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Trends for Subcontractors



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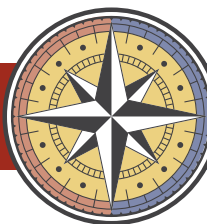


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EDITORIAL PURPOSE

The Contractor's Compass is the monthly educational journal of the Foundation of the American Subcontractors Association, Inc. (FASA) and part of FASA's Contractors' Knowledge Network. The journal is designed to equip construction subcontractors with the ideas, tools and tactics they need to thrive.

The views expressed by contributors to *The Contractor's Compass* do not necessarily represent the opinions of FASA or the American Subcontractors Association, Inc. (ASA).

MISSION

FASA was established in 1987 as a 501(c)(3) tax-exempt entity to support research, education and public awareness. Through its Contractors' Knowledge Network, FASA is committed to forging and exploring the critical issues shaping subcontractors and specialty trade contractors in the construction industry. FASA provides subcontractors and specialty trade contractors with the tools, techniques, practices, attitude and confidence they need to thrive and excel in the construction industry.

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The Contractor's Compass is a free monthly publication for ASA members and nonmembers. For questions about subscribing, please contact communications@asa-hq.com.

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EDITORIAL SUBMISSIONS

Contributing authors are encouraged to submit a brief abstract of their article idea before providing a full-length feature article. Feature articles should be no longer than 1,500 words and comply with The Associated Press style guidelines. Article submissions become the property of ASA and FASA. The editor reserves the right to edit all accepted editorial submissions for length, style, clarity, spelling and punctuation. Send abstracts and submissions for *The Contractor's Compass* to communications@asa-hq.com.

ABOUT ASA

ASA is a nonprofit trade association of union and non-union subcontractors and suppliers. Through a nationwide network of local and state ASA associations, members receive information and education on relevant business issues and work together to protect their rights as an integral part of the construction team. For more information about becoming an ASA member, contact ASA at 1004 Duke St., Alexandria, VA 22314-3588, (703) 684-3450, membership@asa-hq.com, or visit the ASA Web site, www.asaonline.com.

LAYOUT

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PRESIDENT'S LETTER



Dear ASA Members:

It is with great pleasure and honor that I write to each of you as your ASA President. It is deeply humbling to be entrusted by each of you to lead this great organization. I know I have big footprints to follow, and am looking forward to the challenges and opportunities ahead. Further, I am optimistic that we have a bright future ahead of us, and am hopeful that COVID-19 is now moving into our rearview mirror.

As an industry, we stepped up during COVID to continue to provide vital services in support of our critical infrastructure. As important, each of you stepped up as leaders in your companies and communities to help navigate the challenges ahead. That willingness to lead by our industry is one of the reasons I am so passionate about what we do as Subcontractors. We build America.

In the last year, ASA was active on both the legal and legislative fronts at the state and national level. We have had several successful legislative wins via the efforts of Mike Oscar and the Governmental Affairs Committee. ASA also had a number of successful amicus brief victories via the efforts of Shannon Oscar and the ASA Attorney's Council. Both of these groups are a key part of your ASA benefits, and I wanted to thank both groups in my first letter to you. No other organization I have been involved with has a higher level of commitment to advocacy and making real changes as does ASA.

Over this coming year, I see a bright future for each of us. I look forward to meeting you and your Chapters over the course of this year. Additionally, I hope to see each of you, in person next March, at SubExcel. I hope you will join me and your fellow members at the finest education, leadership and peer-to-peer program for Subcontractors.

Sincerely in your service,

Brian K. Carroll

ASA President 2021-2022



CONTRACTOR COMMUNITY

ASA Board of Directors Meet in New Mexico

ASA's Board of Directors met in Albuquerque, New Mexico on July 1, 2021 - their first live meeting since the pandemic began. Board members were overjoyed at the ability to finally be able to meet in person, and the event was a well-attended success. While Zoom meetings got them through this past year, there is simply no substitute for being face-to-face; and having the ability to hold their first full-fledged board meeting in over a year left attendees feeling excited about the work being done at ASA. The electricity in the room was invigorating, and the attendees were energized about planning for the future.

Board member, Ray Moya, was incredibly proud that outgoing ASA President, Brian Cooper, chose his home state of New Mexico to host this incredibly important meeting. The opportunity for the local chapter leadership to be able to share a lovely meal and evening with the board was an honor and a privilege for everyone who was involved.

"We got to meet new board members and we shared a wealth of ideas and knowledge," said Moya. "It's very interesting to see how we all have similar successes as well as similar challenges. We are like different children but all from the same family. It is very evident that the leadership on the national level is very strong. We made decisions and recommendations that will propel ASA to the next level as well as plans that will grow our membership. We made decisions that will keep us strong and fiscally sound. We scheduled events that will keep our members engaged. Our government and legislative advocacy is second-to-none. It had been a long time since New Mexico had the honor of having this ASA group meet in our 'home.'"

The ASA Board of Directors' next meeting is scheduled for late September in Austin, Texas and all in attendance are looking forward to getting together again.



Anthony Brooks, ASA president 2019-20 (L), and Brian Cooper, ASA president 2020-21 (R), share smiles and President's plaque during Board of Directors meeting in Albuquerque.



Beverly Reynal (L), Exec. Director (ED) of ASA North Texas Chapter and outgoing Chair of the ED Council, and Gia Espinoza (R), ED of the ASA of New Mexico and VERY wonderful host for the week.

ASA would like to say a special thank you to everyone from the New Mexico Chapter that dedicated a lot of hard work to make this incredible event happen.

ASA Family Honors the Life of Brianna Wright

We are heartbroken to announce that Brianna Wright passed away peacefully early Saturday morning, July 3rd. Brianna served as Executive Director for the American Subcontractor Association's Houston Chapter for 24 years. She brought an incredible amount of energy, passion, and spirit to everything she did for ASA Houston. Brianna worked hard

and sweated the details, just like her contractor members. No job was too big or too small for her to pour everything she had into it.

Brianna's smile was her standard greeting and she was easy with a laugh. It did not matter whether you were a new hire or the owner of the company, she made you feel welcome.

Brianna battled cancer with the same grit and determination she brought to every challenge. She played through the pain, and made it seem to almost everyone but those closest to her that nothing was wrong. Brianna never wanted the focus on her - whether it was an ASA luncheon, an EIC event, or her fight with cancer.

Her respect for the community she helped build showed in her dedication to recruit a new executive director and leave the ASA Houston chapter in good hands for the future. Our thoughts and prayers go out to Brianna's husband David, who has been a champion by her side, and her family whose loss is so much greater than ours. Brianna believed that this separation would be a temporary one and we share that hope as well. Until that time, we can offer nothing but gratitude for her service and love for so many years. It will never be forgotten.

God bless you, Brianna, and thank you.

Price Escalation: ConsensusDocs Shares Free Resources and Updates

To help our members address the price escalation concerns of the industry, ConsensusDocs has created a [price escalation resource center](#) that includes a brief overview and free resources you are encouraged to use and share. The page includes a link to the industry-only standard contract document price escalation clause, the ConsensusDocs 200.1 Time, and Price Impacted Materials Addendum. The page also includes helpful articles, recorded webinars, and state and federal price escalation examples. Please share with them any information you have found helpful, so

that others may use this as a resource as well. ConsensusDocs will also hold a webinar on the topic in early August. Stay tuned.

SLDF in Action in Oklahoma: ASA Files to Defend Subcontractor in Lien Waiver

The American Subcontractors Association produced an application to file an amicus curiae brief in the Oklahoma Supreme Court in July, asserting that the outcome of the case at hand could have significant adverse consequences for subcontractors and suppliers. The case, **H2K Technologies, Inc. v. WSP USA, Inc. and Fidelity and Deposit Company of Maryland** is currently on appeal to the Supreme Court of the State of Oklahoma.

