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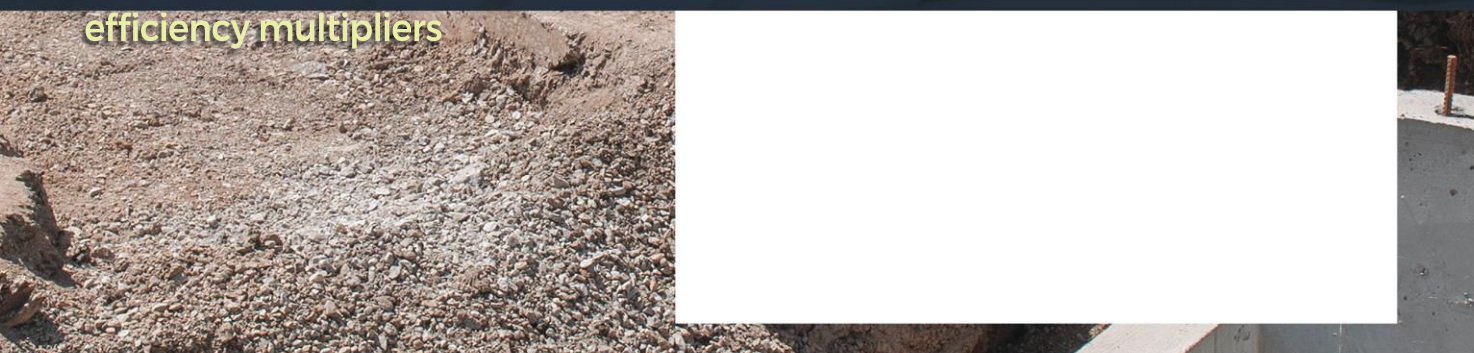

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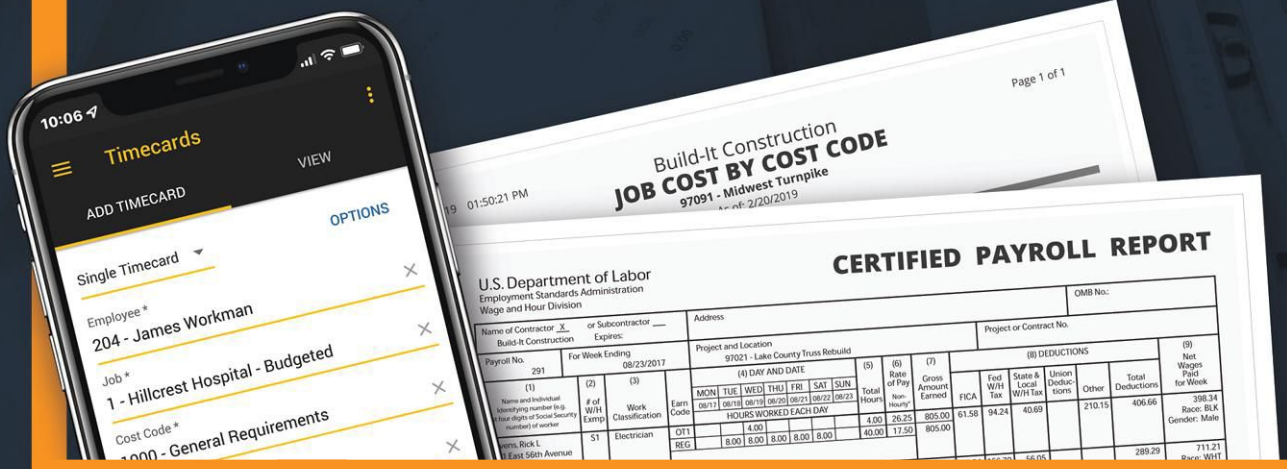


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# FROM THE EDITOR

**KATHY WELLS**



As this issue went to print, we received word that the U.S. Senate passed a $369 billion measure aimed at addressing climate change. The bill will soon move to the U.S. House of Representatives, where it is then expected to move forward for President Biden's approval. Government leaders say the Inflation Reduction Act is one of the largest and most comprehensive climate-change measures ever approved, structured with the lofty goal of reducing greenhouse gas levels 40% by 2030, compared to 2005.

The new legislation stirs up the potential for more construction work in both energy-related projects and more infrastructure updates, and offers tax credits to certain companies leading the charge. While it's too soon to say how this stimulus will directly affect the industry as a whole, it's clear that the conversation about emissions reduction is far from over.

To get industry insights on this topic and for other environmental, social and governance strategies that can help your business move forward in a "cleaner" capacity, please visit constructionbusinessowner.com/green.

And if you're looking for even more focused advice to help you run a better business, don't forget to visit constructionbusinessowner.com/webinars, where you can access our vault of educational webinars covering a broad range of business concerns and solutions.

This month, we will host two new live events: "Advanced Business Planning Strategies" and "How to Attract & Retain Top AP Talent in Construction" will take place at 1 p.m. CDT, Sept. 22 and Sept. 29, respectively. We recognize that our readers stay busy, so if you can't make it to the live webinar, we encourage you to tap into our on-demand archives whenever your schedule lets up.

Take good care,




CONSTRUCTION BUSINESS OWNER

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**AIA** Contract Documents

# Real projects start with the industry standard

Before starting the project, Spillman Farmer Architects used AIA contracts to renovate **Founders Hall**, a classroom on the Bucks County Community College campus which includes a soaring three-story atrium.

**AIA documents used:** A101®-Owner/Contractor Agreement, B103-Owner/Architect Agreement for a Complex Project, C401-Architect/Consultant Agreement, E201-Digital Data Protocol Exhibit.

**Learn more at aiacontracts.org/cbo-founders**




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# Advanced Business Planning Strategies

## How businesses are increasing their value today

As companies continue to face challenges unique to the construction industry, business owners must be forever mindful of the functions and factors that keep their business afloat. Join us for a webinar to receive professional insights and to learn how you can sharpen your skill sets in the following areas:

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- Tax updates and planning opportunities for business owners
- Key employee retention and education challenges
- Business continuity planning
- Internal succession
- Purchasing and selling of businesses

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### McCownGordon Construction Promotes Chris Vaeth to Senior VP for Kansas City Region



Chris Vaeth

Chris Vaeth, a seasoned leader at McCownGordon construction with nearly 20 years of experience with the company, has been named senior vice president (VP) of the Kansas City Region. In his new role, Vaeth will lead the company's Kansas City business unit, guiding everything from business development and constructions services to strategic growth and overall operations for the region. In his new role, Vaeth, along with a team of McCownGordon veterans, will lead the company's regional work in the area, including overseeing the corporate and developer projects, as well as civic, K-12, higher education, healthcare, and science and technology markets across the metro and in nearby Kansas and Missouri locations, as well as the leading the teams in South Dakota and Arkansas. He also serves on the company's executive leadership team. Vaeth joined McCownGordon in 2003. Vaeth holds a bachelor's degree in civil engineering from Missouri University of Science and Technology. Visit mccowngordon.com.

### Microdesk Promotes Chen to Director of Digital Transformation

Microdesk, a global digital delivery and management consulting firm and part of Symetri, Addnode Group, has announced the promotion of Dr. Xifan "Jeff" Chen, Ph.D., LEED AP, to the newly created position, Director of Digital Transformation. Chen will lead the company's push to bring digital technology integration to all parts of clients' businesses to ultimately drive efficiency, reduce environmental impacts, and increase sustainability. The new focus will support and enhance its client partnerships and processes across the AEC industry as well as serve the institutional owners in the infrastructure, healthcare, manufacturing and education sectors. Chen has been assistant director of enterprise asset management at Microdesk for four years, overseeing its strategic management consultancy team, and leading projects to develop and integrate new technology solutions, methodologies, and workflows to help clients improve facility design, operations, and management.
Chen holds a bachelor's degree in civil engineering from Nanjing Tech University, a master's degree in structural design, civil engineering, and doctorate in construction/asset/sustainable infrastructural management from Syracuse University. Visit microdesk.com.

### 14-YEAR HIGH



The Dodge Momentum Index increased less than one percentage point in June to 173.6 from the revised May reading of 173.1, pushing the measure to a 14-year high. The index, issued by Dodge Construction Network, is a monthly measure of the initial report for nonresidential building projects in planning. The index is shown to lead construction spending for nonresidential buildings by a full year. In June, the commercial component of the Momentum Index rose 4.1%, while the institutional component fell 6.2%.
Commercial planning in June was led by an increase in warehouse projects, while most other commercial buildings were flat. In institutional planning, a decrease in education projects in June dragged the sector lower, although health care increased. Year over year, the index was 9% higher than in June 2021. The commercial component was 11% higher, and the institutional component was 5% higher. Visit construction.com.

### Jennifer Rumsey Promoted to President & CEO of Cummins



Jennifer Rumsey

Cummins Inc. announced that, effective Aug. 1, 2022, Tom Linebarger will end his term as CEO and Jennifer Rumsey, president and chief operating officer (COO), will assume the role of president and CEO. Rumsey will be the seventh CEO and first woman to lead the company since it was founded in 1919. Linebarger will continue to serve as chairman of the board of directors and in an executive chairman role, working directly with Rumsey on specific initiatives that position the company for continued success, including completing the pending acquisition of Meritor. Since taking on the role of COO in March 2021, Rumsey has overseen Cummins' global operations. In February 2022, she was elected to the Cummins board of directors, and she will maintain her seat on the board. Rumsey is a member of the Society of Women Engineers, Society of Automotive Engineers, the Purdue Engineering Advisory Council and Women in Trucking Association. She holds a bachelor's degree in mechanical engineering from Purdue University and a master's degree in mechanical engineering from Massachusetts Institute of Technology. Throughout her career, she has been an advocate for diversity, equity and inclusion and women in science, technology, engineering and math (STEM) fields. Visit cummins.com.

### Kubota Unveils Plans for New $140M Facility in Gainesville, Georgia

Kubota North America (KNA), the parent company for Kubota Tractor Corporation (KTC), Kubota Manufacturing of America (KMA), and Kubota Industrial Equipment (KIE), has announced plans to expand its Jefferson, Georgia-based KIE operation by adding a new facility within its already robust footprint along the Hall County corridor in Gainesville, Georgia. Overall, the company plans to invest $140 million to construct a new building dedicated to expanding production capacity for Kubota loaders primarily for the North America market. The project is set to break ground this year and be fully operational in 2024, bringing with it more than 500 manufacturing jobs. This strategic expansion will allow Kubota to expand loader capacity to meet the

growing market demands while freeing up space in the existing Jackson County facility to expand the production of other attachments and implements for tractors and construction equipment. Kubota North America employs more than 3,000 team members across manufacturing, distribution, and engineering operations at the Gainesville and Jefferson, Georgia, facilities. Kubota also houses its Southeast Division office in Suwanee, Georgia, with additional divisional offices located in Kansas, Texas, Ohio and California. Visit kubota-kma.com.

### JLG Names Andy Daw VP, Global Procurement & Supply Chain

JLG Industries, Inc., an Oshkosh Corporation company and a global manufacturer of mobile elevating work platforms (MEWPs) and telehandlers, announces that industry-veteran Andy Daw is the new VP of global procurement and supply chain for the Oshkosh Access segment, which includes the JLG aerial equipment and Jerr-Dan towing and recovery equipment brands. In this role, Daw leads the brands' global procurement and supply chain teams, providing a strategic vision for growth and implementing enterprise-wide initiatives to build and maintain a resilient supply chain for the company. Daw comes into this position with more than 20 years of working experience in the heavy equipment and engine industries. Before joining JLG, Daw built and led globally diverse supply chain and engineering teams for Caterpillar Inc. and Perkins Engines, Ltd. He holds a bachelor's degree in business from Birmingham City University. Visit jlg.com.

### Terex MP Acquires ProAll

Terex Materials Processing (MP), a global leader in aggregate, environmental, concrete, lifting, and handling machinery, today announced the acquisition of the Canadian company ProAll, a specialist producer of mobile volumetric concrete mixers. ProAll's history traces to companies that were originally founded in the mid-1960s. The company was initially an importer of volumetric mixers into Canada but has since grown into a leading producer of volumetric mixer products for the North American and global markets. Today, the company employs 170 people and is experiencing the strongest demand in its history. ProAll's main production is based in Olds, Alberta. It also operates a service and installation site in Keller, Texas. ProAll's expertise will be a valued addition to the Terex portfolio, enabling the Company to expand its overall presence in the concrete mixer space. ProAll will join Terex Advance, the U.S. industry leader in front discharge mixer trucks, and Terex Bid-Well, the U.S. leader in roller pavers for bridge and canal work, as businesses in Terex MP's concrete sub-segment. Together, these businesses represent a commitment by Terex to increasing its participation in North America's growing construction markets and in meeting growing infrastructure needs. ProAll also adds an international dimension to what, to date, has been a primarily North American business area for Terex. Visit terex.com.

### Kaufman Lynn Construction Promotes Chris Long to President



Chris Long

Kaufman Lynn Construction, one of the largest builders in the southeastern U.S., has promoted its COO to lead the company as president. Chris Long will draw on more than 35 years of experience, including leadership roles at Kaufman Lynn and other top construction firms. As COO and throughout his career, Long has demonstrated expertise in leadership, management oversight, and strategy, particularly in helping to steer company growth through expansion into new territories. He has overseen multimillion-dollar projects in various market sectors, including education, hospitality, office, retail and multi-family. Long joined Kaufman Lynn Construction in January 2013 as VP of operations and has led several projects for key clients and supported the leadership team and all employees to execute and accomplish the goals of the strategic plan, while managing the organization's overall operational activities. He is a board member of the Associated General Contractors of America Florida East Coast Chapter and holds a bachelor's degree in construction management from the University of Louisiana Monroe. Visit kaufmanlynn.com.

### New Leadership Takes Place at Big-D Midwest

Big-D Companies has announced Cory Schubert of Big-D Construction has been promoted to senior VP and managing director at the Midwest office in St. Paul, Minnesota. Tim Callahan will also be stepping up as co-leader of the group after Schubert's predecessor, Chris Grzybowski, joined Big-D Signature last month. Callahan joined Big-D Midwest in May 2021 as part of a long-term plan to replace retiring VP of project development, Ken Braun, and assume a portion of the operational duties upon Grzybowski's move to Big-D Signature. Schubert will be responsible for the overall performance of Big-D Midwest, which includes managing the annual financial goals, employee career growth, safety and client retention. Schubert, who has 20 years of experience in the construction industry has spent nearly half of those at Big-D Midwest since 2013. "The timing is right," said Schubert, who is looking forward to working with his new co-leader and meeting the goals of Big-D Companies 2030 business plan to continue to grow the already $2 billion company. Big-D Midwest is part of the Big-D family of companies, one of the largest groups of contractors in the U.S. Established in 2013, Big-D Midwest specializes in multifamily, commercial and industrial warehouse construction throughout the Twin Cities and surrounding areas. Visit big-d.com.

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# Get Uncomfortable in Command

How to break out of your norm & set forth on the path to improvement



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 Hedley at gh@hardhatpresentations.com to sign up for his free e-newsletter, start a BIZCOACH program, attend a Wealthy Contractor BIZ-BUILDER Boot Camp or get a discount at hardhatbizschool.com online university for contractors. Visit hardhatpresentations.com for more information.

## *Just Ask George.*

*Send your questions for Hedley to Editor Kathy Wells at kwells@cahabamedia.com.*

As a mentor and business coach, I've noticed an unspoken barrier or roadblock to change and improvement — it is what I call the "uncomfortable zone." With the demands of running a construction company come additional stresses, strains and responsibilities.

Often mentally maxed out and overwhelmed, frustrated business owners delay making decisions about the direction of their company and its teams, customers, equipment, marketing, finances, investments and growth, instead choosing to think small and stay within their comfort zone. Postponing key decisions only results in continued struggles — with disorganized systems, mediocre performance, poor employees, lackluster results.

