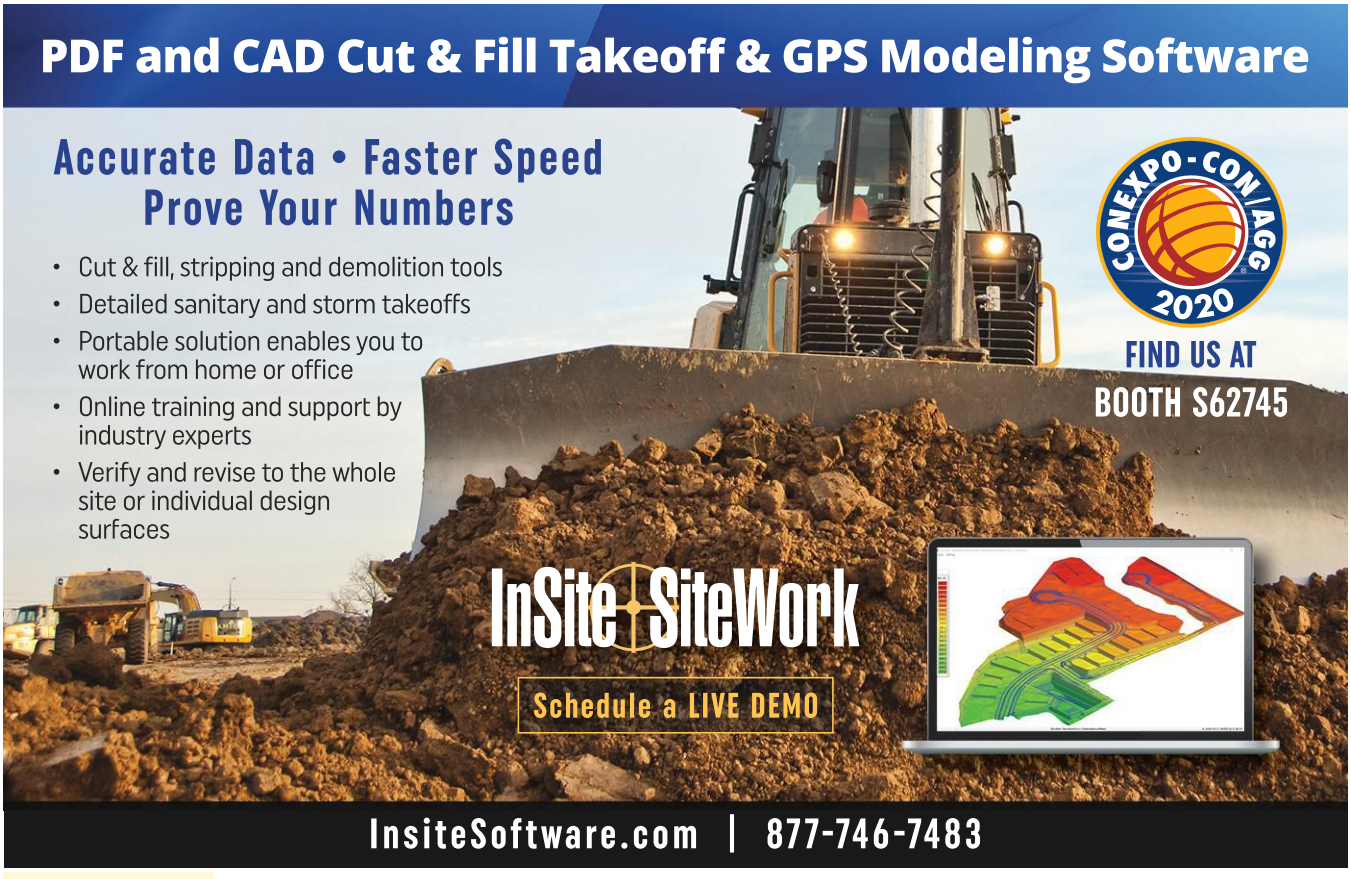
## RESPONSE & RECOVERY

Fleet management software is also helping the recovery efforts of first responders and relief organizations after a storm. Construction companies can be contracted for recovery and restoration efforts after a winter storm and must work in tandem with other organizations to coordinate resources, repair downed infrastructure and help members of the community. This work, in large part, requires location data. Understanding the real location of vehicles and trucks and a specific dispatch location is critically important when private businesses, local- and federal-level agencies work together.