This appeal arises following the judgment by a trial court in favor of an Owner, dismissing the lien claim of a Subcontractor who provided labor and materials to improve the owner's property.

In the original contract, the Contractor agreed to waive its lien rights and to insert similar lien waivers into any subcontracts it entered into. When the Contractor hired Subcontractor, however, the agreement did not contain any such lien waiver language, did not refer or incorporate the prime contract and did not advise Subcontractor its lien rights were purportedly waived. This Contractor eventually filed for bankruptcy without having paid Subcontractor anything for its work. The Subcontractor then filed a lien against Owner's subject property.

The trial court held that even though Subcontractor had no knowledge of the lien waiver agreed to by Contractor, it was held to have "constructive notice" of the terms of the prime contract, and thus its lien rights had been waived by the Contractor. The Subcontractor is appealing this ruling to the Oklahoma Supreme Court.

According to David Walls, who prepared the brief on behalf of ASA, "The effect of this ruling by the trial court is

devastating on subcontractors, vendors and suppliers. If allowed to stand, subcontractors would be bound by the terms of any and all contracts above it in the chain of contracts on a private project, whether it had knowledge and receipt of them or not. Extended to its logical end, this means financing agreements, prime contracts and upper tier subcontracts. This holding turns the letter and intent of Oklahoma's mechanics and materialmen's lien laws on its head, and effectively strips subcontractors of their most useful tool in making sure they get paid."

The American Subcontractors Association is actively involved in the promotion of legislative action across the nation and has regularly intervenes in legal actions that affect the construction industry at large through its Subcontractor Legal Defense Fund. The issues presented in this case implicate the ability of its' members to be paid for the work they do in all facets of the construction industry. ASA encourages the Supreme Court of Oklahoma to grant permission to the Association to present its argument on behalf of H2K Technologies in this case.

David Walls, Esq., **David A. Walls, PLLC**, Oklahoma City, OK, prepared the application for ASA.

ASA's Subcontractors Legal Defense Fund financed the brief. ASA's Subcontractors Legal Defense Fund supports ASA's critical legal activities in precedent-setting cases to protect the interests of all subcontractors. ASA taps the SLDF to fund amicus curiae, or "friend-of-the-court," briefs in appellate-level cases that would have a significant impact on subcontractor rights. Contributions to the SLDF may be made online. For more information about the SLDF visit www.sldf.net.

ASA Supports RETAIN GPS and Satellite Communications Act

ASA strongly endorses the Recognizing and Ensuring Taxpayer

Access to Infrastructure Necessary for GPS and Satellite Communications Act or the "RETAIN GPS and Satellite Communications Act" introduced by Sen. Inhofe (R-OK). This legislation would ensure that the costs incurred by the public sector, businesses and consumers as a result of the FCC's decision to permit Ligado Networks LLC to use spectrum in a way that would cause interference to GPS and satellite communications would be covered by Ligado, the licensee benefiting from the decision. The FCC's Ligado Order already recognizes the potential for interference to GPS receivers and requires that, "Ligado shall expeditiously repair or replace as needed any U.S. Government GPS devices that experience or are likely to experience harmful interference from Ligado's operations." However, the Order failed to go far enough in three ways.

First, it did not provide an adequate description of the potential costs to federal agencies and thus the American taxpayer. Federal agencies are responsible for ensuring reliable GPS and satellite communications necessary for all manner of safety of life operations. Second, while recognizing the potential costs associated with interference to Federal agency owned devices, the FCC order inexplicably fails to require that Ligado also bear the costs of interference to other government and private owners of devices and applications that may be disrupted by Ligado's proposed operations. Third, the Order improperly applies interference limits that are fundamentally insufficient to protect critical satellite communications and navigation signals from unknown millions of Ligado devices operating over wide geographic areas.

Ninety-nine percent of the GPS receivers are used in critical applications by non-Federal government users, businesses and consumers, and satellite communications networks. The reliability of GPS and satellite communications is necessary for safety of life operations, national security and economic activity including the operation of construction

and mining equipment. The RETAIN GPS and Satellite Communications Act acknowledges the harm to GPS and satellite communications end users caused by the Ligado order and ensures the burden of cost sits squarely where it belongs on Ligado, rather than our construction companies.

ASA Secures Important P3 Surety Bonding Protection in House

ASA was able to get included in the House passed INVEST Act, H.R. 1641, "The Promoting Infrastructure by Protecting Our Subcontractors and Taxpayers Act." For nearly a hundred years, the federal government has recognized the importance of surety bonding requirements for its direct public works projects. Surety bonds play a vital role in ensuring contractors in financial distress avoid bankruptcy, allow subcontractors and workers of public works projects to receive compensation and allow the project to be delivered within budget and on time. Over 95% or more of all public projects require bonding under the Miller acts. However, Miller acts' bonding requirements are not clear on public private partnerships (P3s), and therefore often do not maintain the same level of protections that have been required on public infrastructure projects over the past century. This legislation addresses the shortcoming mentioned above by directing U.S. DOT to ensure P3 projects using Transportation Infrastructure Finance Innovation Act (TIFIA) financing have appropriate payment and performance security and are sound federal investments by requiring a surety bond. It is a common sense solution to a complex problem. Well done, to our ASA GRC team in securing this important legislative victory.

Senate Advances Bipartisan Infrastructure Package

On July 21, Senate Majority Leader Schumer held a preliminary floor vote (60 votes are required) to limit debate on whether to proceed to a legislative vehicle that would be used to carry the bipartisan infrastructure bill. Additionally, he set a July 21 deadline for Senate Democrats to reach agreement on a \$3.5 trillion budget resolution that would include President Biden's families' plan (childcare, education, paid family leave) climate change and other provisions. Key Republicans complained that Schumer was rushing a process to finalize critical details of the bipartisan plan providing \$579 billion in new infrastructure spending over five years, particularly on how to pay for it. Sen. Portman, one of the leading Republican negotiators, confirmed that the bipartisan group of 11 Republicans and 11 Democrats had eliminated a plan to rely on increased IRS tax enforcement to help pay for new spending. That plan called for providing \$40 billion into the IRS to generate a net \$100 billion in new revenue from increased collections. Sen. Portman said the bipartisan group would rely on other financing strategies including the repeal of a Trump administration rule that would require drug price discounts negotiated between drug makers and insurance middlemen to be passed on to consumers. Repealing the rule could save as much as \$170 billion over 10 years in Medicare expenses, partly because federal subsidies would increase to meet rising Part D premiums that would no longer benefit from the discounts.

The Congressional Budget Office (CBO) suggested that more funding could be tapped from unspent pandemic relief and that expanded unemployment benefits have cost \$53 billion less than expected, and that an employee retention tax credit still has \$66.6 billion in funding available, though estimates were subject to change.

Also, CBO stated that a tax credit for employers to offset the cost of providing paid family and medical leave to their workers still has \$106.3 billion in available unspent funding; however, the CBO noted those estimates were not directly comparable to their prior projections.

House Completes FY22 Appropriation Bills

The House has completed full committee action on all 12 FY22 appropriations bills. The next phase will begin with plans to consider a seven-bill maxibus. The bills to be considered include: Labor-HHS; Agriculture-FDA; Energy and Water; Financial Services; Interior-Environment; Military Construction-VA; and Transportation-HUD. The other five bills could also be considered, but no date has been scheduled for floor consideration.

Senate Debates the FY22 NDAA

The Senate Armed Services Committee considered their FY22 defense authorization in mid-July, with several contentious topics to be discussed. Those include a potential, major reworking of the military code of justice, proposals to thwart extremism in the ranks, and arguments over the number of jets and ships the Pentagon plans to purchase.