### Stuck in Your Comfort Zone

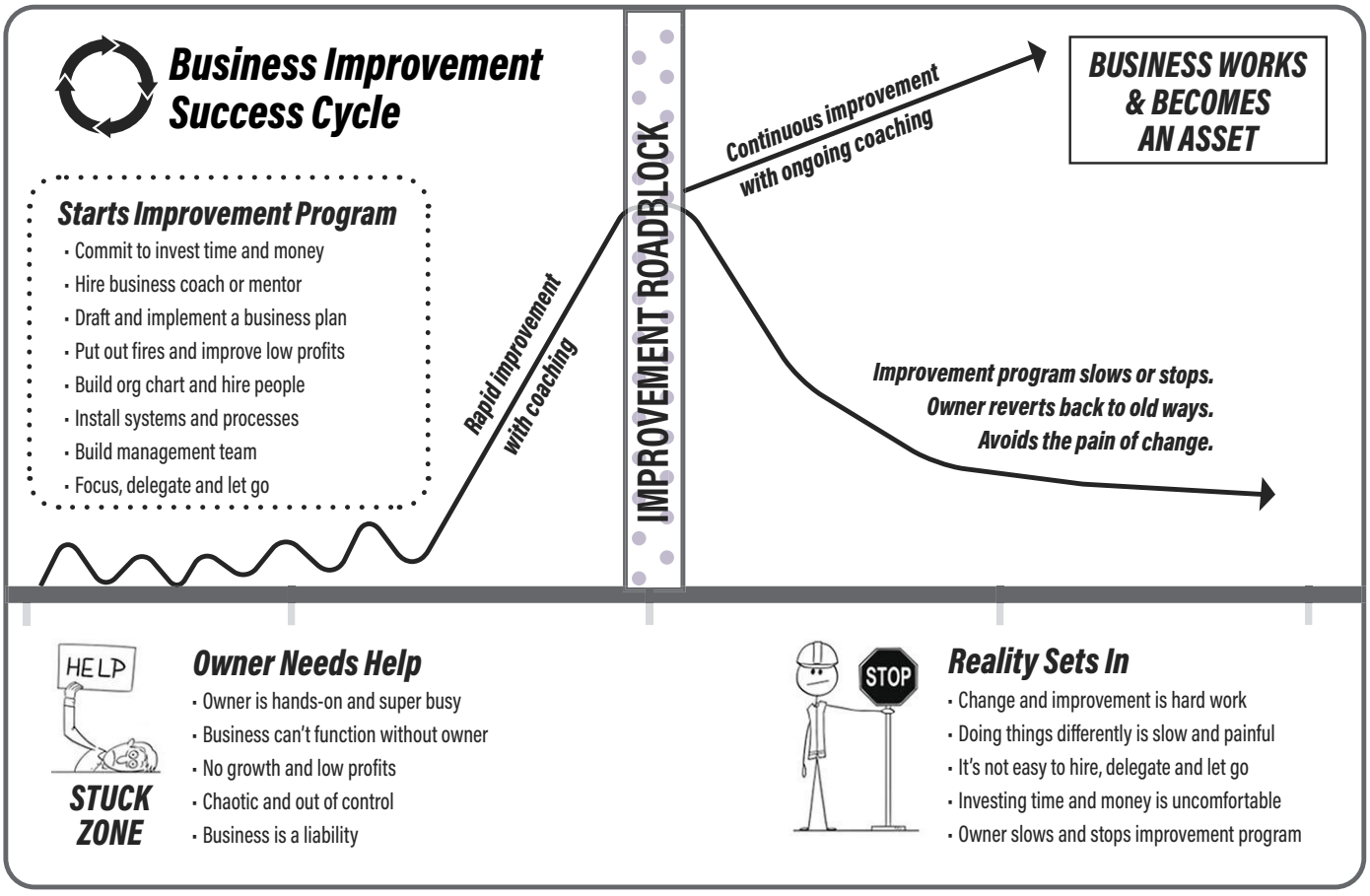
Generally speaking, most people only like doing what they're comfortable doing. Business owners who avoid discomfort choose to live within the confines of their comfort zone, only able to manage the small amount chaos they believe can tolerate. Many contractors reach a certain level, knowing exactly what they can manage comfortably with little to no effort — like only having 10 field workers and two crews; only bidding public works because it doesn't require any sales effort; and only seeking as much volume as they can individually manage. They don't hire enough people to handle future work, which effectively stunts any opportunity for real growth. Because these types of effort would increase their level of discomfort, typically, this lukewarm leadership approach results in no improvement.

### Without Change There Is No Improvement

Change is required for improvement. When contractors are teetering on the edge of their comfort zone, they're unhappy with the results they're achieving (or most likely not achieving). Most owners remain in this zone far too long, hoping things might improve. But things never just magically get better — not without commitment and your investment of time and money. Often, this commitment is founded in discomfort. Eventually, an owner decides to settle in or act, seeking help with new ideas, systems and methods for improvement. Ultimately, the new goal is to get their business to work for them, instead of the other way around.

### Is Your Company an Asset or a Liability?

When a company is 100% dependent on the owner, it is a liability. A liability requires continuous management and hard work to keep it running and producing money. For example, a backhoe doesn't make any money unless it is




working. A company that requires the owner to run and manage operations is a liability. This approach not only depletes a leader's time and focus, but also produces little to no return.

On the other hand, an asset produces income without constant managing and supervision, all day, every day. A rental property is an asset, as it provides positive cash flow without much hands-on work or continuous effort. A business is an asset if it works for its owner. Most successful business owners still perform some of the important activities, such as customer development, leading and guiding strategy, but they don't manage projects, materials, contracts, field crews or schedules. A company is an asset only if it works for an owner and produces an excellent profit margin.

## Start An Improvement Program

Clearly, there's no quick fix to transform a stuck business into a management-team-run, systemized and organized money-making machine that grows and prospers. To make lasting change, it takes a strong commitment, dedication, focus and the energy to make the necessary adjustments. Consider the business improvement success cycle depicted in the figure above. The typical business improvement program requires:

1. *Commitment* — Improvement requires ongoing dedication and investment of time, people, and resources. It's not a book or training course. You must commit to make change happen.
2. *Hiring* — Consider a professional business coach, consultant or mentor who specializes in helping contractors. Ensure this specialist is familiar with all aspects of your business, including estimating, pricing, markup, contracts, managing projects, supervision, subcontractors, suppliers, customers, negotiating, collections, etc., and proven processes and a track record of success.
3. *Documentation* — Draft and implement your strategic business plan, five-year vision and strategy.
4. *Structure* — Put out all immediate fires causing problems and lost profits. Build your organizational chart, hire talent and develop job descriptions. Install systems and processes to improve functions in every department. Build your management team. Delegate and let go of control. Start an investment and wealth-building plan.

**Things never just magically get better — not without commitment and your investment of time and money. Often, this commitment is founded in discomfort. Eventually, an owner decides to settle in or act, seeking help with new ideas, systems and methods for improvement.**



## The Improvement Roadblock

When you begin your program, you'll see rapid improvement. As you move forward, reality will start to set in: You'll recognize that change is hard and resistance to change is a common reaction. It's hard to make improvements and do business differently than you've always done it. Your natural abilities flourish when you're leading the decision-making process, and it can be difficult to delegate. But, to let go and grow, you will have to hire reliable employees to handle the new workload. Everything covered here that could seem difficult could be considered an improvement roadblock — it's how you proceed from here that matters most.

For many, improvement roadblocks can begin to slow down improvement. Implementing an improvement program is not easy — sometimes, it can feel like pushing a rope uphill. While you continue winning work and building projects, you'll have to dedicate significant time, energy and budget to improving your company systems, organizational chart, accounting, profits, job cost, field production, estimating, management, talent, and higher margin customer and contract acquisition. During this time, it's critical that you work hard to get your team on board with these new ideas, processes and added responsibilities. Often, organizational change will require owners to strengthen some of the missing links in a team and potentially hire a project manager, estimator or field supervisor.

These hires allow the owner to stop leading projects, shaping bids and running takeoffs. Some may also need to hire an assistant, office manager, construction administrator and/or accounting manager to either move their company to the next level and/or allow them and their managers to do more of the important work required. If you want to improve and focus on what will make your company work, you need people to help.

## Time to Go or Time to Grow

Spending significant time and energy to focus on improving your company will take its toll. The discomfort of leading a change movement can take down a leader. With the added pressure at this stage, more than 50% of company owners will slow down or stop their improvement program. It's often the case that they have already invested lots of time and money, but don't know if they can continue their dedication to improvement. Rather than continue on their improvement journey, they slow down or stop altogether. They justify their decision and say they'll continue someday when they have more time. More time never comes, so they slowly revert to their old, comfortable ways. They've avoided the continuous discomfort (and sometimes pain) of change and decided to live with the results of a business that doesn't work, grow, or profit. In other words, they've given up on their dream of owning a successful business.

## Improvement Takes Time

At this point, owners must remain focused on the prize, but keep a healthy check on reality. A successful improvement program takes time, evolution and commitment. In the first six months, most construction companies can implement enough systems, structure and improvements quickly enough to see major increases in their bottom line. Generally, to build a best-in-class company that achieves the highest results possible, it takes a minimum of one to two years of hard work improving all aspects of business. Remember your vision of a company that works for you and delivers the results you want. Your future company can become that asset, as long as you step outside of your comfort zone, and invest time, energy and money into building the future you want to see. ▲

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# Fixing Broken Business Processes

The right way to go about continual improvement in your organization



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.

Continuous improvement is the hallmark and core value of many organizations within the construction industry. Even if it isn't a core value, organizations should constantly reflect on areas of the business that require change simply in order to deal with ever-changing market conditions.

However, everyone knows there are two ways to introduce change: the right way; and one that will have disastrous consequences.

For instance, if one was to consider introducing a healthier lifestyle, one devoid of rich foods and increased activity, there is no shortage of advice on how to do it. While every person has a different genetic makeup, most experts would agree that the right path is a sensible diet that is sustainable over time coupled with activities that are practical. Running ultra-marathons and moving to a high protein, 10,000-calorie diet like Dwayne "The Rock" Johnson might not fit everyone, and more importantly, it might not even work long term.

Organizational change is very similar. The good news is that no one needs to gobble a million chicken breasts or run 25 miles a day, but change will require behavioral modification.

## There Must Be a Champion

Someone must lead this charge. Too many organizations want change to happen organically. In fact, there is often a common refrain amongst the masses. "We need to have one common operational model." This is a reasonable and compelling argument — until you read between the lines. Put another way, most people want one operational model as long as it is their operational model.

So, who will settle the proverbial tie? Someone has to be appointed the manager of change, otherwise the initiative runs the risk of languishing or simply spinning its wheels in the mud. It is important to consider the following:

- Who will ensure inter departmental cooperation is achieved?
- Who will follow up on action items to get things across the finish line?
- Who will make the difficult decisions and settle border disputes?

In order to demystify the title of "champion," it is important that the organization view this role as the project manager of internal projects.

Just like a normal project manager, this person must maintain the mindset and keep a clear vision of what completion looks like, and must navigate the waters as if they were coordinating scopes of different trade partners.

## Someone Who Isn't Already a Leader

So, this should be a senior leader? Or

maybe even the president of the firm? Not necessarily.

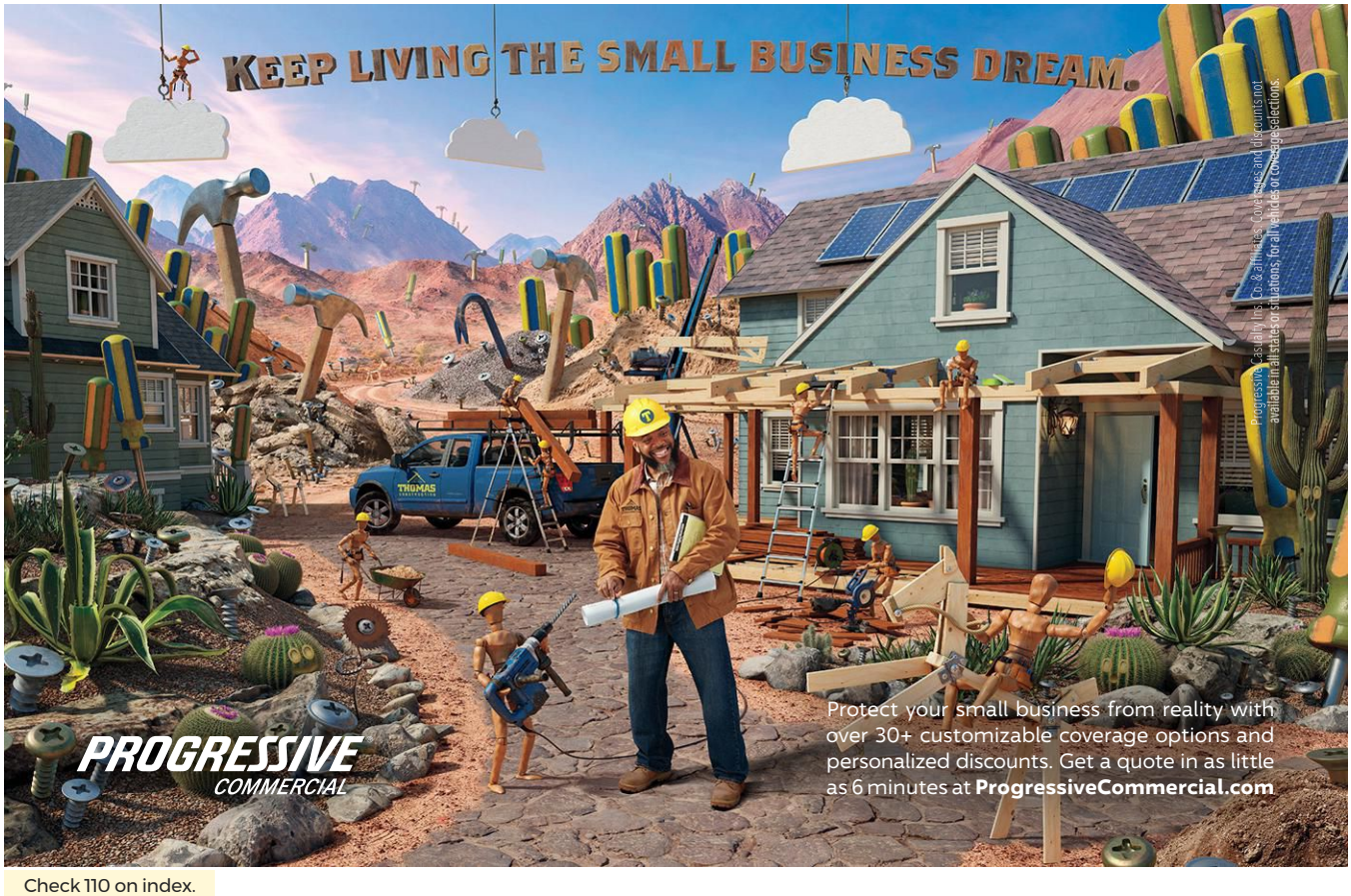
In fact, there may be a danger in having someone too high in rank involved in this process.

For instance, let's assume there is a committee creating a preconstruction planning process led by the president. When the group is asked for their opinion or thoughts, they sit and wait.

There is a reticence to provide meaningful feedback and possibly a thought that the company's president is simply going to answer it for them. Of course, this begs the question about team dynamics, leadership and even internal feedback loops.



However, continuous improvement needs candor and if there is a perceived barrier to good dialogue, the improvement will not occur. This does not mean the champion has carte blanche to do what they want without the oversight of senior leadership. In fact, part of the process is some form of presentation where the champion bolstered by the team presents the new concept, process, idea, business case, etc. to the leadership. At this time, the leadership is free to play the devil's advocate and ensure it has been thoroughly vetted. An ancillary benefit of this approach is the concept of the

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providing ground. Maybe the champion is a future leader, someone that may have been earmarked for greater responsibility. This is a superb testing venue to see how well they lead, work with teammates, gain consensus and ultimately make positive, impactful change on the organization. If they can succeed in a relatively safe setting, there is a high correlation that they may have greater potential.

## Beta Testing

No one likes a half-cooked meal. Cold chicken is not only disgusting but also a dead giveaway for salmonella.

While releasing a new process on an organization is unlikely to give anyone vomiting fits, there is the potential of doing irreparable harm.

For instance, assume the continuous improvement team has crafted a new internal process with a new set of tools. It is more than likely 95% accurate, but it is important that a small group vet the process in a controlled beta test. Preferably, one or two of the taskforce that created the process should test drive the process since they have context and also know what they are looking for.