Knowing that a vehicle or truck has reached its recovery effort location is necessary—sometimes bad actors can take advantage of vulnerable instances and accuse responders of not being on the scene. Fleet management software's GPS tracking can exonerate drivers and businesses through location and time history, underpinning the exchange of vital data between outside service providers and agencies to aid in the recovery efforts within a community. CBO

*Erin Cave is vice president of product management at Verizon Connect, where she leads an innovative, global product team responsible for creating and delivering solutions to connected customers around the world. Visit verizonconnect.com.*






Circle 113 on index.

# Frost Fight

## The safety boot features workers need to survive the cold, wet months

BY ROBIN SKILLINGS

The autumn leaves have hit the ground. Frost is starting to cover the grass. Fall is in full swing, and winter is on its way. While most construction business owners and contractors will worry about extremely cold temperatures and the effects on scheduled jobs, hypothermia and frostbite are also significant concerns. Not every part of the country deals with snow and ice the way the northern climates do, but maintaining ample body heat is a key component for keeping workers productive in any climate.

As far as wet weather concern goes, early winter and early spring are often about preparing for soggy working conditions. When winter is upon us, so too are its challenges. Colder temperatures bring rain, snow and ice, and these seasonal safety risks can wreak havoc, causing more slips, trips and falls. As such, having proper safety footwear to weather the season is paramount.



### FROM THE GROUND UP

The importance of cold weather work gear starts at the ground level—our toes—which are especially vulnerable extremities, making work boots an important and necessary investment. When the body enters a cold area, blood vessels in the extremities constrict, reducing blood flow, which helps to keep warmth and blood flowing to the most important body parts.

Our feet, similar to our hands, have a large surface area and specialized blood vessels, which can open up to pass high volumes of blood and, therefore, offload heat quickly. Because the toes are the furthest from our vital organs, these are the first to feel the effects of vascular constriction and are in more jeopardy of frostbite. So, keeping feet warm is essential to keeping the whole body at a regulated temperature.

Insulation within the boot itself helps to trap and preserve body heat while still allowing for moisture to escape. Additionally, work boots lined with various levels of synthetic insulation, or those using natural insulators like wool, provide warmth across a range of temperatures. Because every body is different, every worker may need to try different levels of insulation, in coordination with a proper wool sock, to find the most comfortable ambient temperature.

### STAY WARM, STAY DRY

A non-lined and non-waterproofed boot will open susceptible areas of the foot

to the penetration of water, snow or ice. And to maintain warm feet, you must keep them dry. This doesn't absolutely require a polyurethane (PU), rubber or thermoplastic polyurethane (TPU) boot. But, it is critically important to maintain breathability, with a waterproof barrier that will keep moisture out while allowing water vapor to escape the boot, away from the foot, as feet sweat when they're warm. Waterproof leather paired with a waterproof, breathable membrane allows for breathability without sacrificing performance.

## THE RIGHT EQUIPMENT FOR THE JOB

No matter what the winter weather brings, it's important for everyone to have the right type of equipment in the field. Most workers will agree that a grippy, lugged rubber outsole will offer more traction in snow and mud. It's important to look for a tread design pattern that will also help release that debris, so the boot doesn't accumulate muck and rubble, creating further trouble down the line.

In addition, all ice will eventually melt, which can create slippery work surfaces. When snow and ice are constantly tracked to an indoor environment, maintaining boot traction continues to be a safety factor.

Like a snow tire on the road, the outsole of a work boot grips the surface. It also includes strategically placed channels in the tread design, helping to divert water and debris quickly for better surface area contact and friction with every step.

Frigid winter work environments may require a more aggressive, multidirectional lugged outsole to help grip uneven terrain. Footwear manufacturers are taking an innovative approach to advance slip-resistance and enhance traction technologies, with newer products that feature rubber lugs, which have been engineered to include micro-glass fibers that pierce the wet surface of ice. This creates a micro-cleat effect that digs in for optimal traction in the toughest conditions.

## MATERIALS MATTER

Inclement weather and harsh conditions require that a boot's materials hold up. For the footwear manufacturer, material choice is critical for comfort, performance and durability. Not all work boots are winter boots, and tradespeople will encounter myriad obstacles—from unsafe terrains and caustic elements to managing the traverse across a multitude of materials that are in various stages of frozen solid, melted and slushy.