Most of the panel's decisions will not be made public until the committee publishes the bill and the accompanying report later this year. This legislation will ultimately include procurement related issues important to the construction industry.

A Tribute to Brianna Wright

The 80/20 rule, or is it the one-in-a-million rule?

Many people outside of ASA see trade associations as just that; associations. They seem to represent our company interests whether we support them or not, and I think they are a good thing. Well, let reality set in, because we all know ASA is a family of friends and loved ones, that values the hard work and sacrifice of so many that make the majority of the construction industry so special. Furthermore, ASA has been blessed with that rare breed of leader

that yearns to make a difference. And then there is an even rarer group of people that truly have the respect of everyone. Then we dig even deeper and there is a one-in-a-million: a shining light of hope, hard work, passion, fun and incredible loyalty to her family, friends, chapter, national association and to the industry. Brianna Wright.

Brianna exemplified all of the above. She was more than an Executive Director; she was and is, a role

model for how we should live our lives. She never wavered in her fight for life, as she never wavered in her passion for ASA. Brianna genuinely cared about not only every single member, but also the prospective members she pitched to come on board. Her passion energized everyone who worked with her, and we all felt better being a part of the many successful projects she led.

I am proud to have worked with Brianna since my first engagement with ASA, so many years ago now, and those years of service to ASA have been blessed because of the many hours spent with Brianna. Endless telephone calls, meetings, conventions, dinners and of course...this was often done over drinks, as Brianna was quite fond of those microbrews! I realize Brianna's passing leaves a hole in her family and friends' hearts, but I can tell you personally my heart is full because of all she has given me.

Rest in peace Brianna, ASA's of Houston's Beloved Executive Director.

--Richard Bright



ALWAYS SOMETHING AWESOME

New Mexico's (ASANM) 1st Community Outreach Project Rocks!

In 2020, there was a vision—of a playground sandbox. Then along came COVID-19.

On Saturday, April 24, 2021 ASANM made a revised vision a reality with Alice King Community School, a charter school that had moved from two locations into a former office building. The original project was a sandbox for the elementary school children. But with the COVID-19 delay the school discovered drainage issues, so ASANM's very first Community Outreach Project went from a sandbox to major landscaping. They moved larger rock that had migrated over the years to the drainage pooling areas back to its original place as well as along the perimeter of the property along the fence. They then added gravel to the walkways, running tracks and seating areas.

Every kudos is well-deserved for these dedicated people who made this project happen.

A special thank you to the volunteers who came and spent the day helping to give some of the landscaping at the school a face lift. A huge thank you to **Ahern Rentals** for the use of the skid loader, to **Buildology, Inc.** for the donation of the gravel and to **Miller Bonded Inc** for loaning the tools to complete the project. And a final thank you to the staff at **Alice**



King Community School for providing breakfast, lunch, drinks and snacks for the project.

Thanks to Gia Espinoza, Executive Director, ASANM for sharing their story!

www.asa-nm.org

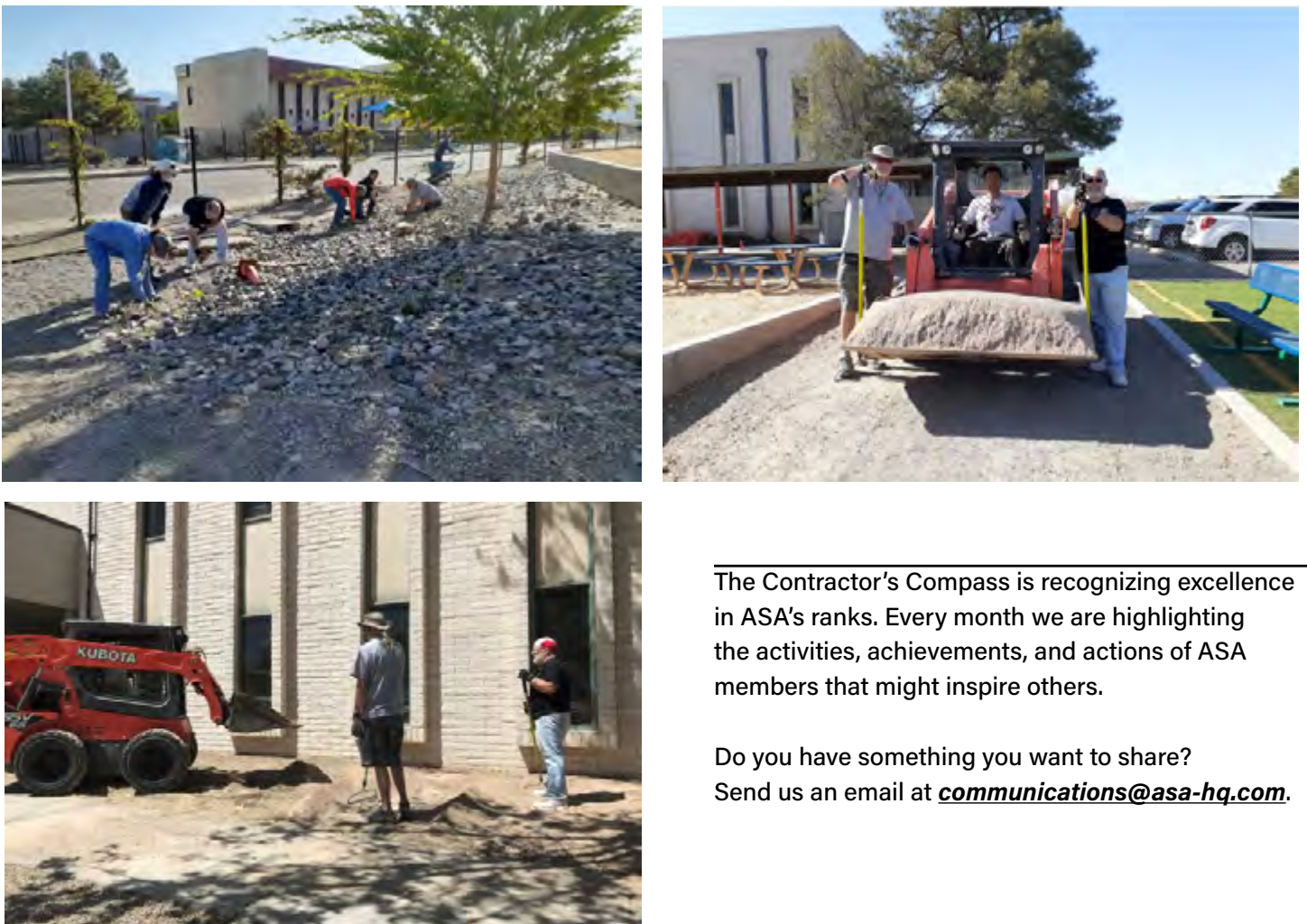
ASANM is super proud to have created this:



This is how it looked **before** ASANM took over:



This is how it's done—hard work:



The Contractor's Compass is recognizing excellence in ASA's ranks. Every month we are highlighting the activities, achievements, and actions of ASA members that might inspire others.

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FEATURE

The Construction Industrial Revolution and the Rise of the Machines — *An examination of builders thinking like manufacturers in a world of modularization*

by Gregg Schoppman, FMI



The construction industry continues to hear how it lags the rest of the civilized world when it comes to innovation, productivity and efficiency. Studies benchmark the massive gains that manufacturing has experienced while construction languishes at the bottom. Before the pile-on continues, it is important to note that there are never footnotes that provide contextual evidence to support manufacturing gains. Items like automation, technology, controlled environments and even the fact that the same goods are

manufactured daily have greatly enhanced manufacturing's claim of dominance. Furthermore, manufacturing has eliminated one of the greatest variables – humans. Construction projects are still largely dominated by humans doing things that humans do – work, rest, communicate, interact and yes, make mistakes. As a result, construction has continued to evolve and try to replicate many of the attributes that have aided manufacturing. Prefabrication, modularization, automation and even eliminating the

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

The upside has been characterized repeatedly – improved productivity and enhanced safety. The controlled setting provides unbridled control that a jobsite never could. For instance, building a

multi-story commercial office building in Florida, in the summer has a host of risks that a manufacturing company never had to consider. Extreme heat, high probability of extreme weather, extreme safety hazards – all of these external factors rear their ugly head even before items such as workforce development even enter the conversation.