There are many reasons for doing this beta testing. First and foremost, there are subtle changes that may arise during the test phase.

Secondly, there is also the "What were we thinking?" reactions. When the process was created there was a thought process but sometimes, that thought process gets distorted or simply forgotten.

By conducting a beta-testing scenario, the group can put themselves in the shoes of the other practitioners within the firm and ask the question, "What would they think?" They can change wording, edit phrasing, make it practical, etc., to ensure the new concept is embraced.

## Evangelism

There is a third benefit that comes from beta testing and that is the creation of evangelists. People need to hear that this will work. What better group of people to provide that evidence than similar people? Project managers showing other project managers that something works goes a long way in companywide adoption. We all remember being kids. Our parents would tell us things — normally the right things — and we would only believe it until we heard it on the playground from another kid, normally someone our age. Change for the betterment of the organization is important but most people need to see it done before they will buy in.

Continuous improvement is hardly complex or mystical. It is not simply making change for change sake but, rather, being a catalyst for long-term adoption of new concepts and ideas. ▲




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CONSTRUCTION BUSINESS OWNER

# Tips for Navigating the Property & Casualty Insurance Market

6 factors influencing P&C rates & renewals for the construction industry

BY KURT SOKOLOWSKI

The construction industry has made a fast recovery from the COVID-19 pandemic, yet remains challenged by the ongoing skilled-workforce shortage and supply chain disruptions — with no end in sight. While insurance renewals may not be top of mind, now is a critical time for business owners to assess their risks and coverage, and to rethink how they use insurance. By focusing on long-term risk management strategies, construction contractors can obtain customized, cost-effective coverage and be prepared for what the future holds.

## Property & Casualty Update

Prior to the onset of the COVID-19 pandemic, the construction industry already endured several years of a hard property and casualty (P&C) insurance market, triggered in part by a considerable number of natural disasters including floods, hurricanes, tornados and wildfires.

The hard P&C market is expected to continue for the near future as risks become more complex and continue to diversify. According to a report on the P&C market by Fitch Ratings, "Insurers continue to face considerable economic and investment market volatility, particularly from the onset of higher U.S. inflation tied to looser monetary policy and supply chain issues that creates uncertainty in estimating loss costs in pricing and reserving."

What does that mean for construction business owners? Alera Group's Property and Casualty 2022 Market Outlook highlights the unique challenges insurers and businesses continue to face and provides strategies to help businesses in obtaining new policies and preparing for renewals.

Here's a look at six key factors influencing P&C rates and renewals for the construction industry, all reported in the Market Outlook, followed by important steps construction business owners can take to ensure comprehensive, cost-effective coverage.

## 1. Risk quality will be a major consideration.

The market will differentiate between accounts with good loss histories and those viewed as higher risk. Insurers will look at account profitability over an extended period, rather than two to three years prior, which was the norm. Policyholders with poor risk quality, significant losses and exposure to catastrophe-prone regions should anticipate above-average rate increases, coverage restrictions and higher deductibles. Some businesses may struggle to obtain or renew coverage at all.

**By focusing on long-term risk management strategies, construction contractors can obtain customized, cost-effective coverage and be prepared for what the future holds.**

## 2. Professional liability insurance will be an increasingly common requirement.

More government projects are requiring contractors to carry this coverage. Although there is ample capacity in the U.S. professional liability market, underwriters are selective in how they use their capacity due to a tightening marketplace outside of the U.S.

## 3. Greater reliance on technology will escalate cyber exposure.

Once relatively immune to cyber risk, the construction industry now ranks third among North American industries for reported ransomware attacks. According to a study by SafetyDetectives, 13.2% of construction firms in North America indicated they suffered at least one ransomware attack in 2020. Cyber insurance is a critical coverage for contractors to help mitigate losses stemming from business interruption, reputational harm, ransomware attacks and privacy liability, among other potential risks.

## 4. Multiyear policies will remain difficult to obtain.

Multiyear policies are becoming a thing of the past as insurers are unwilling to guarantee price beyond 12 months

without a contractual commitment to the specific projects to be completed during the policy period.

### 5. Expect tighter terms.

Underwriters will offer stricter terms and conditions on policies, including reductions in limits of liability and increased retentions.

### 6. Workforce issues may result in higher workers' compensation rates.

Workers' compensation rates are currently favorable, but there are growing concerns that the shortage of skilled workers and an aging workforce will result in increased claims, driving up 2023 rates.



## Work With Your Broker to Reevaluate Your Risks

The P&C market is expected to be increasingly positive for contractors who are financially strong, effectively manage risks and are focused on worker safety. When applying for and renewing insurance coverage, it's important for businesses to highlight their risk management strategies and present a detailed, accurate loss-history report. Obtaining and renewing coverage is no longer a passive process. Owners should meticulously maintain records, assess and address potential risks throughout the year, and pay close attention to any changes in services provided to ensure proper coverage.

Rate increases and changing policy terms are leading many businesses across industries to test the market. The sheer volume of activity is significantly slowing the process. Increased scrutiny from underwriters and less decision-making authority at the desk-underwriter level are further lengthening the time it takes to respond to new business and renewals. In this market, last-minute requests for proposals will not get most underwriters' attention. The optimum time to begin the process falls between two and four months in advance of the policy expiration date, depending on the complexity of the account and the markets available.

It's important to pay close attention to exclusions. Communicable disease exclusions have become the norm, and some insurers will also attempt to add exclusions to construction policies for sexual abuse and molestation claims, as well as for subsidence and building collapse. Alternative program structures, including different retentions and deductibles, loss-sensitive programs and captives, may help reduce insurance costs while also maintaining adequate protection. For cyber liability coverage, be prepared to share a detailed cybersecurity preparedness and recovery plan. Finally, construction companies can help obtain the best rates and coverage by conducting due diligence of their risk exposures and mitigation tactics on an ongoing basis.

Having a comprehensive risk management strategy that includes cyber, pandemic and other emerging risks can go a long way in gaining more favorable terms for future P&C needs. Business owners should seek assistance from their carriers or insurance brokers for risk management services, which are often provided at no additional cost. Reducing risk exposure not only helps in receiving favorable policy terms and pricing, but it also keeps projects on track. By working together with your insurance partners, you can effectively prepare for and manage exposures and build a stronger, more resilient business. ▲

*As a senior partner and client executive at TriSure, an Alera Group Company, and a Certified Insurance Consultant (CIC) with more than 18 years of industry experience, Kurt Sokolowski works primarily with general contractors, subcontractors and property managers and developers to provide insurance and risk management solutions. Visit trisure.com.*



# Why Contractors Should Concentrate on What They Can Control Today

How to confront frustrating realities & benefit from a renewed focus

BY GRANT ROBBINS

The challenges that contractors faced in 2020 persisted throughout 2021 and continue to bog down many businesses and industries as we reach the midpoint of 2022.

Historically high inflation on the cost of materials, a tight labor market and global supply chain issues are the main concerns preventing businesses from operating within budgetary constraints and production schedules.

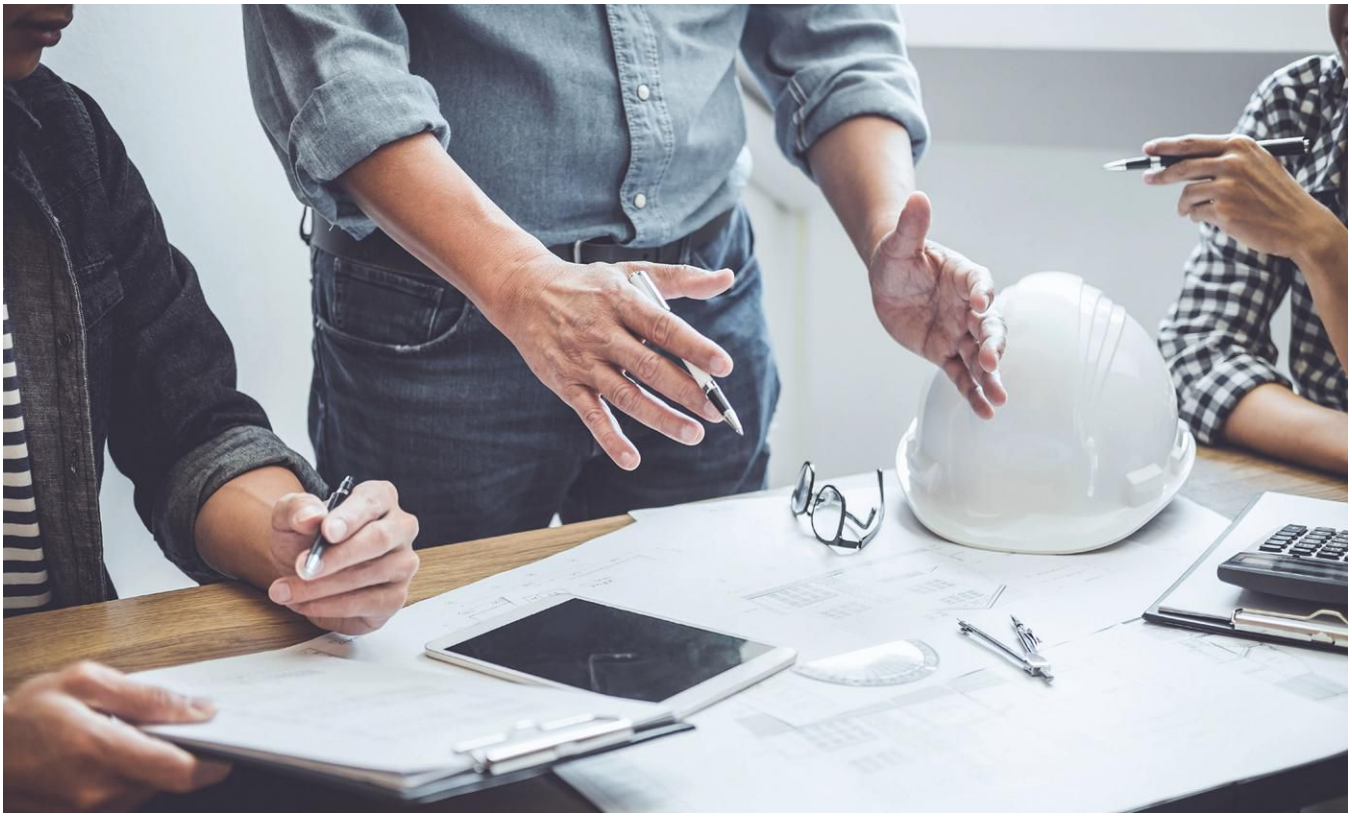
With no end in sight to these challenges, they have become the new normal.

The construction industry is getting hit especially hard. Since January 2020, the cost of building materials has risen 31.3%, with more than 10% of that spike happening between October 2021 and February 2022 — just five months. Construction is booming nationwide, which requires more and more skilled laborers.

This demand for talent has led to an increase in wages for workers, not only to retain current employees, but also to attract new ones. Some skilled labor companies have started charging premiums because they know that the demand for their services allows it.

Due to these factors, managing construction costs is more difficult than ever, and lenders are taking pause. Lenders were wary to begin with because of the pandemic's unknown impact on the future and the economy.

Now, with decades-high inflation, lending is becoming more and more scrutinized. Lenders want more precise project budgets before lending, which is difficult for contractors to nail down today and can cause delays in starting



**The construction business only succeeds because of personal interactions and strong internal and external relationships. If your company supports its people, you can be confident that those people are supporting you.**

construction. The entire project schedule can be impacted by lending — something not many contractors and owners consider when presenting plans to developers.

Unfortunately, we don't know how long we must contend with these problems. Basic economics tells us that until supply chains return to normal, materials and construction costs will remain high. The bigger questions, however, relate to things outside of our realm of control: When will we no longer need more housing, and when will people stop overpaying for it? When will infrastructure slow down, and when will we no longer need fewer locations for retail, hospitality, etc.?

Although things might seem bleak, it's essential to zoom in our perspectives, focusing on the things we can control. Consider Stephen Covey's Circles of Influence, which my company uses to break down everything in the business into three categories:

- What can we control?
- What can we influence?
- What can't we control?

The most important thing to focus on while construction cost planning is paying attention to what we can control. Construction is a complex industry with lots of moving parts, and not everyone on a project works for the same company that owns the product.

There's the owner, contractor, subcontractors and sub-subcontractors, all of whom have different goals, motivations, expectations and more. The contractor is responsible for ensuring all those factors are aligned.

Because of the extreme complexity of construction, contractors must concentrate on what they have control over. The following are the three most critical things contractors should focus their attention on.

## 1. Relationships Within the Industry

The construction business only succeeds because of personal interactions and strong internal and external relationships. If your company supports its people, you can be confident that those people are supporting you. Awareness of the relationships that exist within the industry, building up and supporting one another, and understanding basic business standards help protect you from risk, including insurance, safety and payment risks.

## 2. Relationships With Customers

Cultivating happy and healthy relationships with customers can be achieved with the basic principles of high-level customer service. Do you or someone else in your business have face-to-face communication with customers? Do you shy away from difficult conversations with customers? How are customers being treated and prioritized?

It's important to communicate openly with customers without being afraid to tell them that something will cost more or that a project is delayed. At the end of the day, happy clients are the biggest marketing tool and referral program in any industry.

And a happy client is one who's had their relationship respected and prioritized.

## 3. Communication Practices

In this industry, there is no time for mistakes or miscommunications. Effective communication in construction is something you can — and must — control. It involves being direct, honest and speedy with the people you're working with and the customers you're working for.

There are so many communication tools out there, such as email, text and project management software, but it's important to remember the value of face-to-face communication, too.

After all, face-to-face communication is the single best way to prevent miscommunications and mistakes from happening on projects.

The construction sector must face up to the reality that the challenges coming down the pipeline over the past two years aren't slowing down.

As frustrating as this reality might be, the only way to ride out the wave and maintain effective construction cost planning and control is to focus on the things you can control and give those areas your best effort.

Prioritizing and maintaining internal and external relationships, face-to-face communication with clients and effective communication in all construction areas are the aspects that deserve the most attention today. ▲

*Grant Robbins is the co-founder of Billy, the time-saving tool that helps construction companies verify that their subcontractors and partners have the correct insurance on every project. Billy allows companies to request, verify and track insurance certificates on one platform to manage insurance risk. Visit billyforinsurance.com.*





# Unlocking Awareness & Adjusting Your Approach

The importance of mental health as part of a broader health, wellness & injury-prevention plan

BY KYLE SCHMOYER & KRIS CORBETT

There is a stigma attached to mental health in the United States. Misrepresentation in entertainment and the media has created a general misunderstanding, fear and negative perception of those battling mental health issues. As a result, those affected are often afraid to tell even their closest friends and family for fear of being labeled "crazy."

According to Mental Health America, a national nonprofit, more than 50% of people with mental illness do not receive treatment for their condition ("Adult Data 2022"). Due to fear around how a mental health diagnosis will affect their personal and professional lives, people experiencing issues often delay or avoid seeking professional help. However, that could be changing for the better.

## A Shift in Public Perception

One positive outcome of the COVID-19 pandemic is the shift in attitudes and awareness around workplace mental health that it prompted. The loss and uncertainty experienced in their personal, social and work lives had people experiencing stress, anxiety, depression and other mental health issues at a higher rate than ever before. As a result, people realized the reality of mental health and that issues are more common than they initially thought, fostering more honest and open communication around the subject.

According to a 2021 Harvard Business Review study, 50% of respondents said they had left a job for mental health reasons, and 76% reported at least one mental health issue in the past year (Greenwood and Anas). In addition, the study confirmed that the traditional stigma around mental health is receding, with two-thirds of respondents saying they had spoken with a coworker about their mental health in the past year.

## The Role Employers Play in Worker Mental Health

Many employers are still hesitant to acknowledge how their workplace practices, culture and environment play a role in mental health. Traditionally, mental health was not a big topic in the workplace. When discussed, it was treated as a preexisting condition and the sole responsibility of the individual to manage and treat.

However, the disruption caused by the pandemic highlighted how work can directly impact an employee's mental health. Long hours, poor work-life balance, negative workplace culture, poor communication, high stress and monotony of work are some of the most commonly cited factors negatively affecting employees mentally.

