



Human Resources in the Spotlight



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

INDEMNIFICATION REVIEW

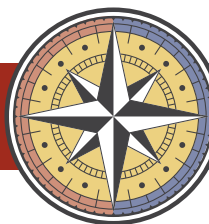
Are you indemnifying Owner/Developers, GC's and Prime Contractors for contract provisions that are not covered by your Liability Insurance?

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?



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. 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. 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

To educate and equip subcontractors and suppliers with the education and resources they need to thrive in the construction industry. Additionally, FASA raises awareness about issues critical to and about construction in the United States.

SUBSCRIPTIONS

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

ADVERTISING

Interested in advertising? Contact Richard Bright at (703) 684-3450 or rbright@asa-hq.com or advertising@asa-hq.com.

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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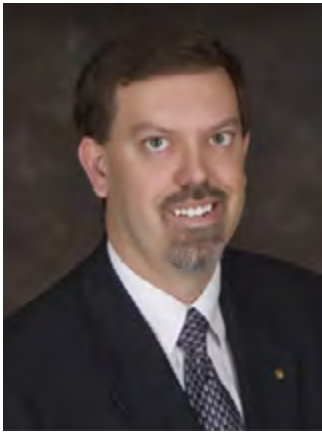
Miramar Beach, Florida

Onward!





PRESIDENT'S LETTER



Dear ASA Members:

As my company has expanded and continues to grow, we face the same challenges that many of you face - a severe labor shortage. Solving the labor crisis in our industry will draw as many comments and ideas, and is beyond the scope of this issue of Contractor's Compass. However, what is within this issue and our day-to-day control, is how we handle issues with our current work forces and the human resource challenges with the same. I hope you will find the articles in this issue as timely and helpful as I have. Additionally, through the ASAdvantage membership benefits that are yours as an ASA member, ASA offers complimentary Human Resources Services through our partner SESCO. As such, ASA members can get a free review of their employee handbooks

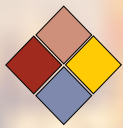
as well as additional discounted HR services.

As one of the goals for my term as ASA President, I want to focus on education to make us each better Subcontractors. One of the focus points in being better Subcontractors, is being better when we negotiate fair and balanced contracts with our prime contractors, and our lower tier subcontractors and suppliers. I hope that each of you will appreciate the education seminars on this topic that are presented by your local chapters and the support that your chapter attorneys, and the ASA Attorney-Counsel at large, can provide for you on this topic. Fairer contracts are the key to lower risk, high profitability, and management of customer expectations.

In addition to education, advocacy for our industry on both a national and state level is an area where ASA is uniquely powerful, and uniquely successful. Your ASA team tirelessly works in D.C. and reports every week in ASAToday. If you are not seeing ASAToday and would like to, please let us know. Our advocacy team, in connection with the ASA Attorney's Council, takes their work far beyond the halls of Capitol Hill and into the appellate courts of the states where our members work. The Subcontractor's Legal Defense Fund (SLDF) allows ASA to stay involved in how laws are interpreted. When courts rule favorably in cases that impact subcontractors, it is hugely beneficial at a state level, and those rulings often influence courts in other states.

As we continue into the fall, I hope you will appreciate the value that ASA brings to your team, and how valuable each of you are to ASA as individual members. Everything this organization does, it does for the express purpose of making us more successful in our companies and better members of the construction industry. I know ASA has done that for me and my company.

Sincerely in your service,
Brian K. Carroll
ASA President 2021-2022



CONTRACTOR COMMUNITY

ASA Welcomes New Gold Sponsor, Billd

Billd signs sponsorship deal with American Subcontractors Association to provide growth options and financing education for subcontractors

Billd, a first-of-its-kind payment solution for the construction industry is American Subcontractors Association's newest Gold Sponsor. Billd and ASA will work in tandem to share Billd's financial expertise with ASA's wide network of subcontractors.

For contractors who usually aren't paid until more than 90 days from purchasing materials, Billd provides 120-day terms so they can stabilize cash flow and more effectively grow their businesses. With a deep understanding of the construction industry, Billd knows traditional credit metrics are poor predictors for risk in this vertical segment and has built a variety of industry-specific proprietary analytic tools to better assess risk in the construction industry. For more information, check out [Billd](#).