Modularizing any or all of the elements of this office building sounds like a superior build. However, there are important ramifications that any firm should consider when embarking on this new strategic concept.

Spatial Constraints

Most contractors would argue that jobsites are becoming smaller and smaller. Building in an urban setting is the equivalent of playing a high stakes game of pick-up sticks, hot potato and cup stacking simultaneously. Now, move that operation into a warehouse. Sounds easy but where will you build that structure or system? Look at the most sophisticated manufacturer and you will come to the realization that it takes real estate. Not simply real estate to build, but also space to store finished items, store inventory, conduct quality control and lastly mock-up components. A commercial general contractor or a specialty trade contractor that has historically brokered all of its work or used “just in time” inventory practices has not had to deal with the encumbrances of space planning. The jobsite may be small but so was the warehouse that has historically been used on a limited basis.

Shift From a Variable Cost Business to a Fixed Cost Business

Most contractors operate on a fairly low overhead basis, proportionally speaking. In the event of a recession or economic downturn, the cost to cover overhead is much smaller when compared to a fixed cost business like a manufacturer. All of that extra space, fixed equipment, inventory, etc. costs money. While there are productivity gains, those gains are achieved on

backlog. With no backlog, there is a sizable cost burden that must be absorbed. No one wants to think of the downside but these are all economic considerations that manufacturers think about when setting up a plant or operation.

Transportation

An electrical contractor that prefabricates junction boxes or light fixtures complete with whips is one thing. A contractor that builds entire modularized sections of classrooms or laboratories is another logistical hurdle altogether. Obviously, there are plenty of amazing examples of firms that have overcome this challenge. Overcoming it began in preconstruction planning and stemmed from having a logistical sequencing plan that was best of class. However, there are also costs to consider in shipping, staging, and erection that are significantly different from traditional trucking expenses. In the end, has a cost/benefit analysis been done to weigh the modularization cost impacts with the “traditional build” costs?

Training and Workforce Development

Yes, you still have to invest in the people. Training and development is just different with a manufacturing setting. The skills needed to be successful may look similar but there are elements that need to be included in an associate's development that a traditional builder might not consider. All of the previous elements discussed are great examples – logistics management, workflows, modularization, staging – are all variations on themes that should be covered. While automation and robotics may enhance construction, there is still a need for humans to use these TOOLS effectively. On a side note, in an industry that has so often been plagued with the “dirty job” moniker, does this shift in what the workforce will look like aid firms that continually say “we can't find good people”?

Safety

One of prefabrication and modularization's main tenets was the ability to drive safer work. This does not happen by chance – firms most still plan to be safe. However, there is also a risk of complacency. Working in a climate controlled setting feet from the main office can provide an awkward feeling of safety “just happening by osmosis.” Manufacturers have just as many risks as a contractor, but they are different risks. For instance, working on the leading edge of a manufactured component that is 12' tall is the same 12' that a craftsman would see on a jobsite. Fall protection, lanyards, leading edge awareness, etc. are all things that still must be considered. The operative word is complacency.

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

About the Author



As a principal with FMI, Gregg specializes in the areas of productivity and project management. He also leads FMI's project management consulting practice. He has completed

complex and sophisticated construction projects in several different niches and geographic markets. He has also worked as a construction manager and managed direct labor. FMI is a unique and fast-growing firm of professionals passionate about creating a better future for engineering and construction, infrastructure and the built environment throughout North America and around the world. For more information on FMI, please visit www.fminet.com or contact Schoppman by email at gschoppman@fminet.com.



DID YOU KNOW?

Top 5 Trends in Construction Safety for Companies Large and Small

by Michael Zalle, YellowBird



The importance of safety and compliance cannot be minimized by companies across the construction industry. It means protecting lives and avoiding delayed projects, hefty OSHA fines, and damaged reputation. But with so many regulatory marks and guidelines, employers are charged with the responsibility of finding the expertise to implement safety compliance in the workplace so they can focus on what they do best: Prospecting, managing clients, navigating the changing sector, etc. Larger companies can rely on full-time safety employees to oversee compliance. However, a vast number of employers in the sector cannot afford a full-time safety employee, and chances are you are one of them. So how can you bridge this safety gap? Here are some of

the strategies subcontractors across the country are adopting to keep workers safe before and during workforce expansions.

1. Smart PPE

I have been watching with enthusiasm as wearable devices become a safety tool. You may have seen some of the up-and-coming personal protective equipment (PPE) gadgets and worksite clothing that feature sensors to monitor biometric data and location in real time. This is a much-needed, smart use of technology to keep workers safe, and it's particularly critical for workers in areas of the country that experience excessive heat or cold temperatures, and for workforces that have employees in the higher risk group for heart and

respiratory incidents, for example. The devices monitor heart rate, calories burned, blood pressure, oxygen level, body temperature, and more. We look forward to a day when these gadgets will also allow employers to monitor safety habits and fatigue, for example, given that these factors cause many occupational accidents every year.

2. Emerging Technology

Your company may be too small to have a dedicated environmental, health and safety (EHS) professional on staff, but that doesn't mean that hazards go away. In fact, occupational injuries tend to be higher in smaller operations and in build-up/tear-down operations. You can still be compliant and keep workers safe by leveraging technology. Over

the last decade, artificial intelligence, virtual reality and the gig economy have dramatically disrupted entire industries, including the safety sector. Your organization can benefit from it by hiring on-demand expertise for fall protection training, first aid programs, confined space training, and more. As an artificial intelligence-powered gig platform, we at YellowBird take pride in helping employers tap into a national network of vetted EHS professionals to meet their needs for a few hours, days or weeks.

3. Changing Landscape of Safety Gigs

Safety and compliance were boosted by the recent public health pandemic, bringing the importance of industrial hygiene and indoor air quality to the front of everyone's minds. As a result, we have observed a strong increase of EHS gigs related to indoor air quality and return-to-work protocols. This prompted us to develop a leading program designed to help business owners assess their workplace safety as far as infection prevention, ventilation, and compliance with CDC recommendations.

Another trend is the ability, powered by gig economy platforms, to provide organizations with EHS professionals who are specialized in one area of EHS. For decades, organizations relied on one generalist full-time EHS professional to manage all aspects of safety and compliance. This individual was charged with the responsibility to know everything, but not enough to make him a specialist in the many areas covered by EHS.

4. Substance Abuse as a Safety Hazard

As an employer in the construction industry, you may have witnessed firsthand the devastating impact of substance abuse. It has been estimated that workers in the construction industry have nearly twice the rate of substance abuse compared to the general population.

This translates into major safety hazards for the workforce, reduces employee productivity, and increases turnover. The Center for Disease Control (CDC) has found that acute alcohol use impairs vision, psychomotor skills/abilities, reaction time and judgment about risk-taking, all of which are strongly linked to motor vehicle crashes, fall injuries, drowning, firearm injuries, and occupational and machine injuries. The CDC also estimates that alcohol use contributes to 18% of workplace injuries. That is why some employers in the industry are leading a campaign to implement groundbreaking initiatives to offer treatment and support for affected workers. This includes keeping workers in the paysheet while they seek substance abuse help.

