

HR IN CONSTRUCTION

Solutions for a new Construction Industry



LANA DALE

leaphr@hansonwade.com

Join the only event for strategic HR Leaders in the construction industry navigating a talent shortage & evolving workforce priorities in 2024 & beyond. With three dedicated tracks of content, the LEAP HR: Construction summit showcases over 30 case studies of how general contractors and speciality trades are tackling the skilled-talent shortage crisis, revolutionizing progressive internal cultures and adopting the new technologies to maximize people efficiencies. Learn and connect with the small, medium and large general contractor and speciality trade construction firms re-thinking people strategy in 2024 and beyond.



DATE

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What does the future look like?

HR leaders in the construction industry have never had a greater role to play in the bottom line of their organization. Meeting customer demands will require all players in the HR function to totally re-think, re-imagine and redesign the ways they recruit and retain skilled workers in this sector. Given the tight labour market and ambitious construction initiatives in the US, creating a culture of learning, teamwork and innovation has never been more important.

The construction industry is at an inflection point, where it genuinely doesn't have enough skilled workers to keep up with business demand. The \$550 billion in funds allocated for state infrastructure improvements by Biden's Infrastructure Investment and Jobs Act has resulted in a surge in demand for construction. But despite the hundreds of thousands of jobs the bill has created, the construction industry faces a historic labor shortage of 650,000 workers.

One in four construction workers is 55 or older, and they're retiring faster than they're being replaced.

For the construction industry to meet customer demands between now and 2028, recruitment will need to increase by 25% over the next 5 years. This equates to more than 50,000 needing to join the industry in 2024 in the US alone. A World Economic Forum survey conducted recently revealed that learning and career development are among the most important considerations when young professionals choose a job. Worryingly, only 48% of respondents said the construction industry fulfils these expectations.

It's clear that the challenge for the construction industry is not just that it needs to recruit people, it also needs to think about how it makes itself a place a where a diverse range of people want to work, build a career, and stay. This requires HR leaders to totally re-think, re-imagine and redesign the ways they recruit and retain skilled workers in this sector. Given the tight labour market and ambitious construction initiatives in the US, creating a culture of learning, teamwork and innovation has never been more important, as failure to develop and implement employee-focused programmes will lead to the loss of talent and damage to any company's competitiveness.

Now is the time for human resources to shine. The construction industry has historically been slow to adopt new processes and cultural shifts, but re-thinking tradition is critical for industry growth and sustainability. This means re-evaluating employee expectations, investing in new technology, expanding new talent pipelines and innovating new efficiencies.

So what should your priorities for 2025 be?

1. Wellness (psychological, physical and financial).

Mental health is a growing concern, and needs to be on the radar of everyone involved in the industry. Construction workers are five times more likely to die by suicide than the average worker, your workforce are also more

likely to suffer with addiction issues leading to high overdose rates.

What does this mean for HR?

Construction firms urgently need to modernize their internal cultures and open dialogue for mental health discussions. Engaging in preventative healthcare and financial education will lower your costs in the future.

2. Talent Shortage: The construction industry remains significantly short of skilled workers, further exacerbated by a tight labour market.

Even though the construction industry has a strong pipeline of projects and spending, especially the infrastructure buildouts, it's challenged to meet the demand due to a persistent shortage of

workers and high turnover. With rising inflation and a tight labour market, companies may have to raise wages and expand benefits to attract and retain employees in 2024 and beyond.

What does this mean for HR?

An aging workforce, combined with a poor perception of the construction industry means HR is challenged to attract talent and interest a next-gen workforce to keep up with project demand. Where possible, prioritise offering job sharing, flexible schedules, remote work etc.,

So, how can you put this high-level theory into practise?

So now you have the theory, you are missing the practical, tangible case study insights – let us show you where you can get these?

- **Attend Educational Industry-Specific, Case Study Format Conferences such as LEAP HR: Construction**

Learning from your peers in a case study format is one of the most valuable resources you can utilize. Learn from their mistakes and successes, challenge your own thinking and make connections that you can lean on in the future. You can view this years agenda here.

- **Utilize Online Resources**

There are a plethora of online masterclasses, articles and webinars – explore what is out there – free of charge! However, if you do decide to spend, check our the SHRM Human Resource Vendor Directory:

<https://vendordirectory.shrm.org/>

- **Network with Industry Experts**

Industry experts have been through it all, they have faced the challenges for you. Befriend experienced people in the space utilizing platforms such as LinkedIn (don't forget the groups feature!). Thought leaders love to share their wisdom, having one on speed dial is a must.

PROFESSIONAL DEVELOPMENT

We recommend that you only attend conferences that are accredited by SHRM and HRCI. Your time is extremely valuable, so time spent out of the office should go towards your own professional development.