SLDF Fundraiser in San Antonio

Come join the Subcontractors Legal Defense Fund on October 22nd for the Whiskey Tour and Tasting Fundraiser at Maverick Whiskey in San Antonio. Events like this help fund the incredible work that the SLDF does for the entire subcontracting industry.

Register today at www.sldf.net and support the SLDF!

President Biden's COVID-19 Vaccine Executive Orders

On September 9, 2021, President Biden announced his COVID-19 Action Plan entitled "Path Out of the Pandemic," which included a pair of Executive Orders (EOs). The EOs require that all federal employees and contractors must be vaccinated against COVID-19, and the Department of Labor's Occupational Safety and Health Administration (OSHA) will be issuing an Emergency Temporary Standard (ETS) requiring that private employers with 100 or more employees are vaccinated.

In the interim, OSHA must craft this ETS, and mandating vaccinations as a threshold for

workplace safety and health poses the biggest regulatory challenge in decades for OSHA. The agency is primed for lawsuits and OSHA has lost five out of the six times such temporary rules landed in court. Stay tuned for more information as this ETS unfolds in the coming weeks.

ASA Is Leading the Way in Creating a Level Playing Field for Prequalification!

While we all understand the growing need for risk management, prequalification has traditionally been one sided. We struggle to keep up with the multiple unique general contractor requests,





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understand how the data is used, why each general contractor has a different set of requirements, and a different platform to fulfill said requirements

When things are out of balance and where challenges for subcontractor's exist, there are opportunities for ASA to step in and address them. Prequalification is one such challenge and we have partnered with Compass, by Bespoke Metrics to offer subcontractor-centric solutions in the form of:

1. Standardization of data updated once a year through the 1Form (universal form)
2. Full control over which general contractors, down to the user who can access your data
3. Secure transfer of data to your general contractors, owners, banks, surety, and etc.
4. Data-driven independent third-party scoring to support quality-based selection

Next month, Bespoke Metrics will be launching their new 2021 1Form. Collaboration with over 100 of the largest general contractors and insurers ensure the 1Form meets all prequalification requirements. New for this year, we have a voice through the ASA User Tech Group to ensure subcontractor concerns, such as time to complete, ease of use, and access to sensitive data are being communicated and addressed within the supply chain.

For a hard copy of the 1Form, if you would like to participate, or have any questions reading our objectives, please feel free to reach out at rbright@asa-hq.com. You can view the Compass prequalification video here: https://youtu.be/eP_39EP9aZE

Retainage Law in 50 States

ASA is happy to announce the publication of their updated Retainage Law in 50 States resource document for ASA members, detailing the regulations limiting retainage percentages - a portion of the contract price deliberately withheld until the work is substantially complete. We are most grateful to our member attorneys, who volunteered their time and energy to ensure that this resource was up to date.

ASA members can find this document online in the ASA InfoHub platform!

House Democrats Unveil Key Parts of Their \$3.5 Trillion Budget Reconciliation Bill

On Tuesday, September 7, 2021, the House Democratic Leadership unveiled key parts of their \$3.5 trillion reconciliation bill, which would enact the bulk of President Biden's economic agenda including the coverage of dental, hearing and vision benefits by Medicare. Additionally, the bill would include new spending to enact free college, a boost to the Pell Grant for low-income college students, funding for Historically Black Colleges and Universities, as well as expanded child care and universal pre-K. The bill would mandate universal paid family leave, along with increased wages for childcare workers, a new requirement for employers to automatically enroll employees in retirement plans, and funding for recruiting more elder-care workers.

ASA Calls Upon the House to Support Infrastructure

ASA, along with the AGC, the American Road & Transportation Builders Association, American Association of State Highway and Transportation Officials, and the U.S. Chamber called upon the U.S. House to pass the Senate passed bipartisan infrastructure bill, the Infrastructure Investment and Jobs Act (IIJA). This legislation represents a historic opportunity to provide substantial economic and quality of life enhancements to communities across the country and to build for the future. The investments made in the package would facilitate long overdue repairs and improvements to our roads, bridges, rail, and public transportation, and other critical infrastructure, such as airports, ports, broadband, energy, and water systems. The investments included in the IIJA would create good-paying jobs through project construction in the short term and provide improved safety and mobility for people and goods for decades to come in every single state. By including a five-year reauthorization of federal highway, public transportation, and passenger rail programs, the agreement would also ensure states and localities have much needed funding and policy certainty to proceed with planned projects. These programs are currently operating under an extension set to expire September 30th, and the Federal Highway Administration recently warned the Highway Trust Fund could face cash shortfalls as early as November, which will severely disrupt highway projects. Taken together, the need for prompt action is imperative.