It isn't charity. It's a long-term investment in quality workers, and companies implementing this approach say it's worth it. They have been able to reduce substance use-related illness and injuries, decrease short- and long-term disability impacted by substance use, and assist workers return to work. According to the National Safety Council (NSC), workers in recovery use less unscheduled leave for illness and injury, are less likely to turn over, use fewer health care services and cost much less than their peers whose substance use is untreated. If you have encountered safety incidents related to substance abuse in your organization, you might consider reading the NSC's free ***Opioid at Work Employers' Toolkit***, which can help you outline drug-related HR policies and procedures to support your employees.

5. Ongoing Safety Refreshers

Safety training is a necessary part of the onboarding process, but workers are human beings and human beings get distracted, underestimate their own safety risks, learn new skills while forgetting old skills, etc. One safety strategy on the rise is shifting away from the one-and-only training session in the onboarding process, to a sustained, ongoing safety training program. With such high risks and consequences, you might want to consider hosting monthly

safety refreshers. I know, I can already see eyes rolling and hear sighs of boredom. Make it fun, make it interactive, make it a speed-dating format. Ensuring safety and reducing injuries can be a fun monthly campaign. I know a company that has created Wednesday Wrong Way, a weekly campaign to raise awareness about safety by sharing unsafe, yet funny, use of equipment. This trend is so prevalent across the country that YellowBird created a workplace health and safety training program customized for each industry. Whether it is general first aid and CPR training or an industry-specific OSHA standard course, YellowBird can train and, in some cases, certify your employees during the training session. Let an experienced EHS professional help you stay safe.

Trust me: money and time spent on workplace safety and compliance today will save lives and thousands of dollars later. The outcomes are a win-win for employers and workers. Take advantage of these new trends and applications to bring your organization to the next level.

About the Author



*Michael Zalle is the founder and CEO of **YellowBird**, a gig-economy marketplace that quickly and easily connects Risk and Safety professionals with businesses on-demand. By providing a fast and efficient method for insurance companies, business leaders and skilled professionals to consult, YellowBird matches the right people, in the right location, with the right experience for the job. A career tech entrepreneur, Michael has accumulated successful exits throughout his 25-year career. He attended San Francisco State University and Pepperdine University with a focus on Business Management. He is a husband of 20 years and father of two great kids, Nicholas (16) and Josephine (12).*



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Defending OSHA Citations – the Unpreventable Employee Misconduct Defense

by Ben Lowenthal, Hendrick Phillips Salzman & Siegel, P.C.

With the anticipated enhanced enforcement efforts by the Occupational Safety and Health Administration ("OSHA") under the Biden Administration, subcontractors can expect a greater number of worksite inspections and, inevitably, OSHA citations. Subcontractors should always work to identify and eliminate safety hazards on jobsites. However, there are other proactive steps subcontractors can take to be in the best position to successfully defend against an OSHA citation. These steps include establishing, implementing, and enforcing a worksite safety program. As long as a subcontractor takes these steps, one valuable defense available is the unpreventable employee misconduct defense.

One big issue that employers, especially subcontractors, express about the Occupational Safety and Health Act ("OSH Act") is that it can make them responsible for the stupid and dangerous acts of their employees. Fortunately, OSHA, the Occupational Safety and Health Review Commission, and courts have recognized that employers should not be responsible for all forms of employee misconduct. This is where the unpreventable employee misconduct defense comes in. Employers are responsible for the safety and health conditions of which they have knowledge. This includes a duty to anticipate hazards with reasonable diligence. However, "[a]n isolated brief violation of [an OSHA standard] by an employee which is unknown to the employer and is contrary to both the employer's instructions and a company work rule which the employer has uniformly enforced does not necessarily constitute a violation of [the OSH Act] by the employer." *Standard Glass Co., Inc.*, 1 OSAHRC 594 (O.S.H.R.C. 1972). The key question for the unpreventable employee misconduct defense is whether the employer knew of the violating hazard and could have taken steps to prevent the violating hazard.

The unpreventable employee misconduct defense is an affirmative

defense that a subcontractor must raise in the notice of contest or answer following a citation and notice of penalty. To establish the unpreventable employee misconduct defense, an employer must have implemented an effective safety program designed to ensure that its employees, including supervisors, have been thoroughly trained. To successfully raise the defense, an employer must demonstrate that it has:

- established work rules designed to prevent the violation;
- adequately communicated these rules to its employees;
- taken steps to discover violations; and
- effectively enforced work rules when violations have been discovered. See *Jensen Constr. Co.*, 7 O.S.H. Cas. (BNA) ¶ 1477 (O.S.H.R.C. June 29, 1979).

The first element of the defense is that the employer must have established a "work rule" to prevent the unsafe condition from occurring. The defense does not require that the work rule be in writing, but is almost impossible to prevail without a written safety rule in place. The second element of the defense is that the work rule must have been effectively communicated to the employees in general and to the offending employee in particular. Offending employees often conveniently forget that the employer ever communicated with them about a safety rule. To avoid this risk, an employee should carefully document all safety training sessions, identifying the topics covered and listing the names of the employees who attended. The third element of the defense is that the employer must prove that it took steps to discover incidents of noncompliance. If an employer has a safety rule that is violated on a regular basis, the employer will not be able to establish the defense. The final element of the defense is that the employer must adequately enforce the safety rules. The employer must prove that it has a disciplinary system in place and has actually administered the discipline

outlined in its safety program. Repeated violations of safety rules will establish ineffective enforcement and the employer will lose out on the defense. This is why it is so important that subcontractors take the proactive steps of establishing, implementing, and enforcing a worksite safety program.

At the end of the day, subcontractors cannot prevent all worksite safety issues, especially when employees independently take stupid and dangerous actions. However, there are things that subcontractors can do to be in the best place to successfully defend against an OSHA citation with the unpreventable employee misconduct defense. Subcontractors should have written safety rules, train employees with short toolbox meetings with an attendance sheet, use a progressive discipline system for safety violation and keep written records of all violations, and require supervisors to perform routine safety checks with a simple written form to record the routine safety checks. The more written documentation, the better.

In light of the anticipated increase in OSHA inspections and citations, subcontractors should be prudent to take the steps listed above. In doing so, subcontractors will potentially have a valuable defense available in the event of an OSHA citation.

About the Author

Benjamin S. Lowenthal is an associate with Atlanta-based construction law firm Hendrick, Phillips, Salzman & Siegel and is a licensed lawyer in the states of Georgia and New York. Ben's practice includes labor & employment matters within the construction industry. Ben received his undergraduate B.S. from the University of Georgia and his J.D. and LL.M. in Environmental Law from the Elisabeth Haub School of Law at Pace University. For more information, contact the author at (404) 522-1410, bsl@hpsslaw.com or visit www.hpsslaw.com.



FEATURE

Five Top Professional Skills Trending for 2021

by Dale Carnegie staff



After the hard times of 2020, many subcontractor companies have decided to invest in learning and development (L&D) in 2021 to keep their staff engaged. L&D is certainly going to be an integral part of 2022.¹ This is the year for companies to boost their programs for happier and more fulfilled employees as well as progressive business. Read on to find out about the top five trends in professional skills that will be emerging in the months ahead.

1. Individualized and Collaborative Skills Training

Through time, the workforce has become more diverse. Not only in terms of race and gender, but also cultural backgrounds. Which is why individualized training is more important than ever. One employee's approach towards learning will never be exactly the same as the other. Their

leadership skills training objectives may also vary. You need to be able to address these specific needs. We recommend developing a thorough training program that offers an adequate array of training programs for employees to choose from.²

Once you're able to successfully execute individualized training to employees, collaborative skills training should also be added as these skills are applicable in today's complex organizations. Working in teams is fundamental for every company, especially for those in the realm of contracting.³ An organization is not strong because of just one excellent individual, it is steadfast with teams that can work together whether internally or externally. Collaborative skills training addresses areas in managing conflicts effectively, motivates team members, improves reasoning and delegation to help increase productivity.