The combination of heavy-duty leathers and synthetic uppers can create a winter performance boot that holds up to the conditions. While road salt can stain leather work boots, a bigger issue is the damage it can cause. If not treated, salt will eat away at the natural leather, leaving it dry and highly susceptible to cracking.

Polyvinyl chloride (PVC)-free, barnyard-resistant leather protects against the damaging effects of caustic materials like oleic acid, urea, sodium chloride and ammonium hydroxide, extending the life of the boot. Additionally, work boots worn in abrasive work environments or used as a tool with a repetitive motion, such as resting pallets on the top of the toe, might require TPU or rubber coatings on high-wear areas to protect the boot and maintain its structural integrity.

## CARING FOR YOUR BOOTS

Conditioning the leather of a work boot helps to protect and restore its leather components while extending its hard-working life. When conditioning work footwear, it's important to have an understanding of the boots' materials before selecting a conditioner.

For waterproof leather, use mink oil paste or a leather conditioner formulated

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for leather boots. For oiled leather, consider cleaning with a damp cloth and then conditioning using a beeswax or lanolin-based leather moisturizer. Dry-tanned leather boots need a leather conditioner formulated for leather boots (e.g., mink oil paste, paste wax, boot polish, etc.).

And finally, for nubuck or suede, consider a spray-on conditioner that has been formulated specifically for those materials. Products containing mink oil and waxes are damaging to the nap and finish of suede.

### PERFORMANCE SOCKS

Socks that are too thick in a boot will reduce air circulation, as well as blood circulation. Keep the following in mind when choosing a pair of work socks for your next cold-weather job:

- *Material*—Merino wool, nature's best performance fiber, helps to keep the foot dry and comfortable while achieving durability levels superior to cheaper alternatives. It's naturally antimicrobial, which means less odor, and it is temperature regulating. If your foot is too hot, the fibers will release moisture to breathe, and if your foot is too cold, it will warm it up.
- *Fit*—The best way to fit a right and left foot is with a specifically patterned right and left sock. Minimizing excess material on the outside of your foot means a perfect fit every day.
- *Seams*—Socks with seams on the toe flex zone can result in bunching and chafing on the tops of your toes.
- *Support*—Work socks with contoured arch support, impact cushioning in key areas and a proper heel pocket make all the difference in ensuring comfort and support all day long.

Winter work throws a number of obstacles in the way of jobsite safety. By working with your staff and crew to educate and inform them on better-performing personal protective equipment, you will set a precedent for seasonal safety by starting from the ground up. **CBO**

*Robin Skillings is the senior global marketing director for Keen Utility, a manufacturer of safety footwear in Portland, Oregon. Her 2-decade career in product development and marketing has spanned the outdoor recreation and industrial safety industries at companies including Johnson Outdoors, Honeywell and now Keen Utility. Skillings is currently spearheading a program to collaborate with women across the trades to develop a tradeswomen-tested safety footwear program for the next generation of makers, builders and skilled professionals. Visit keenfootwear.com.*



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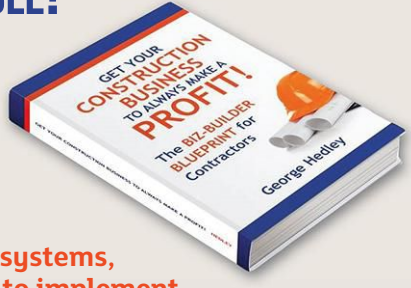
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# New Products to Watch

Selected by the editors of Construction Business Owner, these new-to-the-market products are just a few of our favorites recently released to the construction community. Stay tuned in every issue to find out what you need to know about the latest gear, solutions & industry-leading innovations.