It's always something **AWESOME**



Community Involvement Is Guaranteed

by Mary Klett, ASA Communications Team

While we might have to stretch our memories a little to imagine St. Louis in 1902, Guarantee Electrical Company (Guarantee) was founded by a group of electricians to guarantee that the lights would stay on for the 1904 World's Fair - a new-to-the-world technology for the attendees at Forest Park.

Jump ahead 109 years and Guarantee Electrical was again an integral part in guaranteeing that ***Flags of Valor*** was realized. Rick Randall of Pace Properties is the visionary behind Flags of Valor, and wants us to "forever remember" the many who lost their lives in sacrifice to their country since September 11, 2001. On the 10th anniversary 2,977 flags were flown on Art Hill at Forest Park to remember the individuals lost on that tragic day in 2001 at the Twin Towers, the Pentagon, on Flight 93 and the first responders who gave their lives to save others. Guarantee provided room to assemble the flags, the steel poles,

and storage, plus people power to help make sure the flags were installed and removed appropriately, before being given to gold star families who lost their loved ones.

This year, from September 4-12, more than 7,000 service -men and -women were remembered - with photos and dog tags attached to each flag - a somber, yet beautiful, memorial to those who lost their lives for the sake of our country since September, 2001.

Guarantee is honored to work with other construction industry partners to assist in making Rick Randall's tribute a reality - including Castle Contracting, Brinkmann, Graybar, and of course the co-sponsor, Pace Properties.

Yes, this is a monumental, and awe-inspiring effort, requiring:

- A year's worth of planning
- 21 tons of material
- 11 miles of flag rows

- 10 acres
- 15,240 rubber bands
- 3,000 feet of plastic tubing
- 7,620 ten-foot poles
- 500 selfless volunteers
- Tremendous community support and organization

Believing in being good stewards of the communities in which they operate, Guarantee is also active in many other charitable causes, including ***KIDstruction***, raising more than \$500,000 in 2021 for St. Louis Children's hospital; and the 11th consecutive year for ***Pedal the Cause*** (Sep 25 & 26, 2021), spearheaded by a cancer survivor at the company.

Thanks, Guarantee Electrical Company, for your outstanding support of your St. Louis community!



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. Do you have something you want to share? Send us an email at communications@asa-hq.com.



FEATURE

Employers Continue to Navigate the Complexities of the COVID Vaccine to Avoid Liability

by Jamie Hasty, SESCO Management Consultants



With much of the country seeing rapid increases in COVID cases and/or exposures, continued push for vaccination and ever-changing direction from the Centers for Disease Control (CDC) or even your respective state governing body, employers are left frustrated and searching for answers.

The media also plays a large role in pushing vast information which, at times, can be tedious and confusing. Can I mandate the vaccine? What if

someone refuses to get the vaccine, can I terminate? Can I offer incentives to my staff to get vaccinated? So on and so forth. Let's review what is legal for employers to do regarding COVID vaccine and how to avoid potential discrimination issues with the Equal Employment Opportunity Commission (EEOC) or in civil litigation.

As a reminder, The U.S. Equal Employment Opportunity Commission (EEOC) has issued new COVID-19

vaccine guidance for employers. Consider key points:

Confidentiality

- Information about an employee's vaccination status is considered "confidential medical information" under the Americans with Disabilities Act (ADA).

- Like all medical information, information about an employee's

vaccination status must be kept confidential and stored separately from the employee's personnel file. Unfortunately, with this general rule in mind, the EEOC has not yet offered guidance for employers on how to easily identify the vaccination status of employees at the workplace to enforce ongoing mask mandates for non-vaccinated workers (e.g., via a badge or other outward identifier).