## Employers Who Take an Active Role Will Reap Rewards

How productive are you at work when you are having an off day emotionally? Happy, healthy people are less likely to miss work and are more effective when they show up. They also report higher job satisfaction, reducing employee turnover and creating a better workplace culture.

Mentally healthy people are less likely to get hurt. In high-risk trades like construction, the potential for severe or fatal accidents is constant, and an employee whose mind is elsewhere instead of the task at hand is more likely to be injured. The inherent dangers of construction require 100% of workers' attention, which can be challenging if they are dealing with emotional concerns or distractions.

## Construction Workers Are an at-Risk Group for Mental Health Issues

There are all types of people in construction, but the general construction culture prides itself on toughness, self-reliance, and hard work with no complaints. Unfortunately, this toughness which serves them well in certain aspects of the trade, can also negatively affect mental health.

This culture of toughness and suffering quietly has led to an enormous mental health problem within the industry. According to the Centers for Disease Control and Prevention (CDC), construction has a higher rate of suicide than any other industry. Many construction workers are battling depression and thoughts of suicide but are not seeking treatment because the perceived weakness of having a mental health issue conflicts with their culture.

When you look closely at the nature of construction, it is not hard to see where these mental health issues stem from. Construction is a high-paced, high-stress industry that often requires workers to be away from their families and support networks for long periods. Add to that the long hours, lack of sleep, and the fear of work running out. To fight back against stress, loneliness, and exhaustion, workers could often attempt to self-medicate with drugs and alcohol.

Another common issue contributing to construction workers' mental health is the cycle of pain many workers find themselves in. The heavy physical toll of construction leaves many workers with constant aches and pains. Unfortunately, this pain often goes untreated because workers feel they are not supposed to complain and must suffer in silence.

These workers can also resort to self-medication. While drugs and alcohol may provide temporary relief, they can worsen mental health issues, creating a vicious cycle. It is also a slippery slope toward substance dependence and addiction, another big issue harming the industry.

## How Can Companies Support Employee Mental Health?

Leaders within construction can no longer stay quiet on mental health, and employers must start taking an active role by changing workplace culture. Some employers have responded to the increase in the importance of mental health by implementing new benefits like mental health days and counseling services. While this represents a move in the right direction, they do nothing to address the workplace factors leading to mental health issues in the first place.

According to the Harvard Business Review study referenced above, what respondents wanted more than any other benefit or policy was to have an open company culture around mental health.

To achieve that, companies must begin training their leaders on how to address mental health issues correctly and how they can help create open and stigma-free communication around mental health.

If you ask a child how to have a healthy body, they will likely say eating healthy food and exercising. That is because we

**According to a 2021 Harvard Business Review study, 50% of respondents said they had left a job for mental health reasons, and 76% reported at least one mental health issue in the past year.**

are taught in our early years about the steps we must take to promote physical health. However, due to the stigma around mental health, the vast majority of employees never learn how to nurture and protect their mental health.

"If we took as good care of our emotional health as we do our physical health, everyone would have a therapist they check in with from time to time just as they do with their medical doctors," said Kris Corbett, director at Atlas Injury Prevention Solutions. Companies can change that inconsistency by training their employees on mental health, giving them tools to understand it better, the steps to manage it, and how to seek professional help if they need it.

Another proactive approach gaining popularity is using an early intervention specialist. In contrast to a traditional on-site emergency medical technician you often see on construction sites, these coaches focus on both the physical and mental aspects of total worker health. Early intervention specialists are often trained in injury prevention and wellness and can address workers' aches and pains along with physical and emotional health of the workforce.

Some might believe that construction workers would not be willing to speak with someone about mental health, but that is simply not the case. "After over 10 years of embedding early intervention specialists into the construction industry, the No. 1 topic workers seek is coaching around stress and emotional well-being," said Corbett. "The key is building a trusting relationship with workers, so they know they have someone there to help." Culture has shifted, and the subject of mental health, while once taboo, is now a regular topic of conversation amongst friends, families and coworkers. Employees now demand better communication, benefits, and consideration around mental health. As a result, companies that want to stand a chance in an increasingly competitive job market must change how they train and communicate with employees about mental health. ▲




*Kyle Schmoyer is a contributing writer at Atlas Injury Prevention Solutions. He is also a safety director with more than 10 years of experience in the construction, oil and gas, manufacturing and chemical industries.*



*Kris Corbett is director at Atlas Injury Prevention Solutions, and has 25 years of experience working in wellness, safety and injury prevention within the construction, utility and manufacturing markets. Visit atlas-ips.com.*



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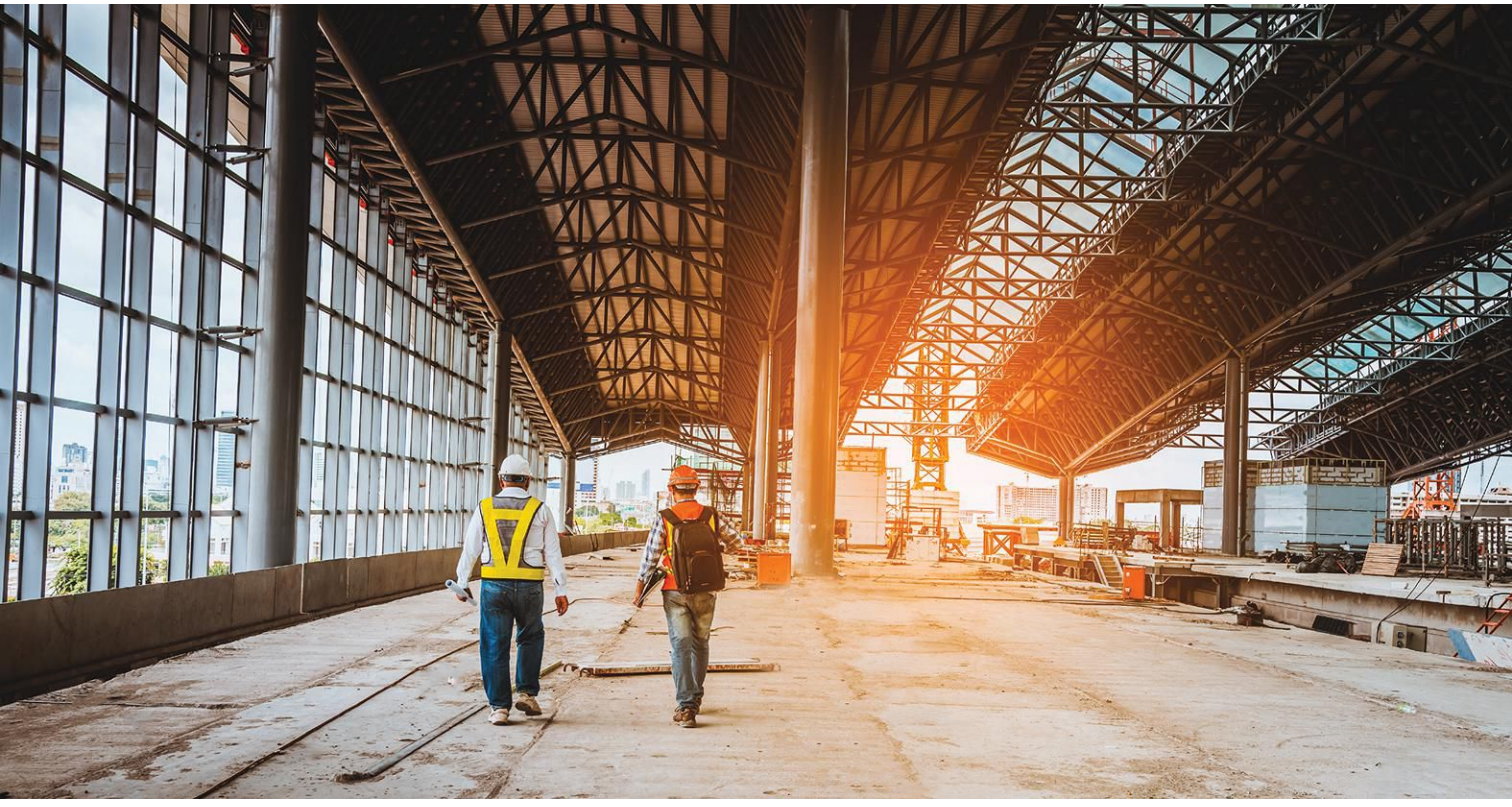

# Examining the Labor Shortage

## The what, why & how behind an ever-growing problem

BY JULIE DAVIS

"It feels like a perfect storm… A hurricane and a tornado, all rolled up into one."

Dr. Rachel Sederberg didn't mince words when describing the seriousness of the labor shortage in the United States. It's long been a problem, and now it's getting (much) worse. When the COVID-19 pandemic took hold in February 2020, there were 7 million job openings and 5.9 million unemployed people in the U.S. Two years into the pandemic, the statistics paint a dire picture of the workforce landscape as it stands presently.

"If we were to try to get back to where we were the day before COVID hit and turned our world upside down, we'd need 175 million more people in the labor force," explained Sederberg, who works as a research manager at labor market data company Emsi Burning Glass, and spoke during the Association of Equipment Manufacturers' (AEM) recently held member education webinar on workforce trends and their impacts on business strategy. "If we want to get to an equivalent point today, and keep up with our population growth, we need another 2.9 million."

The scarcity of skilled workers is one of the greatest challenges facing the equipment manufacturing industry today, and addressing it is a task not easily accomplished. It's problem of ever-growing significance, and its effects are being felt industrywide. Not only are manufacturers struggling to fill job openings today, recruitment efforts have left them wondering exactly why connecting with younger generations entering the workforce and inspiring them to embark on a career in manufacturing is so difficult.

### The Boomer Effect

A lot of answers can be found in looking at the not-so-distant past. Prior to the pandemic, baby boomers were exiting out of the labor force in great numbers for some time. Comprised of folks born between 1946 and 1964, baby boomers had come to shape the U.S. workforce — and society as a whole — over the course

of several decades prior to the turn of the century.

During the baby boomer era, women made their way into the workforce in greater and greater numbers, and massive household wealth gains were achieved (including a massive $42,000 jump per household between 1975 and 1995). However, the impact of baby boomers on the labor market began to change (and not for the better) in the early 2000s, when its older members started to reach retirement age. Eventually, as more and more exited the workforce, labor force participation began to drop, and the number of prime-age men in the workforce steadily plummeted. The perfect storm had begun to take shape. "Partly due to boomers leaving, even at the time COVID-19 hit, we just didn't have enough people for every job opening," said Sederberg.

## The solution ...

*lies in employers making a concerted effort to actively seek out and recruit those who are unengaged in the labor force. To do so, Sederberg advised organizations to take the following steps:*

- Be transparent about the job and the benefits.
- Embrace job freedom whenever possible.
- Actively and creatively recruit.

### Contributing Factors

Now, two years later, job openings in the U.S. have jumped 43% — from 7 million to 11 million. According to Sederberg, there are several reasons why:

- *Misalignment* — Available job opportunities don't always match up very well with the skills, demographic traits and preferences of those who are looking for work.
- *Immigration* — With immigration sinking to record lows on the heels of a steady decline for several years, relying on talent from abroad as a source of labor isn't as viable of a solution as it's been in the past.
- *The CARES Act* — Up to $2 trillion was added to consumers' pockets with the Coronavirus Aid, Relief, and Economic Security (CARES) Act, which was passed by Congress and signed into law on March 27, 2020, in the wake of


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the economic fallout that occurred in the opening weeks of the COVID-19 pandemic. The influx of cash allowed certain people to finance their way out of the labor force.

- *Accumulated wealth and retirement* — Income soared in the United States for all groups between 2019 and 2021, leading many people to finance their way out of the labor force (permanently or for an extended period of time).
- *Opioids and overdoses* – The rate of overdose deaths in the United States, particularly among males, continues to rise. Its impact on the available pool of labor talent can't be overlooked.
- *An increase in self-employment* — New business applications jumped significantly during the pandemic, as more and more people opted to leave the labor force and go into business for themselves.

## Addressing the Labor Shortage

"We can't employ what we don't have, and with record-low birth rates, this is a problem that's not going to go away," said Sederberg.

No statistic better illustrates the challenges facing the U.S. labor market than this: By 2034, a mere 12 years from now, older adults will outnumber children for the first time in the nation's history.

"So, the question is, 'How do we deal with this?' It's not about the unemployed versus the employed," explained Sederberg. "It's about the disengaged folks in our society."

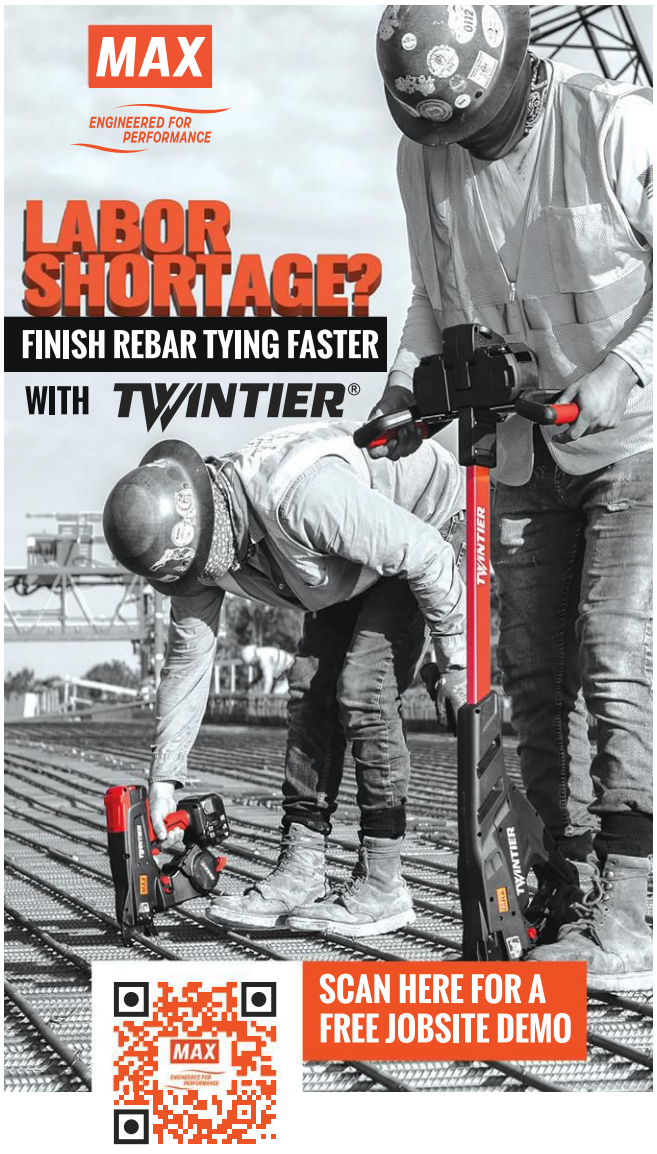
The solution, she said, lies in employers making a concerted effort to actively seek out and recruit those who are unengaged in the labor force. To do so, Sederberg advised organizations to take the following steps:

- Be transparent about the job and the benefits.
- Embrace job freedom whenever possible.
- Actively and creatively recruit.

"Focus on small, specific groups of workers," she said. "That's the most important thing. After all, it's a whole lot easier to make some small adjustments (to workforce development strategies and tactics) versus having to make a whole bunch." ▲

*Julie Davis is senior director of workforce development the Association of Equipment Manufacturers (AEM). AEM is a North America-based international trade group representing off-road equipment manufacturers and suppliers with more than 1,000 companies and more than 200 product lines in the agriculture and construction-related industry sectors worldwide. The equipment manufacturing industry in the United States supports 2.8 million jobs and contributes roughly $288 billion to the economy every year. Visit aem.org.*



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# Be a Leader, Not a Laggard

## How to find your company's estimating edge in the new era of construction

BY AARON HENDERSON

Estimating is the backbone of a construction project, and in the ever-evolving landscape of this industry, hyper accuracy is key. Your construction business's success hinges on completing projects on time and within budget, tasks that require organizational strategy to achieve. Retaining and recruiting talent, technology adoption and providing an organizational culture that promotes success through that adoption will give you the competitive edge.