### ▲ STORM VENTURE GROUP (SVG)

Virtual Reality (VR) Goggles

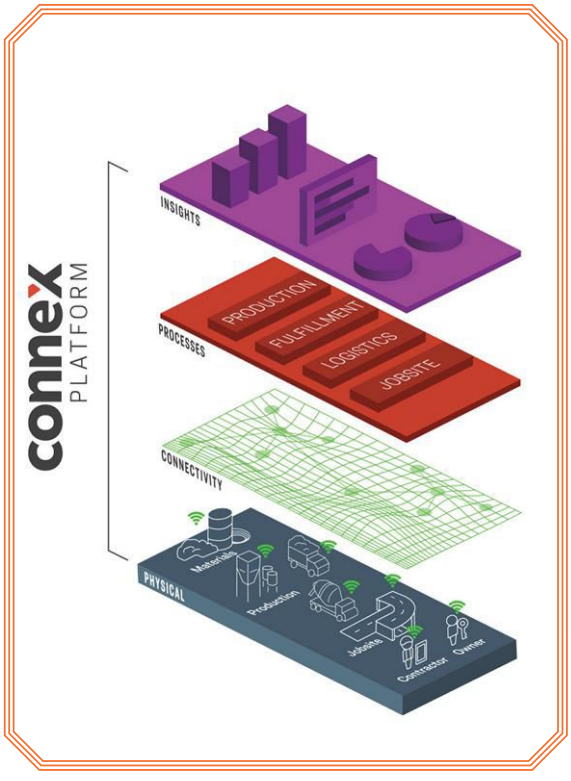
**Released:** 2/21/19

**Availability:** U.S., Canadian & European markets

**What's new?** A goggle that provides a 360-degree VR environment to help you attract, onboard and train staff, rain or shine

**Specs:** Includes industry-specific courses on conducting inspections, identifying damage, educating property owners, conducting business sales and more; allows for indoor training via laser pointer paired with goggles

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### ▲ COMMAND ALKON

CONNEX Supplier Collaboration Platform

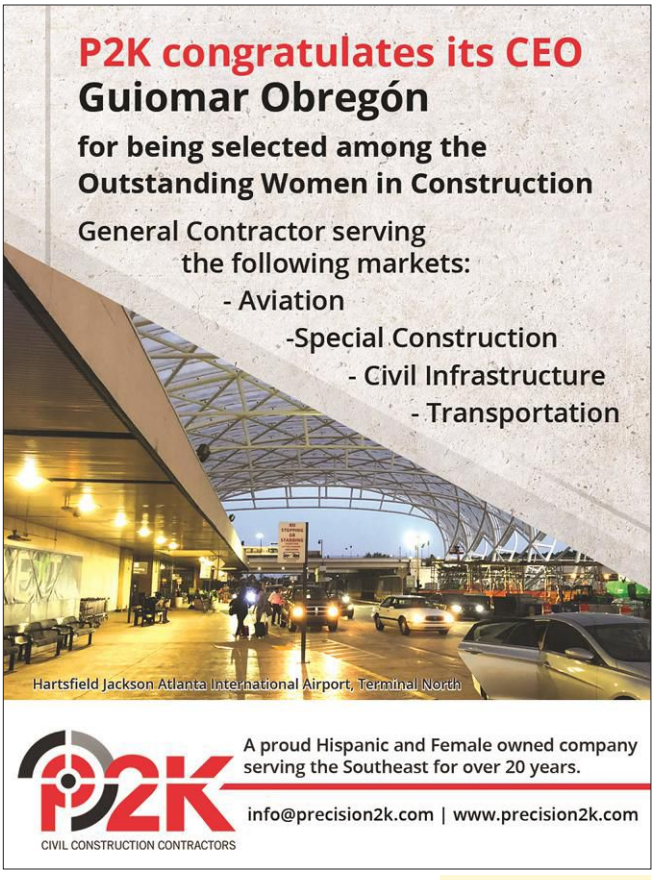
**Released:** 9/17/19

**Availability:** All global markets

**What's new?** A vertical cloud solution designed to increase productivity levels and create unprecedented results across project performance, schedule, workforce management and safety

**Specs:** Connects contractors, project owners and jobsite inspectors with their heavy building material suppliers and haulers to accomplish more together than they would on their own by improving workflows, data sharing and communication through one open-industry collaboration platform

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Circle 110 on card.



### ▲ AQUAJET SYSTEMS AB
Ergo Rotolance Hydrodemolition Attachments
**Released:** 4/1/19
**Availability:** All global markets
**What's new?** Three size options for effective cleaning, removal and roughening of concrete, rubber coatings, paint, rust, plastic and other materials
**Specs:** The series handles water pressure between 1,450 psi and 43,500 psi; the self-rotating tool has four nozzles and a 1.2-inch spray pattern; the 130 and 130S feature up to eight nozzles for a 5.1-inch spray pattern, a hydraulically driven swivel and a suspension system
Check 217 on index.



