MCX



Member Communication Experience

How to Solidify Your Hiring and Retention Strategies

Written by: Joe Supino, Segment Director, Actalent

This year, the U.S. construction industry will need to hire roughly half a million workers on top of the normal pace of hiring to meet demand, according to a projection from Associated Builders and Contractors.

The labor shortage is hitting organizations from all angles. On the one hand, retirement levels are high; on the other hand, newcomers to the industry may be put off by what they perceive as a staid career path, or they may be quick to leave for other industries. Meanwhile, managers and other midlevel employees — the very people expected to maneuver companies through this moment — are quitting at elevated rates.

As someone who helps construction companies around the country source skilled talent, from superintendents to project managers and engineers, I've seen firsthand how tempting it is to identify one area or potential solution as a silver bullet. "If only we could hire more entry-level talent," one might say, or "If only we could outsource more work to third parties."

The list goes on. But narrow efforts, while understandable, can end up a lot like "whack-a-mole." Instead, a multifaceted problem requires a multifaceted solution.

WHAT DOES A MULTIFACETED TALENT STRATEGY LOOK LIKE?

One size does not fit all for construction companies navigating today's labor shortage. For instance, executives regularly complain that they spend lots of time and money developing



entry-level talent — but right as they're about to see a return on investment, those employees leave for another job.

My response? If you look at hiring entry-level talent as just a proportion of your overall staffing strategy and understand turnover rates, you can make sure you're not adding more employees at this level than is profitable. A holistic, multipronged approach should help meet current demand and be understood as a long-term play.

A few of those prongs include:

» Internal resources and talent acquisition teams — These are important, especially when it comes to ingraining your organization in local universities, engineering schools, and technical colleges to attract new talent at the start of the

- pipeline, be it through internships and apprenticeships, training and education programs, or simply heightened visibility with potential hires.
- » Outsourcing An outsourcing strategy is another important lever to pull, empowering companies to leverage external expertise, enhance efficiencies, and cut down on certain talent costs. Key functions worth exploring include project management, design and engineering services, IT and technology, and sustainability consulting, among others.
- » Consultants Finally, hiring consultants who can help provide access to talent could round out a holistic strategy, especially given the current burdens on internal resources. For example, consultants could supplement internal efforts by bringing in more midlevel resources on an assignment basis to relieve pressure on managers.

BEST PRACTICES FOR A SUCCESSFUL TALENT STRATEGY

Of course, enacting a multifaceted talent strategy is no simple feat. Here are a few best practices that construction executives should keep in mind as they get started.

- Some companies are great at getting their names out there and attracting skilled workers but don't have the systems in place to bring them in, whether it's ineffective payroll processes, a lack of onboarding resources, or an inability to find the right talent from their own inbound application systems. (I've heard from qualified people who have applied to jobs for three years at one well-known company without hearing back.) Streamlining systems and processes is critical; it might also help to engage and "try out" new employees on a contingent basis before making a full-time hire.
- Avoid manager meltdowns Engaging new employees has never been more important, but managers navigating a talent deficit and changing workplace norms are increasingly burnt out. Ensuring new hires get what they need without sacrificing managers' productivity and well-being requires striking a delicate balance. This starts from the top. Construction executives should provide a sense of security and stability for frontline managers by offering additional resources and support, as well as relieving some of the burden of developing new talent by leveraging a more multifaceted talent strategy.

- Personalization is key to employee engagement —
 Personalization should improve engagement across
 the organization. This entails employers and managers
 taking consistent, genuine interest in their people and
 being willing to have difficult conversations. This doesn't
 mean micromanaging. For instance, asking, "What can I
 offer or help with to make you feel more comfortable or
 successful?" is very different than saying, "Today I expect
 you to call Jess, calculate these figures like this, tackle the
 project in this order, and report back on how far you get by
 the end of the day."
- Offer training that finds a happy medium between what your company needs and what employees want Today's construction companies can't just tell their up-and-coming employees to stay in their lane. They want opportunities to develop their skills and grow in their careers, which, in our fast-paced business landscape, is one way to engender employee loyalty. So don't thrust all the menial work on new hires because that's what you had to do when you started out. In fact, simply making cross-training/career progression tools and programming available can build trust and let employees know you're listening.
- » Update your value proposition Some construction companies are still selling themselves like they did two decades ago, highlighting benefits packages or employee-owned business models. While those are great, newer employees rarely see the value in them in the near term. What they want is practical (and meaningful) work experience and skills that will set them up for success. They also want to work on projects they can get excited about, like a new sports stadium or educational facility.
- » Hire more diversely The construction industry is finally waking up to the vast, untapped potential of women and workers from other underrepresented groups. However, this must go beyond marketing language. It comes down to accountability. If this is who you want to be as an organization, you must hold people accountable should they act counter to your values.
- » Keep an open mind Today's construction leaders can't afford to require every new hire to meet all the bullets in the job description. Understand that you're going to need to teach and coach new employees no matter what, so it's OK to be more flexible in certain cases. Similarly, try not to

brand employees as "good" or "bad." There could be a great employee who simply went through something difficult in their personal life or is struggling and doesn't know how to ask for help. It doesn't mean that, with the right care and management, they won't be a top performer. Treat people the way they need to be treated, and they'll flourish.

A BRIGHTER TOMORROW FOR CONSTRUCTION

Broadening your talent pool and strategy offers significant benefits for today's construction companies, many of which will need to institutionalize existing knowledge and pass it along as a wave of workers retire. New hires can also bring new energy to an organization through the embrace of emerging technologies like artificial intelligence, fresh perspectives, or different ways of collaborating.

Getting there may be an uphill climb given present challenges. That's why executives should harness every tool in their arsenal to address this complex problem from all sides — and usher in the next generation of construction talent.



About the Author

Joe Supino is a segment director at <u>Actalent</u>, a global provider of engineering and sciences services and talent solutions. Supino leads national strategy for the utilities and construction vertical for Actalent's contract talent line of business across North America, overseeing 35 of the company's largest, most strategic client relationships.

About the Article

Republished from <u>Construction Business Owner</u>. Construction Business Owner (CBO) is the leading business magazine for contractors and is designed to help owners of construction firms run successful businesses. Founded in 2004, CBO provides real-world business management education and knowledge that is of real value to the owners of construction companies.

Any views and opinions expressed in this article may or may not reflect the views and opinions of the Construction Management Association of America (CMAA). By publishing this piece, CMAA is not expressing endorsement of the individual, the article, or their association, organization, or company.