### Know When to Hold 'Em (Accountable)

The construction industry puts a lot of trust in estimators' limited visibility to gauge results. If your preconstruction team isn't using best practices and being held accountable for their data, their best guess could be costing your business millions.

Ballparking numbers and guessing on your markup is too risky. Estimates should be precise predictions, not guestimates. Estimators need to look at jobs holistically to measure risk and analyze historic data to compare costs on similar projects. This information can be used to make decisions on whether or not the next project is right for your business and profit margins.

Just as building codes are enforced in the building process, accuracy, collaboration and efficiency should be expected from estimators. Preconstruction is part of the overall construction life cycle. Estimating data needs to be tracked and compared throughout a project to gauge success and position future estimates. Reviewing costs — labor, equipment, general conditions, materials — in real-time will help fine-tune the estimating process for future projects. If this sounds impossible for your current workflow, research cloud-based platforms that offer all-in-one solutions for complete estimating, team collaboration, accurate takeoffs, and bid-ready proposals.

### On-Premise Tech Is Extinct

Desktop software was revolutionary for its time, in 1990. Decades later, issues are insurmountable surrounding siloed data in on-premise software. Poor collaboration, rework due to file corruption problems, maintenance fees, and IT infrastructure requirements disrupt business workflows. On-premise tools are notorious for their clunky interface and difficulty to master – often requiring several months before new estimators can operate the software solo. That's a tough sell for millennials and Gen Z workers, who expect simple, streamlined tech tools both in their personal lives and at work.

### Labor Shortage = Skills Age Gap

The Great Recession in 2008 created a huge age gap in



construction with projects coming to a standstill and layoffs following, and caused many construction firms to close their doors.

In 2007, the Inc. 5000 included 548 construction firms on the list versus the 2021 Inc. 5000, which had 290. Over a decade later, it has created fierce industry competition in bidding jobs.

Nowhere was this skills gap more evident than in estimating. Today the average age of estimators is over 40, and with a major labor shortage in our industry there needs to be an emphasis on hiring the next generation. The incoming labor force are tech savvy and will likely be trained in using software solutions that digitize manual estimating processes. They expect organizations to be investing in innovative technology that will streamline workflows and increase their productivity. This younger generation can be valuable for your existing estimating department, harnessing the skills to train veteran estimators and help onboard them to new tech tools.

Transferring knowledge between these generations is critical to the success of all construction firms over the next decade. Harnessing information and best practices from the earlier generation and creating opportunities for collaboration allows for better flow of knowledge and shortens the time-to-value of more junior estimators.

Continued education for both new and seasoned estimators is essential to maintain accuracy and the accountability this field needs. The American Society of Professional Estimators has incredible continued education resources in its Estimating Academy courses. Additionally, choosing a cloud-based estimating solution that offers extensive training, great customer service, live chats, webinars and onboarding will set up your business for success.

## Best-in-Class Solutions for Retention & Recruitment

Be a tech leader, not a laggard. Construction has the highest single failure rate of all industries, and it is driven by a failure to adopt technology. Leading companies are far ahead of competitors in building their technically endowed workforce. Make bold investments in tech and talent by:

- Giving your estimating team the best possible tool in order to maximize performance. Empower them to be the most efficient, accurate and collaborative in their jobs.

**Just as building codes are enforced in the building process, accuracy, collaboration and efficiency should be expected from estimators.**

- Identifying top performers within your organization and mirroring their processes. This will also expose low performing individuals and help take corrective action to rebuild their performance.
- Using your best-in-class solutions to recruit top talent. Gen Z and millennials are tech savvy and reliant. Show them you're willing to invest in a comprehensive platform that sets them up for success with impactful and efficient technology.
- Continuing to invest in tech frequently. According to a recent survey by McKinsey & Company, technology investment is happening on a monthly or even weekly basis. In 2021 the funding of digital and technology initiatives in top-performing companies increased by 65%, as did the numbers of full-time equivalents in a digital and technology role by 44%. To survive the competitive climate, your organization needs to keep adding innovative solutions.

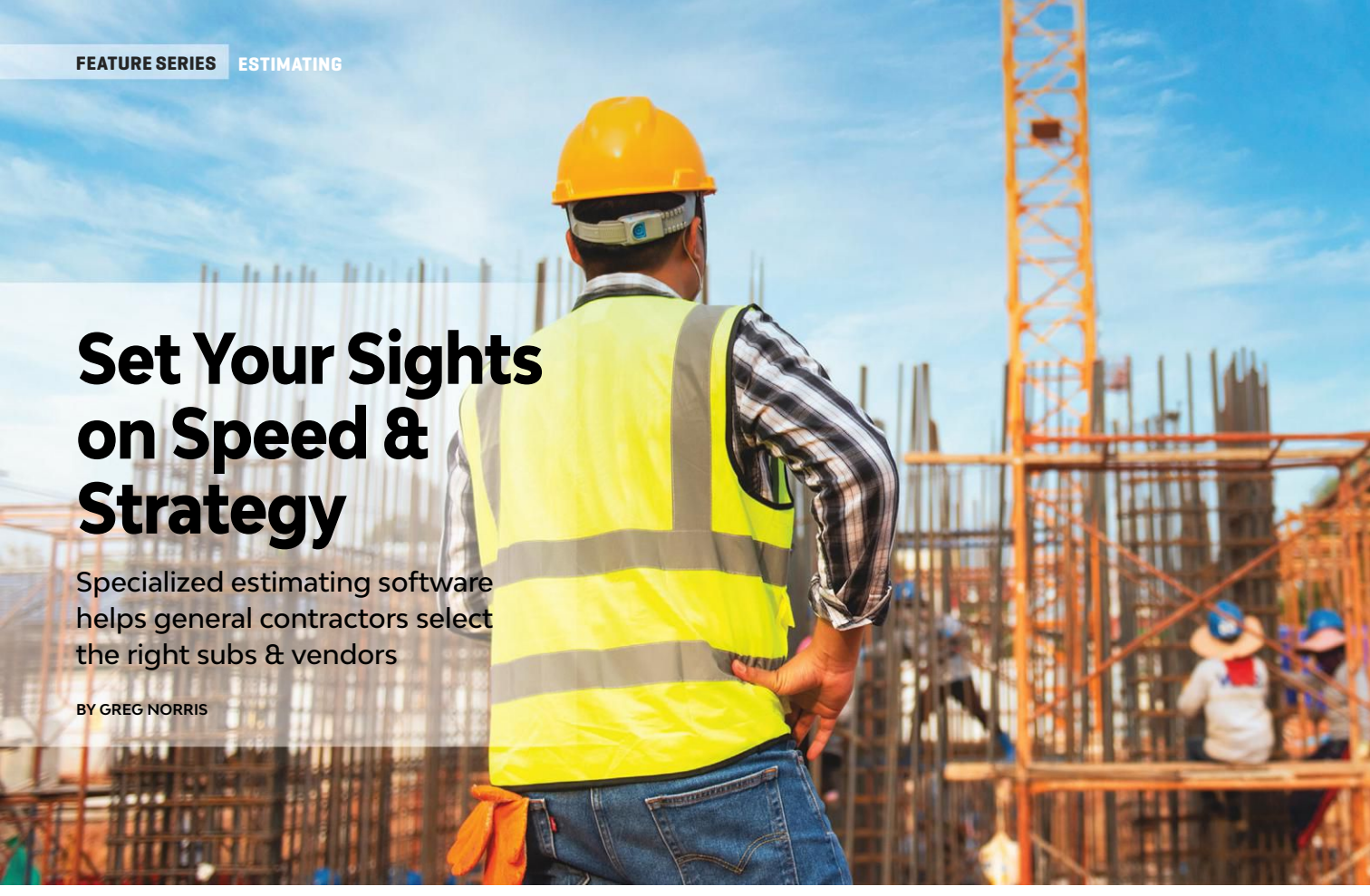
## Remote Estimators May Be Your Best Tool

COVID-19 has transformed the way we work, impacting in-person offices and creating hybrid work environments. If you want the best estimator on your team, there is a good chance they're not local. Remote work has paved the way to accessing top-tier talent, requiring remote-friendly workflows to be in place at your organization. Competition is brutal, but if you're using a best-in-class solution you'll attract the budding workforce you need to succeed. With a cloud-based platform, your data is centralized, accessible in real time, collaborative between the field and office, and secure.

Estimating will change more in the next two years than it has in the last 20 years. The tech acceleration in construction is the perfect opportunity to put distance between yourself and lesser advanced competitors. With the industry moving toward digitalization, updating workflow processes with new technology allows for better collaboration, time and money savings, less rework, and improved failure rate. Equip your business to outperform the competition. ▲

*As director of enterprise sales for Stack Construction Technologies, Aaron Henderson is on a mission to scale contracting organizations leveraging technology to increase efficiency and minimize risk. Over his career Aaron has worked with top architecture, engineering and construction industry leaders to streamline systems and processes and develop strategies for more effective growth. Visit stackct.com.*





# Set Your Sights on Speed & Strategy

## Specialized estimating software helps general contractors select the right subs & vendors

BY GREG NORRIS

Every heavy construction general contractor is familiar with the scenario. A bid deadline is rapidly approaching, but estimates from one or more potential subcontractors and vendors have not arrived. When the figures do come in, it can be a mad scramble, with precious little time to compare them thoroughly, determine the lowest-cost or most-appropriate option, or analyze opportunities for splitting or self-performing various items.

Limitations that slow down contractors relying on paper-based processes or Excel spreadsheets include this vital vendor and subcontractor analysis portion of the estimating process. Specialized estimating software, by contrast, can provide distinct speed and accuracy advantages for soliciting and analyzing quotes from outside companies. An organized, methodical system enabled within the software application frees up time for strategy and assists estimators to confidently zero in on the best pricing and work breakdown approaches. "Our estimating software saves us a significant amount of time when it comes to quote comparison," according to Shawn Blanchard, project manager and estimator at Brubacher, a Pennsylvania-based excavating company specializing in sitework. "We can actually solicit vendors or subcontractors for pricing one time, and the software puts it in a parallel system. That allows us to assess, de-scope and do the comparison right in the estimating application. I find it to be a very good feature."

### Soliciting Quotes

Sending requests for proposals or quotes is step one. Estimating software can do this automatically and ensure that there is complete consistency across what is sent to each vendor or subcontractor.

The concept of pre-populated lists of cost items that a contractor uses for self-performed work is a staple of estimating software. Likewise, contractors can establish request for quote (RFQ) groups in the software to identify in advance the types of work or materials that they will ask outside companies to

**An application programming interface (API) can further enhance vendor and subcontractor management. The API allows estimators to create automated connections between the estimating application and other systems, including a contact management application or other data sources containing information on subcontractors and vendors.**



perform or provide. They can also prepopulate information on any number of subcontractors and vendors — ranging from capabilities and prices to assessments of past performance — in the software.

With these building blocks already in place, the software can match provider capabilities with what is required, eliminating the time and effort of doing it manually. From here, it is fast and easy to select which providers to include, add any other information required, and deliver the RFQs directly from the estimating software.

## Analyzing & Comparing

Next comes the comparison and analysis of the quotes submitted. Doing this manually, or even on spreadsheets, is time consuming. Data-entry, formula and calculation errors are also common.

A lot of contractors are forced to cut this part of the process short if they haven't adopted estimating software. They don't have the time, when the bid deadline is approaching, to put in the effort necessary for a thorough comparison.

An RFQ management system within a specialized estimating application will make it easy to plot as many quotes as necessary within a matrix and to sort them by a wide variety of factors for a fast side-by-side comparison. The software should also make it easy for estimators to use their discretion to change numbers from a vendor or subcontractor based on having worked with that provider in the past, arriving at a more accurate apples-to-apples comparison.

General contractors can even insert their own plug number or estimate in this comparison to help determine if outside quotes are in line or how self-performing portions of the job would impact the overall bid.

Subcontractors can benefit similarly. Soletanche Bachy Canada works primarily as a subcontractor for piling, excavation, marine construction and foundation projects. The company says estimating software provides the speed and flexibility to develop multiple scenarios for answering RFQs in a matter of minutes. Doing that with spreadsheets could take hours or days. This allows them to present the general contractor with more options and to negotiate increases or decreases in the scope of work.

## An API Advantage

An application programming interface (API) can further enhance vendor and subcontractor management. The API allows estimators to create automated connections between the estimating application and other systems, including a contact management application or other data sources containing information on subcontractors and vendors. This eliminates the need to enter the same data in multiple places and ensures that all systems are always up to date with each other. New contact information, capabilities or material pricing, for example, would be available instantly and automatically in the estimating software as soon as it is updated by the vendor or subcontractor.

## Conclusion

Heavy construction jobs, and the bids needed to win them, are getting larger and more complex. At the same time, competition is intensifying, and margin pressure is increasing in many sectors. This puts added pressure on general contractors to thread the needle with accurate bids that are low enough for them to win the work and high enough to optimize profitability and not to leave money on the table.

Analyzing quotes from subcontractors and vendors and picking the best ones are key parts of this process, and specialized estimating software provides vital speed, accuracy and strategy advantages over spreadsheets and manual processes. ▲

*Greg Norris is director of marketing communications at B2W Software. The company's ONE Platform connects people, workflows and data and includes advanced, unified applications to manage estimating, scheduling, field tracking, equipment maintenance, data capture and business intelligence. Contact Norris at gnorris@b2wsoftware.com. Visit b2wsoftware.com.*






# Machine Guarding Protects Equipment & Operators

How to defend critical components from damage & keep operators safe

BY BILL ZAK

One average workday, an operator was running a wheel loader: lifting logs and moving tree debris. As he continued to work, a tree branch flexed and popped out from the bucket area, jamming into the windshield of his wheel loader.

The operator was fine, thanks to the wheel loader windshield guard that came between him and the log. Not only did the windshield guard protect against glass breakage and severe damage to the machine, but the guard potentially averted a tragedy.

**Often, guarding kits are custom built for customers. Essentially, customers can consider each category of machine guarding and pick and choose which pieces would work the best for them.**

Equipment protection and machine guarding are crucial investments. There are many components available to protect your construction equipment.

With the right guarding pieces, daily maintenance and proper operator training, a machine can work productively for many years. Here, find a few of the best ways to protect your equipment and operators.

## Machine Guarding Options

Due to the variety of industries where heavy construction equipment like wheel loaders can be operated, it's rare to find one perfect guarding package for multiple machines.

Between site preparation, excavating, grading and demolition, the job of the wheel loader or excavator requires specialized equipment.

Often, guarding kits are custom built for customers. Essentially, customers can consider each category of machine guarding and pick and choose which pieces would work the best for them.