2. Soft Skills Training

Soft skills are the competencies that let employees become more efficient and productive when it comes to work interactions, no matter the role or the setting. Some of the tandem high-demand soft skills needed in training for leadership today include enhancing empathy and communication, creativity and critical thinking, decision making and negotiation, and coaching and mentoring. These are skills that are future-proof and are needed even as your industry evolves.⁴

Honing one's soft skills isn't new in the realm of training. At times, this is even overlooked at the workplace, because they're considered by some as intangible unlike software programming or risk management. Studies have found that companies or businesses that invest in soft skills training end up growing in revenue and leading their respective industries. The Stanford Research Institute International and the Carnegie Mellon Foundation found that 75% of long-term job success depends upon soft skills mastery and only 25% on technical skills.⁵

3. Virtual Courses and Programs

Digital transformation, also known as the fourth industrial revolution, has been taking over the globe in recent years. Various companies and businesses have embraced this phenomenon as a way





to connect people, data, and processes better. Therefore, virtual leadership skills training courses and programs are going to be trending in 2022.⁶

Contemporary approaches such as virtual and augmented reality incurs less cost overruns and is convenient for both trainers and employees. One can access recorded webinars whenever and wherever they please without disrupting their routine work schedules. Not only that, but conducting classes or webinars online also makes your employees digitally adept.

However, this does not mean that traditional training methods are completely out of the picture. Some companies still hold group sessions where the instructor makes a presentation to everyone in person. But even in such sessions, whiteboards are nowhere to be seen and instead employees are graced with the presence of smart TVs and other electronic devices.

4. Awareness and Sustainment Sessions

The Forgetting Curve is a phenomenon that commonly happens when learning

new skills. A study made by German psychologist, Hermann Ebbinghaus, found that there is a decline in human memory retention over time, wherein information is lost when there is no attempt to retain it. Therefore, awareness and sustainment in leadership training will be deemed important in 2022.

In order to combat the Forgetting Curve, we recommend establishing a strong and clearly defined Performance Change Pathway. Through this method, employees are provided a coherent and sustainable path towards a better learning experience.⁷

5. Use of Data Analytic Tools

New L&D programs will emerge every now and then. Data analytic tools can be helpful for identifying your company's return of investment (ROI) on development initiatives. A returning trend when it comes to leadership skills training courses, data analytic tools continue to be deemed vital in streamlining your reporting process.

About the Editor:

Robert Graves, MBA, is a Dale Carnegie Certified Trainer for Rick Gallegos and Associates. His focus is Sales Leadership and Customer Service. He is the author of "Making More Money with Technology." He often writes on the evolution of Marketing, Sales and Service. Robert can be reached at robert.graves@dalecarnegie.com.

About Dale Carnegie:

*Dale Carnegie is a global training and development organization specializing in leadership, communication, human relations, and sales training solutions. More than 9 million people around the world have graduated from Dale Carnegie Training since it was founded in 1912. **Dale Carnegie Training** can help an organization build effective interpersonal skills that generate the positive emotions essential to a productive work environment and that lead to increased employee engagement.*

¹ "How Innovative Employers Will Invest Their Education & Learning Dollars In 2021." Allison Dulin Salisbury. Forbes. 1/25/2021.

² "How to Create an Employee Development and Training Program." Max Freedman. Business News Daily. 10/21/2020.

³ "Teamwork In Construction Activities." State Compensation Insurance Fund. 12/31/2014.

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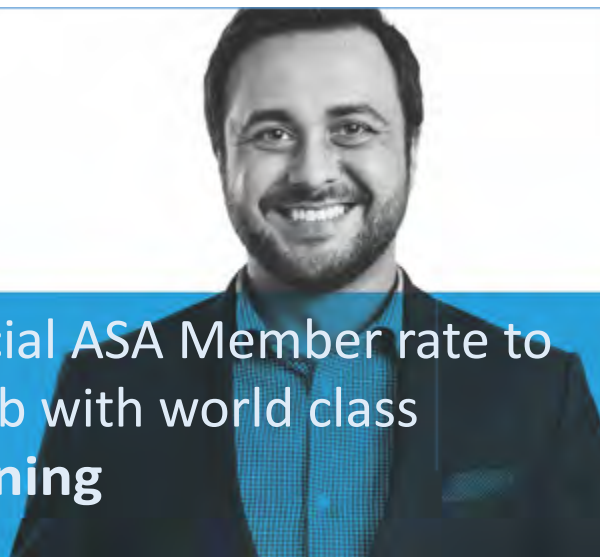
⁵ "Integrating Soft Skills Assessment Through Soft Skills Workshop Program." Rashidi Abbas, et al. International Journal of Research In Social Sciences. Vol. 2 No. 1, 5/2013.

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FEATURE

How Digital Production Tracking Helps Subcontractors Navigate the Current Market

by Rebekah Veldhuizen, Raken

The construction industry has been forced to change and adapt as the COVID-19 pandemic affected everything from material availability to projects being called off completely.

While the pandemic is still not over, things are slowly beginning to return to some level of normalcy.

So where does that leave subcontractors? In this article, we'll take a look at how subcontractors are still being affected and why production is a trending topic.

Challenges subcontractors are facing:

If you're in construction, you know times are still filled with uncertainty. Here's a few major issues subcontractors are facing:

Supply shortages

With steel and lumber in short supply—and selling well above average prices—subcontractors are struggling to make a profit while supplies are overpriced. And while prices are starting to come down some, they are expected to remain high for at least the rest of 2021.

Material delays

Along with a shortage of supplies, transport is also struggling to keep up with the demand. COVID-19 put a pause to a lot of shipping, and starting back up will take some time. Until then, subcontractors can continue to expect material delays.

Competitive market

Many subcontractors have already felt the effects of this competitive market. With high project price tags, and a long list of uncertainties, general contractors are trying to do as much work in-house as possible. This has left many

subcontractors competing for the limited number of jobs left.

Why digital production tracking will win out

With so much to navigate in the current environment, it's imperative that subcontractors do everything they can to stay organized. Staying organized not only helps build a positive relationship with general contractors, but also makes subcontractors' lives easier—we're talking less headaches throughout a project, and a greater financial return at the end of a project.

Production tracking is a major component of this, and something that will help keep projects moving forward despite material delays and fluctuating prices. And with digital technology continuing to prove an asset in construction projects, digital production tracking especially stands out.

Here's a few reasons why digital production tracking will continue to prove especially useful:

Saves money

Production tracking includes tracking the use and cost of:

- Materials
- Equipment (both rented and owned)
- Hours worked

Being able to log all this information easily from the field using an app means you'll never forget to go write it down later, or have trouble reading your notes hours later. It also means you can quickly tell if rented equipment isn't getting as much use as expected, or if you've spent more hours than expected on the project part way in.

Being able to not only log—but also access all this information from the field—means you can make informed decisions

about how to spend time and resources. Making these fact-based decisions means your time and money are being used efficiently, and it can even help you plan and improve your future projects, too.

Helps navigate delays

Being able to know on a daily basis exactly how much concrete was poured, or how much rebar was installed, means you'll know exactly how well your materials are stocked.

All of this means you can plan ahead—and ideally avoid long delays and stalling projects. While shipments continue to be unpredictable, production tracking can help you plan ahead so you can minimize project delays.

In the event of delays, digital production tracking and time cards can help you document (and prove) exactly what did and didn't happen on the jobsite—which can come in handy in case of any disputes. Having time-stamped, approved digital documentation can help make sure your crews get compensated fairly and accurately.

Provides project transparency

Despite your best efforts, some material shipments will be exceptionally late, and some material prices will continue to soar—leaving you without a lot of options to stay under budget and on time.