### LEVITATE TECHNOLOGIES ▶
Fire-retardant AIRFRAME Exoskeleton
**Released:** 5/16/19
**Availability:** U.S., Canadian, European, South African & Japanese markets
**What's new?** A fire-retardant exoskeleton that can be used for hot work, such as welding, sanding and grinding
**Specs:** Features a wearable, flexible, scalable, lightweight exoskeleton, engineered to improve upper extremity musculoskeletal health for workers engaging in repetitive arm motion and elevation; moves seamlessly and doesn't intrude into the workspace, limit motion or dexterity
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*Mandi Kime*

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A special thank you to Kabri and Hensel Phelps for their commitment to our Culture of CARE initiative—and to Mandi for over 15 years of outstanding AGC Safety Team® leadership and for her relentless commitment to the safety of our members.

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| Paid/Requested Outside County Mail Subscriptions Stated on form 3541 (Include advertisers proof and exchange copies) | 26,827 | 26,182 |
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## Annual Value of Construction Put in Place

### August 2017/2018/2019 Annual Rate Comparison

*This chart compares the two previous years' total value of construction put in place to an annual forecast based on August 2019 figures. (Millions of dollars. Totals may not add up perfectly due to rounding.)*

| | 2017* | 2018** | Aug 19 |
|---|---|---|---|
| **Total Private Construction** | **940,210** | **994,526** | **955,045** |
| Residential | 503,425 | 533,844 | 507,151 |
| Nonresidential | 436,785 | 460,683 | 447,894 |
| **Total Public Construction** | **278,075** | **317,645** | **332,261** |
| Residential | 6,218 | 6,737 | 6,306 |
| Nonresidential | 271,857 | 310,908 | 325,955 |
| **TOTAL Construction** | **1,218,285** | **1,312,171** | **1,287,306** |

**Seasonally Adjusted Annual Rates. Source: U.S. Census Bureau.*
***With the May 2018 release, unadjusted data will be revised back to January 2016 and seasonally adjusted data will be revised back to January 2011. With each May release, seasonally adjusted data will now be revised for an additional 5 years beyond the revision period for unadjusted data. Research has shown that this revision span should produce more reliable seasonally adjusted time series.*

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AUGUST 2019 TOTAL ANNUAL VALUE OF CONSTRUCTION PUT IN PLACE

"The sizeable drop in both design billings & new project activity, coming on the heels of 6 months of disappointing growth in billings, suggests that the design expansion that began in mid-2012 is beginning to face headwinds," said AIA Chief Economist Kermit Baker, Ph.D., Hon. AIA. "Currently, the weakness is centered at firms specializing in commercial/industrial facilities, as well as those located in the Midwest. However, there are fewer pockets of strength in design activity now, either by building sector or region, than there have been in recent years."

## AIA Architectural Billings Index (ABI)

| National | | | *Regional - Billings | | | | *Sectors - Billings | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Month | Billings | Inquiries | Northeast | Midwest | South | West | Multifamily Residential | Commercial/ Industrial | Institutional | Mixed |
| Mar-19 | 47.8 | 59.8 | 43.5 | 48.7 | 54.2 | 47.2 | 47.7 | 47.0 | 48.9 | 53.1 |
| Apr-19 | 50.5 | 60.9 | 45.1 | 49.3 | 51.6 | 49.0 | 47.4 | 46.6 | 49.2 | 53.2 |
| May-19 | 50.2 | 56.2 | 47.5 | 51.6 | 51.4 | 50.0 | 46.0 | 53.0 | 48.0 | 55.4 |
| Jun-19 | 49.1 | 52.8 | 46.1 | 48.9 | 51.0 | 49.3 | 46.3 | 52.3 | 47.0 | 54.3 |
| Jul-19 | 50.1 | 54.9 | 48.3 | 48.9 | 48.3 | 51.2 | 50.6 | 49.2 | 49.8 | 48.9 |
| Aug-19 | 47.2 | 54.5 | 49.1 | 46.4 | 48.2 | 51.2 | 50.5 | 46.9 | 50.6 | 46.3 |

For more information on the index or to subscribe to the complete historical data going back to 1995 for your internal analysis, **please contact economics@aia.org.** The ABI presents monthly construction billings data, using a base score of 50. A score of more than 50 indicates a growth from the previous month, and a score of less than 50 indicates a contraction from the previous month. A score of 50 indicates no change. Source: The American Institute of Architects (AIA), Architecture Billings Index (ABI).