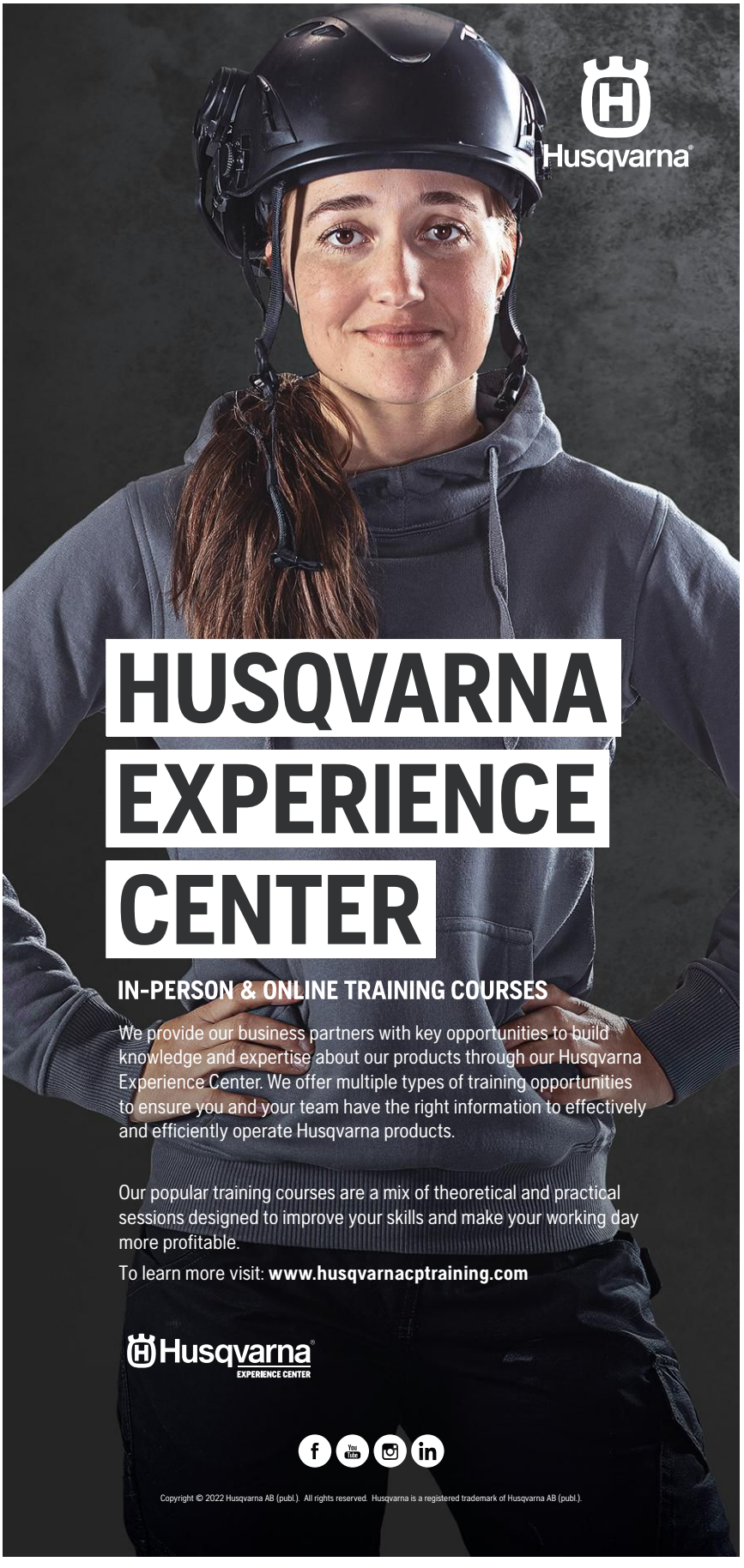
A good way to start choosing guarding parts is to identify the primary application your machine is being used for and determine how much or how little guarding is necessary.

Guarding pieces for wheel loaders include the following. Note that guarding may vary by manufacturer.

- Windshield guards, either bar or grid type
- Headlight and taillight guards
- Front and rear belly guards
- Transmission guard
- Center hinge guards (articulation joint)
- Heavy-duty front frame cover plate
- Boom cylinder hose and tube guards
- Axle seal guards
- Valve stem guards
- Air intake protection filter/screen
- Light guards: These are some of the most important machine guarding parts. Without proper lighting, a wheel loader operator is unable to safely start work before sunrise or operate at night or in low-light situations.

Under-guarding protects against stray scraps, branches or other items found on a variety of worksites. This guarding protects the electric and hydraulic components of a machine — vital pieces





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that allow the machine to keep operating.

There are many guarding options available. Work with your local equipment dealer to narrow down what's important to you and determine which pieces you may need for your machines.

### Daily Maintenance Checks

Daily maintenance is an essential part of machine upkeep and protection. Before each workday, it's important for you or your operator to perform a visual machine inspection.

Check the tire pressure and check the tires themselves for any cuts or weak spots. It's also important to regularly check machine fluids and filters, including hydraulic oils, engine oils, fuel filters and air filters.

To ensure operator safety, the seatbelt should also be checked. Before a new user begins work, make sure the seat belt fits

## SCOR INDUSTRIES OUTFITS WHEEL LOADER WITH GUARDS

California contractor Scor Industries specializes in diverting construction waste from landfills and recycling it. The company's wheel loaders are outfitted with machine guards to help avoid damage and maintain uptime. Scor has also installed windshield guards to protect the glass in the cab and improve operator safety.

properly. Additionally, before a new user operates the machine, an experienced operator should go over the machine and the application with them.

Having the proper background information of the machine allows the operator to be equipped with the knowledge they need to safely begin working.

## Return on Investment

A common question that arises before spending money is, "What is the return on investment?" The answers are clear when it comes to investing in equipment guards.

One of the best returns on investment is in the form of machine uptime protection. For example, if a wheel loader is working on a demolition job site without under-guarding, a piece of broken concrete could pop into the machine and tear out a hydraulic line. This poses a couple of different issues.

One is that there is a high chance for an environmental spill, which takes time to responsibly clean up.

Another is that the operator would need to wait for a service technician to get to the jobsite, repair the machine, put more fluid into it and assist with cleaning up the spill if necessary. All that could take hours out of a workday.

Simply making the choice to add under-guarding to the wheel loader could have prevented hours of downtime.

It's never too late to add guarding to a machine. Contact your trusted dealership to explore your options and identify which guarding items may work the best for your machine. ▲






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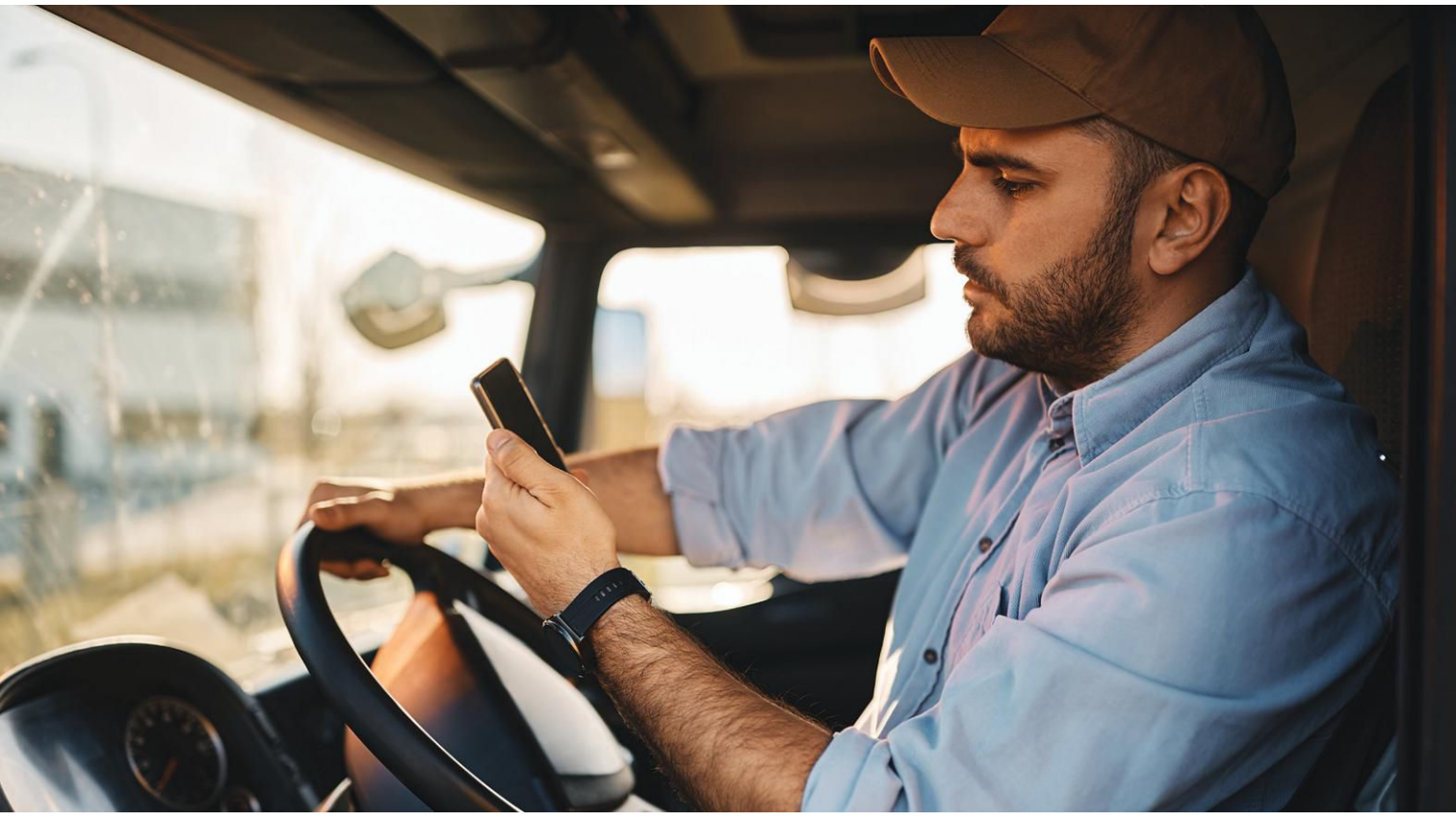
*Bill Zak is the wheel loader product manager for Doosan Infracore North America, headquartered in Suwanee, Georgia. Zak has 26 years of heavy equipment experience and has served in a variety of marketing and product management roles. Visit na.doosanequipment.com.*





# Understanding Contextual Mobility Management

How you can use CMM to proactively eliminate distracted driving in your organization

BY JOE BOYLE

Technology is constantly evolving, and as it does, many people try to keep up with all the latest devices — smartphones, tablets, smartwatches, laptops and more. But as people, and workforces, become more tech-savvy and connected, it's necessary to weigh the benefits and risks of digital integration. Workers in the general contracting industry spend much of their time behind the wheel, driving to, from and between various worksites. Many construction workers who drive rely heavily on their mobile devices to stay connected while on the move — from accessing navigation, updating project management and maintaining communication with a distributed team.

There are clear benefits to having access to a mobile device, but mobility comes at a cost without the proper oversight. Texting takes a driver's eyes off the roadway for an average of 4.6 seconds.

When traveling at 55 mph, this equates to driving 371 feet without looking at the road — or the approximate length of a football field. According to the National Highway Traffic Safety Administration, nearly 43,000 people died on U.S. roads last year, around 3,100 of which were involved in vehicular crashes involving distracted drivers.

To make matters worse, many employers are unaware of how they are contributing to the problem. A recent survey conducted by Truce Software revealed that 72% of people who drive as part or all of their job feel pressured to respond to work communications while behind the wheel.

## Financial Impacts

Now, consider how distracted driving

could impact a business. This can include:

- *Repairing or replacing a vehicle* — Depending upon the type of insurance a company has, and if the vehicle is a total loss, there will be significant costs to make repairs or replace it.
- *Missed business opportunities* — Should there be a crash and vehicles are out of commission, or someone is injured, there are a few ways a company can lose business. With fewer vehicles comes limited means of sending workers out into the field. And if an employee is injured and unable to work, the entire construction workflow is disrupted, compromising the contractor's ability to keep the job on track. Construction businesses will undoubtedly remain affected until the employee recovers, which could be weeks or months.
- *Insurance premium increases* — With more accidents come more rate hikes, but that's a best-case scenario. If a company has multiple accidents, it risks insurance carriers declining continued coverage altogether.

## Reputational Woes

Costs aren't the only significant way distracted driving crashes can impact a construction business. Your company's reputation can take a major hit. Often, vehicles in a fleet are adorned with logos.

While this is a great way to build brand awareness, companies face reputational turmoil if a branded vehicle is involved in a distracted driving crash and the driving employee is at fault. In the case of a major wreck, local news outlets are likely to report on it, and the coverage very well could spread across various social media channels. Going viral for the wrong reasons can greatly weaken a company's reputation.

Fleeting moments of distracted driving can bring a business that has spent years building a brand to its knees.

**Texting takes a driver's eyes off the roadway for an average of 4.6 seconds. When traveling at 55 mph, this equates to driving 371 feet without looking at the road — or the approximate length of a football field.**

## Proactively Curbing the Risks Associated With Advanced Mobility

The safety risks that come with advanced workforce mobility are too important to ignore. While each employee should take personal responsibility to drive safely, business leaders have an important role to play in creating a safe work environment. Some managers might use different means of keeping tabs on drivers — including in-vehicle cameras to record a driver's every move or telematics that capture detailed data on vehicle movement. The technology, while helpful, is essentially reactive: something to look at after a crash or react to behaviors after they have already posed a risk. In the case of distracted driving, there must be more than a reaction.

## Being Proactive

The best way to prevent an accident is with proactive solutions that curb distractions before they occur. A mobile device policy that sets guardrails for when and how a device can be used can help reduce risks, but equally important is a tool for enforcement. Contextual mobility management (CMM) can consider contextual and situational triggers when a driver is in motion. These include motion data, schedules, time of day and more.

CMM, depending on a company's mobile policy, can temporarily limit access to specific types of apps, features or content that pose a distraction behind the wheel while still allowing access to critical ones. GPS apps are still accessible, for example, and if a driver receives a call notification from a manager, they can pull over and take the call.

The employee has access to everything they need on their device for the task at hand and nothing they don't.

## Instilling a Culture of Safety

Managers must promote a safety culture that keeps company drivers and others on the roads safe. As many know, it can be tempting to answer a quick text message, take a brief phone call or look at the notification that just popped up on social media. CMM can decrease workplace distractions before they occur and improve worker safety, whether on-site or driving to it. Companies can enact distracted driving policies to compensate for drivers who are unwilling — or too distracted — to adhere to state road laws.

When a work notification comes through on an employee's phone, oftentimes the worker feels inclined to treat it like any other notification and reply as soon as possible. As more employers adopt and embrace the benefits of mobility, employers must consider how their company culture impacts employee safety. Business leadership must consistently reinforce that unplugging is not only OK but it's encouraged — and mandatory in contexts that pose safety risks. ▲

*For more than 20 years, Joe Boyle has led high-performance teams in technology companies, creating a proven track record of success in both SaaS and software business models. Over the course of his career, Boyle has achieved successful outcomes in leading integration activities for these companies. As CEO at Truce Software, Boyle brings a passion for enhancing companies' safety standards and improving their overall productivity through contextual mobility management. Visit trucesoftware.com.*



# Volumetric Concrete Mixers Offer Versatility & Value

## How contractors can multiply productivity & improve accuracy

BY KRIS MOORMAN




When opening in 2018, Battleground Concrete out of Houston, Texas, focused its business on what it saw as an underserved market: providing small batch concrete pours for industrial projects. Over the last four years, the company has not only continued to successfully build its books of industrial business, but it's also expanded into other markets — with a fleet solely made up of volumetric concrete mixers.

"The Houston area has its share of companies offering ready mix, which doesn't fit the need for every job," said Battleground Concrete Co-Owner and General Manager Tyler Hooper. "We saw an opportunity to deliver small batch pours that help ensure a high-quality, precise product every time — a requirement for jobs like those within chemical plants and refineries. Our volumetric trucks allow us to do that."

### Mix On-Site & On Demand

A volumetric concrete mixer measures, mixes and dispenses a precise amount of concrete from a single unit. Sand, stone, cement powder, water and additives are each kept in its own compartment on the volumetric mixer and mixed on site in the exact amount needed. The technology enables multiple projects to be completed on one or more jobsites using the same equipment, even if each project has a different design mix.

To serve its growing customer base, Battleground Concrete utilizes eight fully automated volumetric concrete mixers.

"We have been able to pour five yards of concrete for a project, then switch and cap it off with grout using the same truck," noted Hooper. "That saves us time, cuts waste and helps us to schedule more jobs in our day."

Mixing while on the jobsite also helps when unexpected delays occur. "If there is a shut down for any reason, ready-mix concrete tends to get older and hotter, risking the quality and integrity of the product," said Hooper. "With a volumetric mixer, you remove all those issues."

### Save Time, Money & Resources

Such flexibility can also be a lifesaver when working on public infrastructure projects, from roads and bridges to sidewalks and curbs.

An increasing number of cities, counties, states and federal agencies are accepting volumetric mixing, according to the national Volumetric Mixer Manufacturers Bureau. That means new opportunities in roadbuilding, including bringing in volumetric mixers to complement work done using ready-mix trucks.

For example, for quick repairs and limited windows of opportunity to complete a pour, volumetric mixers fit the bill.

"Instead of having concrete sitting in drum trucks just waiting, we can mix and pour fresh fast-setting concrete when it's needed, and in the quantity needed, without delay — helping to keep closures to a minimum and get traffic flowing again," said Hooper of Battleground Concrete's work with the Texas Department of Transportation.

Quality testing and confirming consistency between loads can be done in real-time with a volumetric concrete mixer, and any necessary changes in the design mix can be made at the jobsite, eliminating delays caused by having to return to the batch plant.