One thing that will prove invaluable despite project complications is great communication.

General contractors are struggling to find subcontractors they can trust.

With some subcontractors concealing labor shortages and their lack of insurance, general contractors are

continued on page 25



DID YOU KNOW?

Contractors Professional & Pollution Liability Coverage

by Gary Semmer, AssuredPartners

Does your General Liability & Umbrella Liability Insurance provide coverage for Design activities or modifications and Environmental or remediation services?

Great question- probably not! Let's explore the issues:

Commercial General Liability and Umbrella policies have evolved over the years, but one thing has remained constant, they contain Professional Liability and Pollution Liability "exclusions or restrictions" that negate coverage. In addition, more Subcontract Insurance Agreements require Contractors Professional Liability (Errors & Omissions) coverage for design/build activities or design modifications and Contractors Pollution Liability coverage for environmental/remediation services provided.

Contractors Professional (Errors & Omissions) Liability:

Contractors Professional (E&O) Liability provides coverage for design/build or design modifications made by the Contractor which result in a consequential damage to the project.

We see Subcontractor Limits of Liability requirements range from \$1,000,000. to \$5,000,000. with typical Retention/Deductibles starting at \$2,500. up to \$50,000. Coverage is on a "Claims Made" basis which means the Policy that is in force at the time the Claim is being made is the Policy that triggers. Therefore, it is important that if you change Insurance Carriers that your "retroactive date" on the new Policy goes back to the original

date you started coverage to provide prior acts coverage. Conversely, if you decide not to renew, or cancel coverage, you should secure an Extended Reporting Endorsement (Tail coverage) for a specified time period to cover claims that may have occurred but haven't been reported. In recent years, more Insurance Carriers have offered Rectification or Mitigation coverage which is a First Party type coverage to pay expenses to mitigate a negligent act or omission that otherwise may lead to a Professional Liability claim. The key is to report the Claim to your Insurance Carrier as soon as practical so they can review the circumstances to determine what needs to be done to rectify the error and the costs associated to remedy the issue. We highly recommend securing the coverage as part of your Contractors Professional Liability coverage.

Contractors Pollution Liability

Contractor's Pollution Liability provides coverage for environmental claims caused by the Contractor on the job site, in transit or from a waste disposal or treatments site.

General Liability and Umbrella policies typically have Asbestos, Lead, Silica, Synthetic Stucco (EFIS/DEFS) and Absolute Pollution exclusions because Insurance Carriers feel these types of exposures are "outside" the scope of traditional General and Umbrella Liability coverage and as such are unable to properly price the coverage. Again, we see Subcontractor Limits of Liability requirements range from \$1,000,000. up to \$5,000,000. with Retention/Deductibles starting at \$2,500.

up to \$25,000. Coverage can be secured either on a "Claims Made" or "Occurrence" basis. We recommend Occurrence policies if possible, so you don't have to secure "prior acts" coverage if you change Insurance Carriers or if you decide not to renew or cancel coverage, you don't have to purchase Tail Coverage.

Both Coverages can be purchased as either standalone or as a combined Contractors Professional and Pollution Liability policy. Oftentimes the combined Policy approach is priced better, particularly if you have an incidental environmental exposure. You should consult with your Insurance Agent or Broker to discuss coverage options.

About the Author

Gary Semmer, CIC CWCA is Executive Vice President and Construction Practice leader with AssuredPartners. Gary specializes in providing Insurance & Risk Management solutions to the Construction and Real Estate industries. He has served as President of the Independent Insurance Agents of Illinois (IIAI) and Associated Risk Manager (ARM) of Illinois. AssuredPartners is the 10th largest Insurance Broker and Consultant in the country providing Commercial Insurance, Risk Management, Employee Benefits through consulting and services. For more information on AssuredPartners, please Gary by email at Gary.Semmer@assuredpartners.com or asa@assuredpartners.com.

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The following are important coverage considerations before executing a sub-contract agreement with an upper tier.

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ADDITIONAL INSURED REQUIREMENTS

Does your Additional Insured coverage comply with contract language?

COVERAGE RESTRICTIONS & EXCLUSIONS

Do your insurance policies include coverage exclusions and conditions which may either restrict or not respond at all to certain contractual obligations you entered into, and land you in breach of contract litigation?



FEATURE

Achieving True Collaboration: Revenue-Based Pricing as an Alternative for Construction Management Software

by Patricia Cuomo, Fonn, Inc.



Historically, the construction industry has been slow or reluctant to adopt technology and software. There are an overwhelming number of software tools available, along with an overwhelming number of pricing models. This article identifies 3 major challenges 'per user' pricing poses for the construction industry.

Challenges of SaaS "Per User" Pricing

For an industry that's been slow to adopt technology, the simplicity of per user pricing helped ease the pain of adding technology to make improvements in communicating with the field and home office. However, like many software technology advances, pricing models need to evolve with the complexity, sophistication and

robustness of the applications themselves. Three of the most common issues that plague per-user pricing include:

1. "Sticker Shock" Moving from Free to Paid

When a company moves from a "Free," or low-cost version of a software solution, the experience can be costly and frustrating for the customer. Even a small company who wants to upgrade or grant access to every user, may have just added thousands of dollars to their budget when annualizing the upgrade. Per user pricing adds up quickly forcing companies to limit access to just a few users. Limiting access frequently results in limiting the flow of information to all stakeholders—creating silos and barriers to access to critical data.

2. Exclusivity

Another common issue is that inherently, per user pricing limits access to all stakeholders in a project. Companies with a set budget for a set number of users may unknowingly restrict flow of information. If only 5 people have access and input to all the information on a project, how will they share it with the rest of the Team? In addition, perceived value across the organization may be compromised if members of the Team who need to give or receive input for a project are unable to do so.

Imagine a commercial general contractor with multiple projects, trying to communicate with multiple workers or subcontractors (at multiple jobsites!) with only 5 logins to the project management software tool

"The reason per user pricing exists is because it's a legacy of the old license model for perpetual seats. The problem with most per user pricing is the experience for anyone who logs into the product is actually pretty similar and the value that's being given is not on a per user basis. If you can get the exact same experience no matter what log-in you use, it's a good litmus test that you probably shouldn't be using per user pricing."

— Patrick Campbell, Founder & CEO, Price Intelligently

they're using. Often the result is the next common issue: shared log-ins.

3. Shared Logins

Shared logins compromise data accuracy by having multiple people entering information in multiple ways. Not only does this create delays for those "waiting their turn" to log in, but it also creates potential security and administrative concerns. (Who's tracking how many people have the login information?) Subsequently the lack of real-time access and dissemination of information to the rest of the team is perpetuated. Not to mention, trying to track down the true source of information when questions arise can be a mess.

Enter Revenue-based Pricing

What if there was a way to price SaaS with a model that places no restrictions on the number of users, each user has permission based access

to features leaders want them exposed to, users can be added and removed as necessary, shared logins are eliminated, and pricing is determined by the customer's annual revenue?

Consider: if all the functionality of an application is there from the time a customer subscribes, it's available to every user on a single platform, and the number of users is unlimited. Using a revenue-based model allows companies to pay one price that promotes inclusivity and productivity based on their company size. True collaboration is the resulting outcome.

While using revenue as a "tier" for pricing may seem intrusive at first, it actually gives those seeking to adopt technology into their construction business a clearer path to successfully do so. It creates transparency for budgeting and allows companies the ability to scale with the same application as their business grows. For those in the field, silos of information

are eliminated, communication is streamlined, costly mistakes become preventable, and productivity is vastly improved. Ultimately construction companies and their workers are empowered to complete projects on-time and on budget.