*Regional and Sectoral indexes are 3-month moving averages, due to small sample size. All data is seasonally adjusted.
**Every January, the AIA research department updates the seasonal factors used to calculate the ABI, resulting in a revision of recent ABI values.

**AIA** Contract Documents

# Real projects start with the industry standard

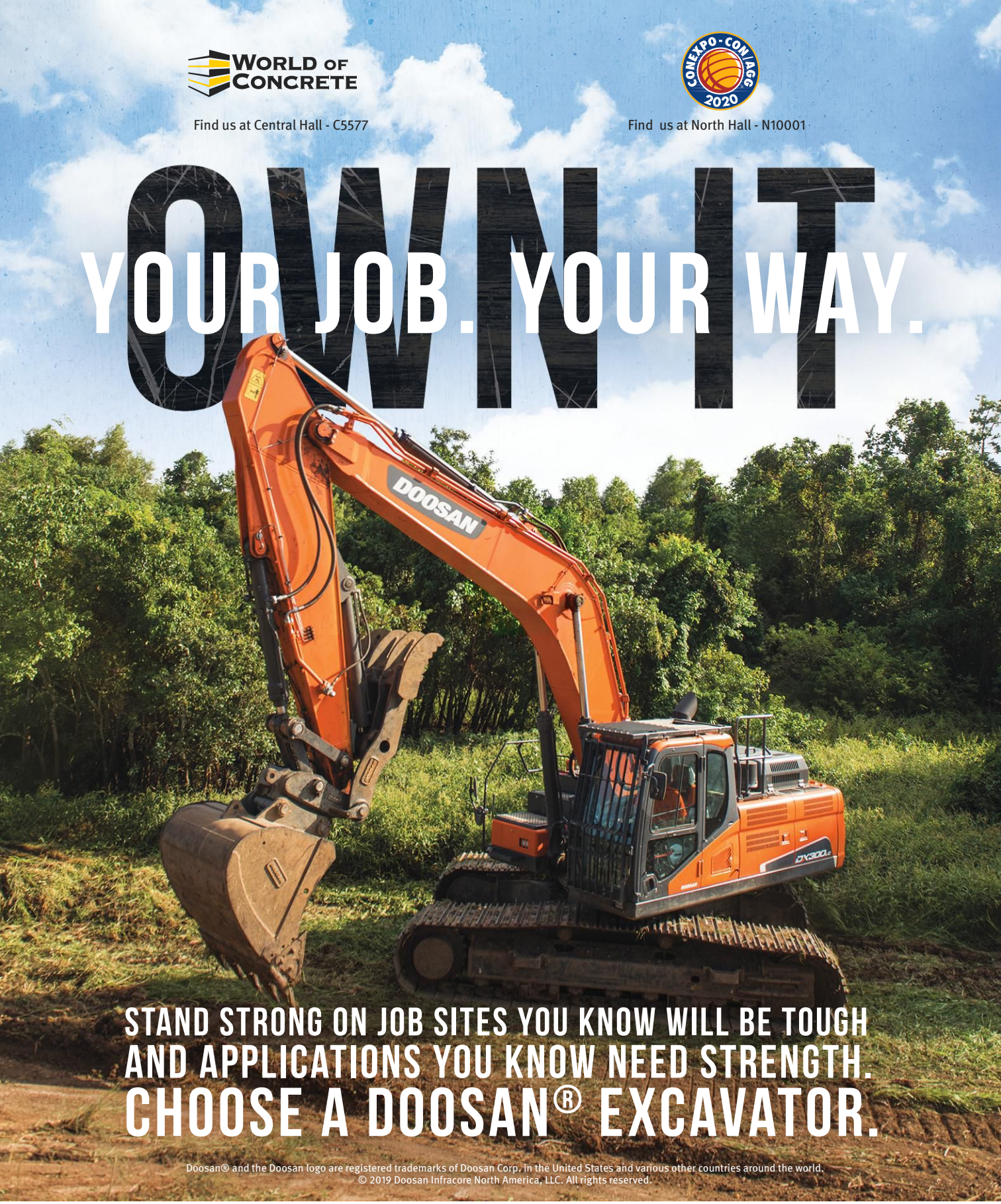
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**New AIA Construction Management documents coming in November!**
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