The separate storage bins allow extra materials to be saved and mixed later, eliminating shortages, over-ordering and short load fees that cost time and money — helping contractors and customers stay within budget.

With demand for ready-mix concrete exceeding availability due to booming construction across the country, municipalities like the City of Baytown, Texas, are finding volumetric concrete mixers help in delivering short loads on a timely basis. "Most ready-mix plants focus on large loads," said Assistant Director of Public Works Kevin Harvill. "As a result, we had to wait three to four weeks for concrete. That not only cost us time, but the up charges for short loads cost us money." With control of its own concrete, the City of Baytown can pour whenever they need without waiting. The versatility the city's volumetric concrete truck allows them to efficiently move from project to project. "We can quickly adjust the slump, admixture and water reducer to pour everything from sidewalks to curbs using the same truck," said Harvill. "It helps us meet taxpayers' expectations to have streets available for travel with minimal delays."

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## Control Scheduling, Drive Growth

Supply and demand issues also led Phillips Siteworks in Kansas City, Missouri, to find a new way to deliver concrete, including for smaller residential and commercial projects that traditional ready-mix trucks can't fit into the schedule.

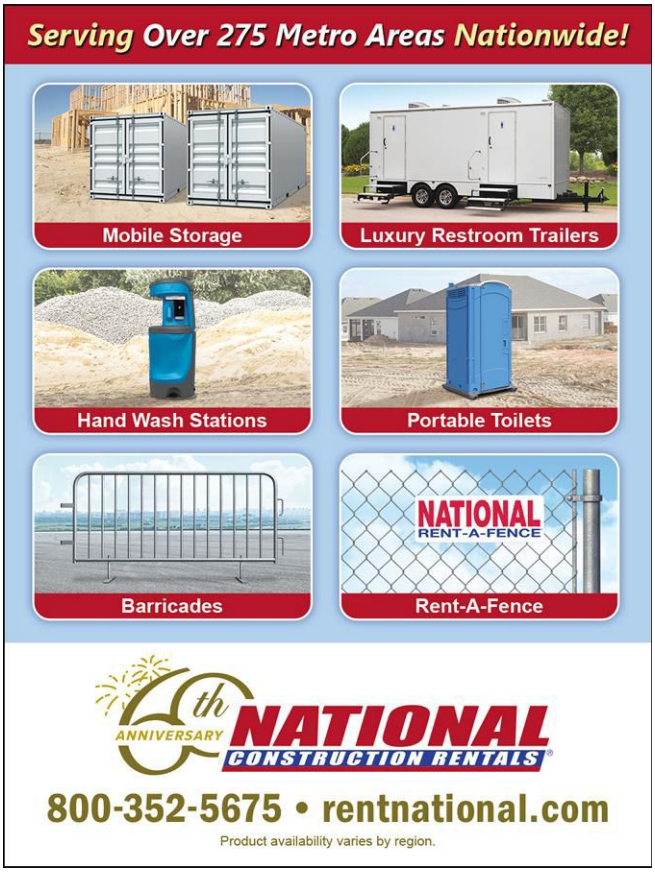
"Demand for concrete is so high, we were sometimes waiting two to three days to get on the schedule, with the risk of the delivery being cancelled," said General Manager of Phillips Siteworks' Volumetric Division Jimmy Leath. "We wanted to control our own schedule and get concrete when, where and how we needed it."

To date, Phillips Siteworks has passed the 6,000-yard mark pouring concrete using its volumetric mixers and have opened new sources of income, including taking emergency calls at night for other contractors.

"Using our volumetric trucks, we can pour multiple 1- to 2-yard jobs in a single day with one operator and the same equipment, or a 110-yard pour without having to leave the site," said Leath. "Not having to go back and forth to the site saves us a lot of time and money, and we've been able to take on a wider variety of jobs and increase our amount of work."

Continuing to build and grow the business, while meeting the needs of its existing customers, requires the versatility of a volumetric concrete mixer to quickly and cleanly move from one mix design to the next, noted Leath.

"Being able to pour a 3-inch slump curb, then go right into a 6-inch slump approach without having to add any additional water lets us do what we need to do without the time, expense and risk that comes with having to use two separate trucks."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According to experts, the heightened interest in construction is expected to not end any time soon. For business owners, making the most of their staff, time, equipment and other resources will be key to not just surviving, but thriving in this market. Companies like Battleground Concrete and Phillips Siteworks are finding a way to service customers 24/7 by taking advantage of volumetric mixers, and their ability to conveniently deliver a catalog of mix design options efficiently and with ease. "With volumetric concrete mixers, our opportunities are pretty much endless," said Hooper. "From pouring flowable fill, shotcrete, gunite and grout, to delivering concrete for residential backyards, bridge decks and emergency concrete cutouts on the freeway — we can make it happen." ▲

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*Kris Moorman has worked in construction manufacturing for over five years. Her background in technology, sustainability and the benefits both bring to the asphalt and construction industry, gives her insight into the ways firms can improve, diversify and build their business. Moorman is the marketing manager for Cemen Tech, which manufactures volumetric concrete mixers. Visit cementech.com.*



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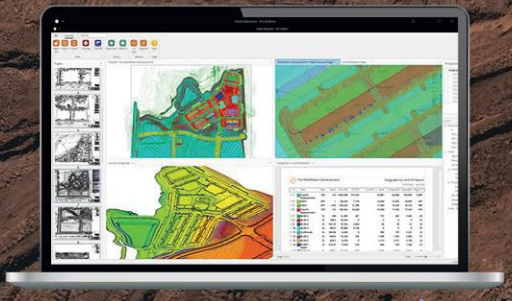

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# The Shifting Perspective of Rental Equipment

Exploring the trends, tactics & technology helping construction rentals rebound

BY JOSH NICKELL

Rental is a relatively young industry, and it's continuing to grow each year, with more contractors renting than ever before. Even with supply chain issues and labor shortages, U.S. equipment rental revenue, including both construction equipment and small tool, is expected to grow by 11.1% to reach nearly $56 billion in 2022, according to the latest quarterly forecast released by American Rental Association (ARA). In the early days of rental, it was experimental and full of optimism. Repair shops began developing their rental business styles while looking for new opportunities during times of uncertainty.

Rental was a new method of business and considered a last-resort option by

**As the industry has progressed, the rental perspective has shifted. Over the last 20 years, contractors have started relying on the benefits and business advantages of renting versus owning. Equipment has gotten more complex, and rental partners are available to help.**

contractors. However, as the industry has progressed, the rental perspective has shifted.

Over the last 20 years, contractors have started relying on the benefits and business advantages of renting versus owning. Equipment has gotten more complex, and rental partners are available to help.

## Evolving Changes Bring Higher Efficiencies

Rental companies have become more of a partner within the construction industry than ever before. Why? Because the shifting perspective of rental has allowed them to.

The trust between rental businesses and contractors allows rental stores to stock equipment inventory in advance knowing the demand will fulfill the investment.

Going from a backup option to an integral part of the plan has provided more business, revenue and growth opportunities for both rental businesses and contractors.

Today, more than 50% of equipment on a jobsite is rented. The younger generation of contractors use the benefit of not having to store large equipment and transfer it from jobsite to jobsite to their advantage.

They're more comfortable with the idea of access over ownership since they've been around the sharing economy most of their lives. The equipment will be available when they need it, so why go through the hassle of buying?

The responsibility of maintenance and certain liabilities also falls to the rental provider and is removed from the contractor's plate. Rental equipment is often safer as well, simply because it's newer. Manufacturers are constantly



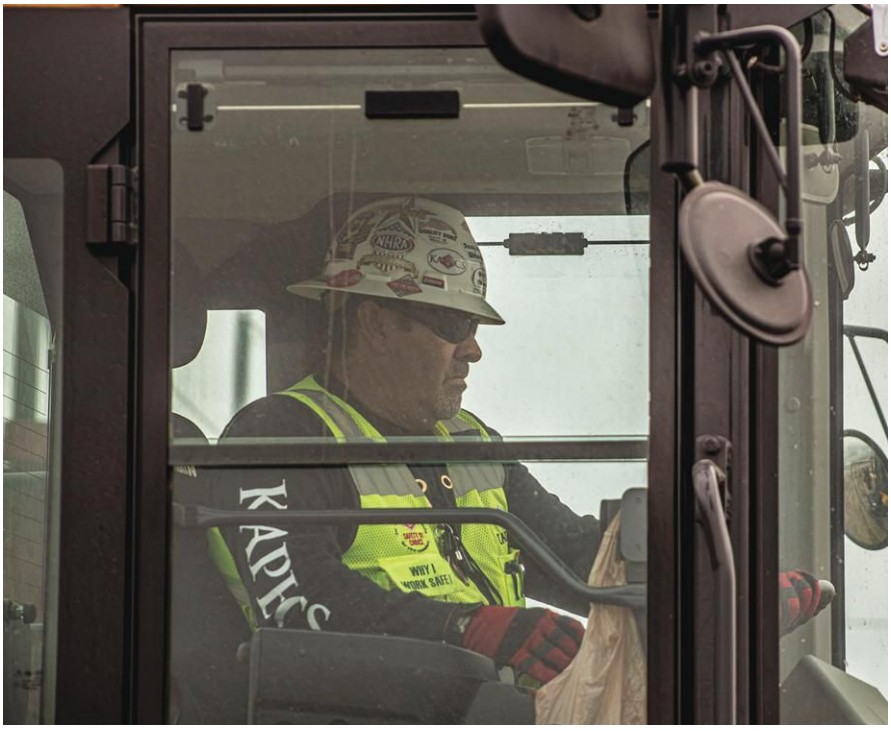



Image courtesy of Robby Brown + Sundt Construction.

upgrading safety features. A gritty, 20-year-old excavator might perform well, but it still can't compete with the newest models in terms of safety and operator comfort.

## Simplifying Business Processes

As businesses grow, the demand for more equipment increases — and so does the management behind securing that equipment. Some of that work can be transferred from a contractor or business owner to a preferred rental partner, though. Let them know what's needed and when, and they'll worry about the logistics. By trusting the expertise of a rental partner, contractors can gain access to the equipment they need for long-term or short-term projects, allowing them to carry out any project.

Renting equipment decreases stress related to major labor and equipment shortages, too. Instead of hiring more people, maybe a piece of rental equipment can make up the ground. Instead of ordering new equipment and wondering if it will arrive on time, choose rental to ensure it will. Rental stores already have what contractors need in stock and ready for the jobsite.

## No High Initial Cost

There's no denying it, equipment is an investment. One piece of expensive machinery can only perform a limited number of duties — and what if you only use it occasionally? What if the work shifts and that machine becomes obsolete?

Contractors are realizing, though, that rental is a way around that. Renting an item can be treated as a "test drive" for certain equipment or brands. The lower initial investment allows more flexibility with the types of jobs taken on, too. Rental provides the freedom of having a specific focus one day and another the next, without keeping a warehouse full of equipment.

As rental has become more popular, the price point of renting has become more efficient as well. The retail cost of a backhoe has increased exponentially over the years, but the rental cost has not, leveling the playing field between the two.

## Future for Growth

Rental solves several challenges and will continue to solve more challenges for a larger portion of construction businesses. Viewing rental stores as a partner and vital piece of the puzzle will take the burden off contractors, allowing them to focus their talents on projects instead of logistics. It has already started to do so. Many contractors weigh the pros and cons between buying and renting daily and are also working that into their long-term fleet plans.

Renting equipment results in 30% to 60% fewer carbon emissions over the lifetime of a piece of equipment over ownership. The trend of sustainability is highlighted in the emergence of electrified and minified machinery, and the increased popularity of rental. Electrified and battery-powered equipment is expensive and complicated, making it much easier to rent than to own. That equipment is making its way into rental fleets because of that, allowing contractors to rent those products to help meet their sustainability goals.

Technology will only continue to evolve. In the realm of remote diagnostics and telematics, rental companies can currently monitor a fleet remotely, and in some cases, allow contractors to monitor a rental fleet next to their own. Opening up more of the data will help pinpoint where efficiencies and inefficiencies lie. ▲

*Josh Nickell is vice president, equipment segment, for the American Rental Association (ARA). A 20-year rental industry veteran, Nickell is a third-generation owner of a family rental business. He has worked with a national rental company, an international rental software provider and served in a consulting capacity. Through decades of experience, he gained knowledge of all aspects of the rental industry. Visit ararental.org.*



# 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.

## INFINITY ▶

### X1 Worklight + Speaker

**Released: 4/25/22**

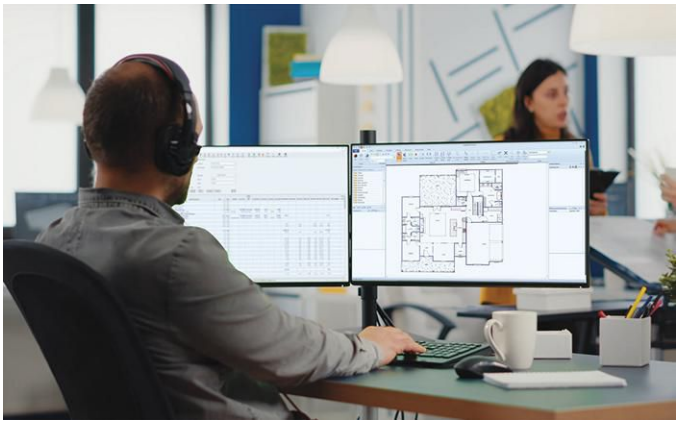
**Availability: Global markets**

**What's new?** The X1 Worklight + Speaker is rechargeable, providing wireless lighting and music that you can take with you anywhere. Works as a power bank with dual USB port for charging and charging cellphones.

**Specs:** Each work light is built with a magnetic base to connect to any metal surface, a carabiner built into the base, an adjustable tilt base and a power bank with USB In and USB Out for charging. Choose between high, medium and low brightness modes, red night vision mode or the red emergency signaling mode.

Check 200 on index.



## ◀ TRIMBLE

### WinEst Essentials

**Released: 6/14/22**

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

**What's new?** WinEst Essentials is a new cloud-hosted estimating software subscription that facilitates an end-to-end estimating workflow for general contractors and specialty contractors, such as concrete, masonry, and drywall contractors. This solution allows estimators to implement and automate their company's estimating methodology throughout the estimating process.

**Specs:** As an all-in-one subscription, WinEst Essentials allows estimators to win more work through efficiencies in estimate creation, precision, and shareability — without the hassle of managing multiple software subscriptions.

Check 201 on index.

## CASE CONSTRUCTION EQUIPMENT ▶

### Minotaur DL550 Compact Dozer Loader

**Released: 7/3/22**

**Availability: U.S. & North American markets**

**What's new?** Weighing in at more than 18,000 pounds and working with 114 horsepower, the new first-of-its-kind machine delivers true dozing and grading performance, as well as powerful site loading capabilities and compatibility with hundreds of attachments. A single platform has never delivered this level of versatility, power and precision — all culminating in an entirely new product category created by CASE: the compact dozer loader.

**Specs**: Key features include chassis-integrated C-frame with six-way blade delivers true dozer performance; Fully integrated rear ripper for tearing tough soils (optional); Standard 1.25-cubic-yard bucket for heavy-duty loading and material handling; Compatible with hundreds of attachments — enhanced high-flow comes standard; Choice of steel tracks (two options) or rubber tracks; CASE Universal Machine Control allows for the precision construction solution of your choice; Powerful collaborative fleet management with CASE Site; Watch telematics (standard) and remote machine access for diagnostics and software uploads

Check 202 on index.