About the Author

Patricia joined Fonn in May 2021 bringing with her 20 years of experience in Marketing, Business Development and Communications in various business verticals including enterprise software, medical devices/biotechnology, healthcare, and creative marketing agencies. She is passionate about brand building and thrives on creating strategic, fully integrated marketing initiatives that support sales efforts. Fonn has just earned "High Performer with G2". And find out more about Fonn here: What is Fonn?

Digital Production Tracking continued from page 21

becoming increasingly wary of working with subcontractors who may become a liability later on.

Being upfront about where your crew stands, and managing expectations from the start, goes a long way. But add to that daily updates on production? That level of communication and transparency will make your team invaluable.

Start tracking your production

If you're ready to improve production efficiency and communication, start by trialing a few different digital options.

Digital technology is meant to make your life easier, so look for options that are easy to pick up and use within the trial period. Look for software that you can see yourself, and your team, easily using throughout the workday. Any effective production tracking will need to document hours, materials, and equipment used throughout the day—whereas waiting until the end of the day, or for a break, to document production may result in incomplete (and ineffective) data.

Not sure what technology to trial first? Raken was created to easily capture production data in the field, while also

providing powerful insights and visuals when you're at a desk. We also offer a 14-day trial so you can test it out for yourself.

About the Author

Rebekah Veldhuizen is a content writer for Raken, the cloud-based software that was built to connect the field to the office. Raken helps boost productivity and safety by streamlining workflow processes such as daily reporting, time cards, production tracking, toolbox talks, and digital checklists. [Learn more about Raken.](#)

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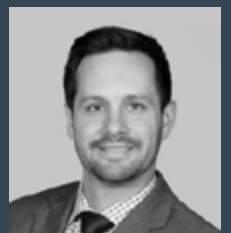
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Eight Useful Construction Technology Trends to Help Improve Project Efficiency

by Patrick Hogan, Handle.com

The construction industry has witnessed firsthand how technology has rapidly evolved in the last decades. Tools such as portable saws and nail guns were once considered fancy innovations, but they are now a staple in almost every construction project.

Other than highly advanced equipment, specialized construction software and other automation devices are also starting to become more popular among construction companies. This is because advancements in construction technology not only promote speed and efficiency, but they also boost worker safety and cost effectiveness in every project.

Below are some of the popular and emerging construction technologies that are currently available in the market. If you are a subcontractor and you are looking to improve your work practices across all aspects, you might want to consider investing in the following construction techs.

1. Building Information Modeling

Building Information Modeling or BIM technology is a digital innovation that allows you to model the physical and functional characteristics of a facility. BIM tech helps create an accurate model of a structure even before it is built, and the high degree of accuracy reduces the need for change orders during construction.

BIM technology also lets you collaborate with multiple stakeholders. It can even act as a central database for all documentations and other references, which increases transparency and improves communication lines among owners, contractors, subcontractors, and other parties.

2. Virtual Reality (VR) Technology

Virtual Reality or VR technology allows users to experience a simulation of real-life

scenarios. In construction, VR technology can be particularly helpful for safety and operator training. It immerses your workers and operators in virtual reality situations, which makes training more efficient and meaningful.

Similar to VR, augmented reality or AR increases efficiency in the workplace. AR devices are able to supplement one's knowledge about a worksite, and it can be great for identifying safety hazards. For example, wearing AR goggles can help you identify if the workers that you see are wearing proper protective equipment or not.

3. Wearable GPS and Sensors

To improve worker safety, you may want to consider investing in wearable technology. There are wearable GPS and sensors that can be used for geofencing among other functions. Geofencing is when site managers identify hazardous locations in a job site. If a worker steps into a hazardous area, the sensor will trigger a warning to prevent the worker from getting into an accident.

Wearable technology can also monitor the user's posture, heart rate, and other info that can help flag possible health risks. If a worker is suffering fatigue, for example, the technology can alert the supervisors to act accordingly.

4. Robots and Drones

Robots and drones are increasingly becoming more popular among construction businesses. These pieces of technology can handle repetitive tasks in ways that humans are not able to. For instance, robots are able to lay bricks and tie rebars continuously without needing to rest. However, robots still require humans to oversee their quality of work and to ensure that they do the job as expected.

Drones are also useful for aerial site inspections and for identifying possible safety hazards. They can also be used for asset management and inventory tracking,

and also for taking images continuously in order to monitor and forecast project progress.

5. Artificial Intelligence (AI)

Instead of relying on limited human capacities, using artificial intelligence or AI systems allows construction businesses to manage their data better. AI systems are able to process huge volumes of data and therefore help businesses make data-driven decisions.

AI systems can be applied to different aspects of construction, from project schedule optimization to credit risk assessments. AI is also an emerging field in technology, so the construction sector can expect more sophisticated AI tech in the future.

6. 3D Printing

3D printing is the process of creating three-dimensional objects by printing layers of materials to form certain shapes and designs. This technology can be used to print construction materials such as pipes, fittings, and formwork.

Not only is 3D printing more efficient than traditional methods, but it is also less wasteful. 3D printing is also more cost-effective, especially when it comes to fabricating project-specific materials and tools.

7. Blockchain Technology

Blockchain is essentially a simple database that can be accessed by multiple users. But unlike most databases that rely on a single authority for data management, blockchain is decentralized and can be managed across different networks. Blockchain can help subcontractors stay on the loop with higher-tier parties such as property owners and prime contractors.

Using blockchain technology promotes transparency and efficiency in construction project management. Blockchain is also slowly becoming more popular in

Upcoming Webinar

WEDNESDAY, AUG 18, 2021 | 12:00 - 1:00 PM (EDT)

SBA's Mentor-Protégé Program Update

Presenter: Stanley Jones, Jr. Director, Office of Management and Technical Assistance, Acting Director, SBA Mentor Protégé Program



The U. S. Small Business Administration's Mentor-Protégé Program helps small businesses (protégés) learn from an experienced government contractor (mentor) how to secure and perform contracts with the federal government to increase access to contracting opportunities. Protégés can get valuable business development help from their mentor in several areas, including:

- Guidance on internal business management systems, accounting, and marketing
- Financial assistance in the form of equity investments, loans, and bonding
- Assistance navigating the federal contract bidding, acquisition, and procurement process
- Education about international trade, strategic planning, and finding markets
- Business development, including identifying contracting and partnership opportunities
- General and administrative assistance, like human resource sharing or security clearance support

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construction as it addresses issues that usually happen due to the fragmented structure of construction projects.

8. Specialized software

There are numerous available software systems that are specifically designed to improve construction practices. An invoice management software, for instance, can help subcontractors and other construction parties optimize their accounts receivable processes by tracking and monitoring their invoices efficiently.

There are also web-based solutions for **[filing preliminary notices online](#)** that help construction companies file notices and mechanics liens properly. Filing mechanics liens can be daunting,

especially if you deal with multiple cases of payment delinquencies. By taking advantage of mechanics lien apps, you put yourself in better shape to recover your payments successfully.

About the Author



Patrick Hogan is the CEO of Handle.com, where they build software that helps contractors, subcontractors, and material suppliers with filing documents

*like **[preliminary notices](#)** to avoid late payments. Handle.com also provides funding for construction businesses in the form of invoice factoring, material supply trade credit, and mechanics lien purchasing.*

Coming Up

in the August 2021
Issue of ASA's



Theme:

Sharing Best Practices

- Price Escalation: Contracts to protect yourself
- Insurance Captives Grow in Popularity Among Contractors
- Post-Pandemic Drives Best Practices
- and more...

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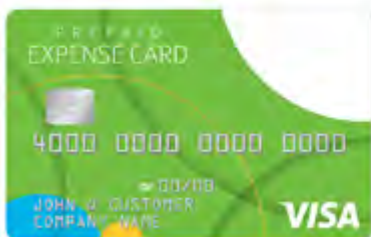
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