## ASITE ▶

### Asite Project Workflow

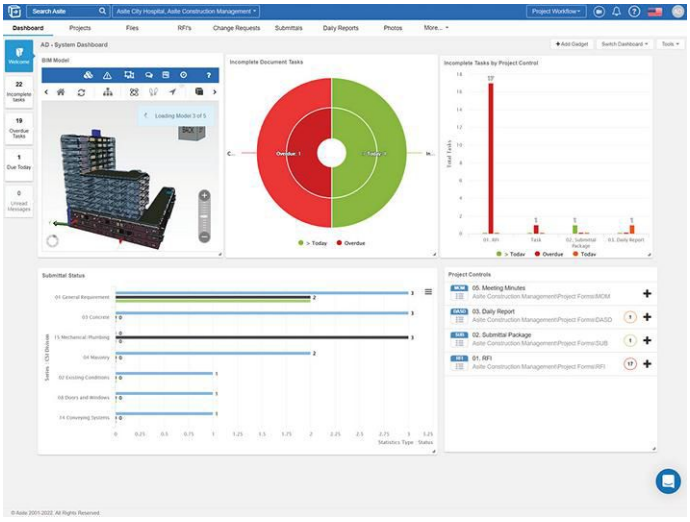
**Released: 5/2/22**

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

**What's new?** Asite Project Workflow is a powerful project management and collaboration tool built for today's construction challenges. Offered with contractor-friendly pricing, Asite Project Workflow provides control of your project data, documents, and processes. Gain real-time visibility into all your construction project details, progress, and uncover potential issues early. With enhanced collaboration, contractors can build better — plus gain enterprise power with configurability for tomorrow.

**Specs:** Build and track drawings, specs, photos, submittals, design reviews, RFIs, meeting minutes, and more. Manage deliverable dates and overdue items — know who or what is slowing down your project. Tailor project dashboards with real-time data for quick access to the information most important to you. Create, view, and manage site tasks, such as defects, punch lists, and daily field reports. Use configurable workflows for complex processes or to simply forward a report.

Check 203 on index.








Check 112 on index.




## ▲ BOLT

### Cable Lock

**Released: 4/21/22**

**Availability: U.S. markets**

**What's new?** BOLT's Cable Lock operates with the vehicle ignition key, using specially crafted tumblers to memorize a vehicle's ignition key the first time it is inserted to a lock. One complete turn of the key moves the tumblers to fit that specific key, the vehicle ignition key.

**Specs:** BOLT's Cable Lock is a 6-inch coil wire coated with ¼-inch thick black vinyl. The company's patented lock has a double ball bearing lock mechanism, is weatherproof and is designed with a stainless steel lock shutter to keep dirt and moisture out. A plate tumbler sidebar prevents picking and bumping and the auto return spring locks automatically when the key is removed.

Check 204 on index.



### KEEN UTILITY
Independence series
**Released: 7/18/22**
**Availability: U.S. Market**

**What's new?** The Independence is part of the American Built collection, assembled in the Pacific Northwest using carefully-sourced materials from around the world. Designed to perform and built for how you work, the Indepence series will be available in several colorways, safety toe, collar height, and insulation options.

**Specs:** With an abrasion-resistant, supple leather upper, the Independence series brings the performance, safety, and comfort features. Product highlights of this medium-duty boot include a KEEN.DRY waterproof, breathable membrane for dependable dryness, Luftcell midsole infused with nearly 100,000 air bubbles per cubic centimeter for all-day support, and asymmetrical carbon fiber toes which are 15% lighter than steel. The Independence series is also EH rated and introduces KEENToughsole, an oil- and slip-resistant outsole that is lighter weight and more durable than rubber.

Check 205 on index.

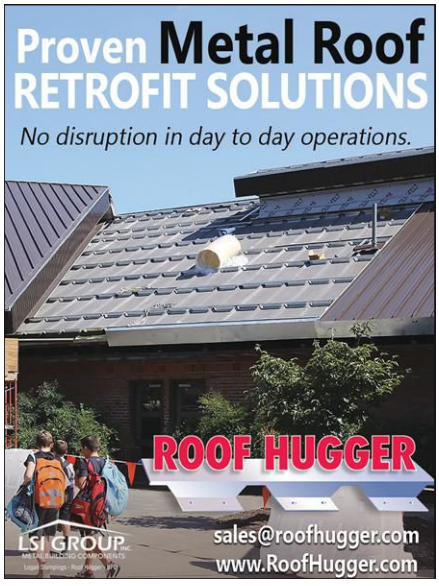
### LEICA GEOSYSTEMS, PART OF HEXAGON
BLK360
**Released: 6/22/22**
**Availability: U.S., Canadian & European markets**

**What's new?** The all new BLK360 reality capture imaging scanner creates visually stunning, accurate and realistic digital twins of anything it captures, all within seconds. The new BLK360 reflects the market demand for an even faster, lighter and more powerful way to comprehensively capture a space in the simplest way possible while making volumes of scan data easy to view, edit and share.

**Specs:** Complete scans in seconds; Small: 6x3 and weighs 1.7 pounds; Speed: Full scans in seconds; Fast data transfer with USB-C and WLAN; Live video and data stream; Visual inertial system; Four 13-mexapixel cameras and 5 bracket HDR; High accuracy; Storage for up to 200 setups; Rechargeable battery good for 60 setups

Check 206 on index.



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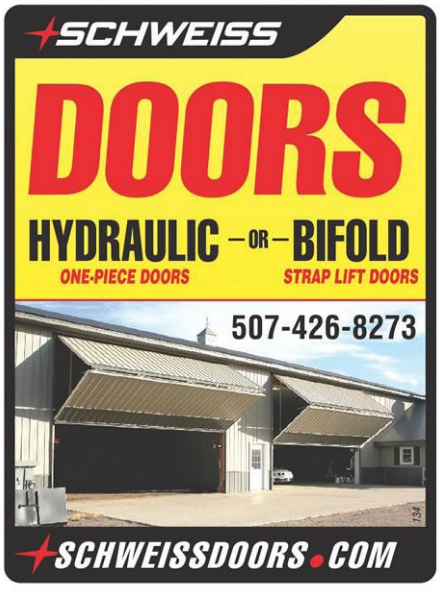


Check 118 on index.

### ASV HOLDINGS INC.
RT-50 Posi-Track loader
**Released: 7/12/22**
**Availability: U.S. markets**

**What's new?** The new machine boasts 53.8 horsepower, up a full 8% from the previous model. The repowered RT-50 also offers improved serviceability, allowing owners to have the Yanmar engine serviced at ASV dealers. The RT-50 features new comfort, visibility and performance features, elevating the RT-50 as one of the top compact track loaders in both performance and comfort in its class. The Yanmar-powered RT-50 provides construction-grade performance in a small package, and is ideally suited for work in tight spaces, such as for rental, landscaping, construction, snow clearing and more.

**Specs:** The machine has a high tractive effort and exceptional pushing and digging power with ASV's Posi-Power system. The compact track loader allows contractors to be more productive, with high performance thanks in part to a nimble 58.5-inch width, a 9.1-foot lift height, a 1,400-pounds rated operating capacity and a 7.1 mph top speed.

Check 207 on index.




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*(Check Only One)*

❑ 12 General Contractor – Commercial
❑ 02 General Contractor – Residential
❑ 10 Construction – Special Trade Contractors
❑ 03 Highway and Street Construction
❑ 04 Water, Sewer and Utility Construction
❑ 05 Heavy Construction
❑ 06 Concrete Work
❑ 07 Excavation Work
❑ 08 Wrecking and Demolition Work
❑ 13 Architecture, Engineering and Construction Management Services
❑ 11 Consulting Contractor
❑ 99 Other (please specify)

_____

**2. Your primary job title is:** *(Check Only One)*

❑ 10 Owner, Partner, President, CEO, CFO, COO, Vice President, Director
❑ 11 General Manager, Manager, Foreman, Superintendent, Purchasing Agent, Controller, Accountant
❑ 12 Engineer, Architect
❑ 06 Consultant
❑ 99 Other (please specify)

_____

**3. Approximate annual contract sales volume:**

*(Check Only One)*

❑ 01 Less than $500,000
❑ 02 $500,001 – $1,000,000
❑ 03 $1,000,001 – $2,500,000
❑ 04 $2,500,001 – $5,000,000
❑ 05 $5,000,001 – $10,000,000
❑ 06 $10,000,001 – $20,000,000
❑ 07 $20,000,001 – $50,000,000
❑ 08 More than $50,000,000

**4. Which of the following products/services are you planning to buy during the next 12 months?**

*(Check All That Apply)*

❑ 01 Earthmoving Equipment
❑ 02 Trucks, Trailers and Accessories
❑ 03 Compact Equipment
❑ 04 Lifting and Hoisting Equipment
❑ 05 Safety Equipment and Apparel
❑ 06 Attachments
❑ 07 Concrete and Paving Equipment
❑ 08 Survey and Site Prep
❑ 09 Compressors, Generators and Pumps
❑ 10 Financing and Accounting Services
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❑ 12 Insurance and Bonding
❑ 13 Training and Education
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## Annual Value of Construction Put in Place

**June** 2020/2021/2022 Annual Rate Comparison

*This chart compares the two previous years' total value of construction put in place to an annual forecast based on June 2022 figures. (Millions of dollars. Totals may not add up perfectly due to rounding.)*

| | 2020 | 2021 | 2022 |
|---|---|---|---|
| **Total Private Construction** | **1,001,889** | **1,215,214** | **1,416,405** |
| Residential | 534,170 | 763,403 | 923,721 |
| Nonresidential | 467,719 | 451,811 | 492,684 |
| **Total Public Construction** | **353,300** | **336,986** | **345,912** |
| Residential | 8,137 | 8,942 | 9,190 |
| Nonresidential | 345,163 | 328,044 | 336,722 |
| **TOTAL Construction** | **1,355,189** | **1,552,200** | **1,762,317** |

**Seasonally Adjusted Annual Rates. Source: U.S. Census Bureau*

**$1,762,317**

JUNE 2022 TOTAL ANNUAL VALUE OF CONSTRUCTION PUT IN PLACE

"Ongoing project activity at architecture firms as well as new work coming online remains strong, pushing project backlogs up to seven months on average nationally," said AIA Chief Economist, Kermit Baker, Hon. AIA, Ph.D. "In spite of heavy workloads, employment at architecture firms has stabilized, suggesting that adding new employees is becoming even more challenging as the building construction sector continues to recover."

## AIA Architectural Billings Index (ABI)

| National | | | *Regional - Billings | | | | *Sectors - Billings | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Month | Billings | Inquiries | Northeast | Midwest | South | West | Multifamily Residential | Commercial/ Industrial | Institutional | Mixed |
| Jan-22 | 51.0 | 61.9 | 46.8 | 51.5 | 61.2 | 47.6 | 50.1 | 54.2 | 47.3 | 59.3 |
| Feb-22 | 51.3 | 62.5 | 44.3 | 53.2 | 58.6 | 47.9 | 52.6 | 55.4 | 47.2 | 53.8 |
| Mar-22 | 58.0 | 63.9 | 46.3 | 56.2 | 57.2 | 54.0 | 57.2 | 55.3 | 50.5 | 58.2 |
| Apr-22 | 56.5 | 62.3 | 53.1 | 57.6 | 57.3 | 58.2 | 57.2 | 60.7 | 51.8 | 61.2 |
| May-22 | 53.5 | 63.9 | 51.4 | 56.8 | 52.3 | 59.3 | 54.5 | 57.7 | 51.7 | 56.2 |
| Jun-22 | 53.2 | 58.2 | 48.7 | 54.8 | 51.5 | 57.8 | 52.6 | 52.5 | 53.5 | 52.8 |

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 three-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.

CONSTRUCTION BUSINESS OWNER webinar

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# How to Attract & Retain Top AP Talent in Construction

Meeting the demands of quality AP candidates to help grow your business

**Sept. 29, 2022** 1 p.m. CDT

Construction firms are grappling with labor shortages. Recent data suggests there were 88,000 fewer construction workers at the end of 2021 compared to pre-pandemic levels. Competition for workers is fierce as firms fight to take advantage of increased demand for infrastructure, housing and other projects.

With the industry's staffing challenges, retaining skilled staff is more important than ever — not only in the field, but also in the office. Consider your accounting department: What are accounts payable (AP) professionals looking for in their careers? What is most valuable to them when evaluating job opportunities?

To better understand the driving motivations behind AP burnout, turnover and overall job satisfaction across all industries, AvidXchange partnered with the Institute of Finance & Management (IOFM) on an AP Professional Career Satisfaction Survey.

In this webinar, industry experts will recap these survey results and provide tips on how construction firms can meet the demands of top AP talent to help grow their business. You'll learn:

- The staffing challenges facing the construction industry
- The current state of AP professional career satisfaction and what they're looking for in their next job
- How to attract and retain AP talent in the construction industry while creating efficiencies amid economic uncertainty

## // SPEAKERS



**Jim Campbell**
*Vice President of Construction*
AvidXchange



**Chris Elmore**
*Professor of Entrepreneurship & Innovation*
University of North Carolina at Charlotte &
Queens University of Charlotte

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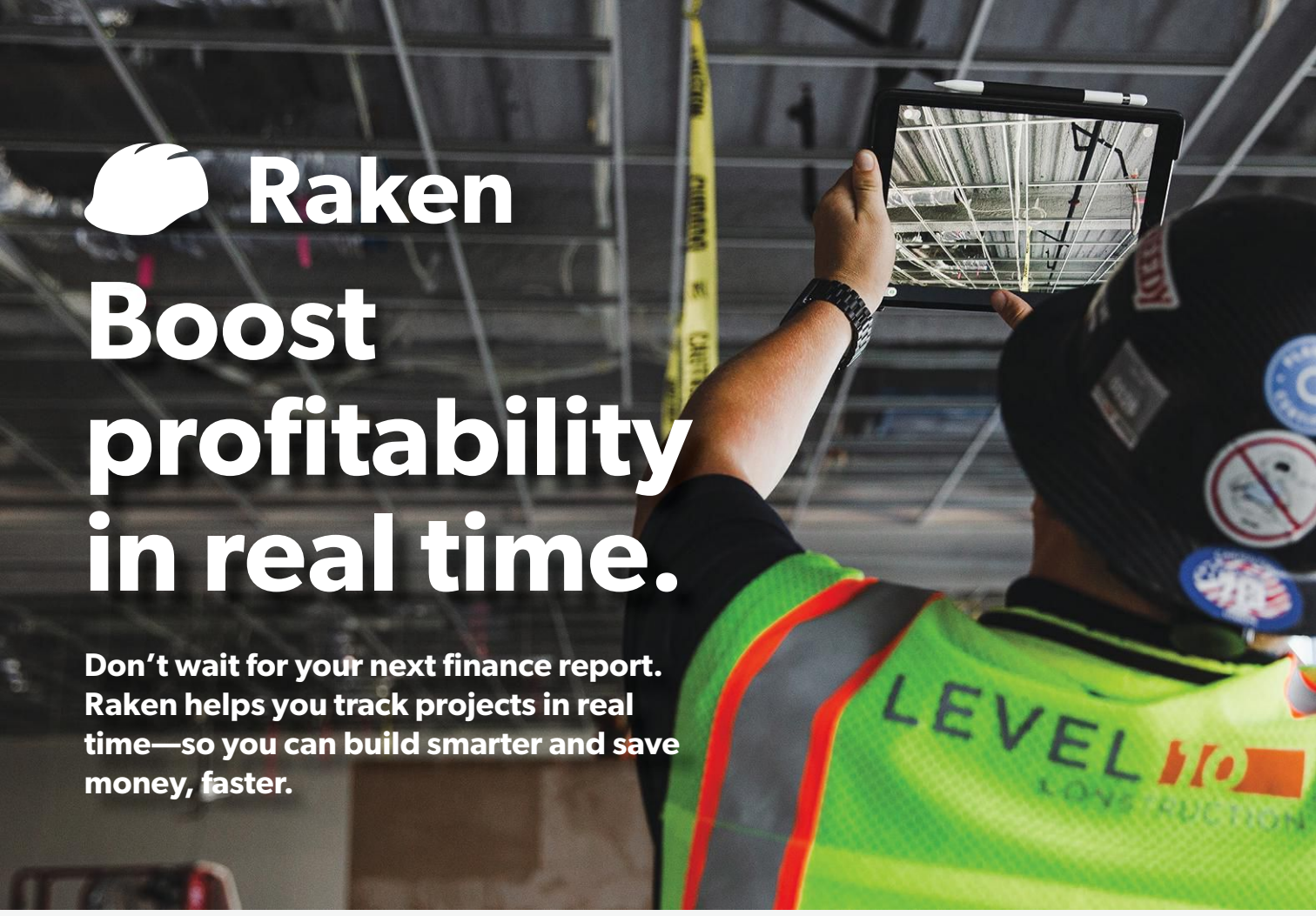


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