Employer Inquiries

- Employers may ask employees to provide documentation or other confirmation of the vaccination from such sources without the request being a "disability-related inquiry."

Vaccinating Subsets of Employees

- Employers may offer vaccinations to certain groups of employees and not to others (e.g., assembly versus office workers), so long as the employer does not discriminate in the offering based on a protected class.

Vaccine Incentives

- Employers may offer incentives to employees who voluntarily receive the vaccine from a third-party vaccine provider (health department, pharmacy, personal medical provider, etc.).

- Employers may offer incentives to employees to voluntarily provide documentation that they received the vaccine from a third-party vaccine provider.

- Employers may offer incentives to employees who voluntarily receive a vaccination administered by the employer or its agent, so long as the incentive is not "so substantial as to be coercive." One gap in the guidance provided by the EEOC is any further discussion of what constitutes a "coercive" incentive. What is so substantial as to be coercive and thus no longer voluntary under the ADA? Hopefully, the EEOC will further clarify this question but an incentive under \$500 would likely be permissible.

- Employers may not offer an

incentive to an employee in return for the employee's family member getting vaccinated by the employer or its agent.

So how does an employer handle a mandatory vaccination policy? Employer required vaccinations, like the flu shot, have been a common practice for years and the COVID-19 vaccine is no different. Employers who want to require employees to take the vaccine should know that federal law allows employees to ask to be exempted from the requirement due to medical or religious reasons.

Title I of the Americans with Disabilities Act (ADA) requires employers to provide reasonable accommodation to qualified applicants and employees with a disability, unless the employer can demonstrate that doing so creates an undue hardship to the employer or poses a direct threat to the safety of the employee or others in the workplace.

Employers also have an obligation to accommodate an employee's sincerely held religious belief under Title VII of the Civil Rights Act (Title VII), unless the accommodation creates an undue hardship. A sincerely held religious belief can include an employee's religious-based objection to vaccinations.

Below are the proper steps to handle a current employee's accommodation request to be exempt from the employer's vaccination requirement(s).

1. Is the employer covered by the ADAA and Title VII?

All employers, including state and local government employers, with 15 or more employees are covered under the ADA and Title VII. Federal government employers are also covered by Title VII; however, for disability accommodations, federal government employers must comply with the Rehabilitation Act of 1973 instead of the ADA, although the protections are very similar.

Please also note that states have their own EEO laws that apply to businesses with fewer than 15 employees. It is imperative that businesses consult their employment attorney or HR Consultant to ensure they understand which law(s)

is applicable to their organization.

2. Have a policy to handle reasonable accommodations

Organizations should implement or review policies and procedures for handling requests for medical and religious accommodations.

Existing job descriptions should also be reviewed to confirm they include all aspects of the job and include any requirements for mandatory vaccinations.

3. Review requests for exemption from vaccine

Employee requests for exemption from the vaccination requirement should be reviewed to determine if the request falls under the ADA or Title VII obligations for the employer to consider accommodation. A request for exemption due to a personal preference not to receive a vaccine is not protected by law, and the employer should reiterate the company policy and the consequences for not complying with the vaccination mandate.

Managers and supervisors should understand how to recognize a request for accommodation and who to relay the information to within the company.

Requests for accommodation due to a disability or religious belief should be further reviewed following the steps below.

4. Engage in the interactive process

Employers should engage in a process in which the employee, his or her health care provider or religious leader, and the employer share information about the nature of the disability or religious belief and the limitations on receiving an employer-required vaccination. This process is referred to as the interactive process and involves a good-faith effort by the employer and the employee to discuss the employee's specific circumstances. The purpose of this discussion is to determine what (if any) accommodations may be needed.

The interactive process involves a review of the accommodation request from the employee. Neither the ADA nor Title VII requires the request to be put in

writing; however, having documentation of the request is a best practice.

For ADA accommodations, the employee should be asked to provide appropriate documentation from his or her health care provider regarding the nature of any impairment(s), the duration of the need for accommodation and the extent to which the impairment(s) conflict with the employer's vaccination requirement.

For religious accommodations, the employee should be asked to provide an explanation of his or her sincerely held religious beliefs and, if necessary, appropriate documentation from his or her religious leader regarding the religious belief that conflicts with the employer's vaccination requirement.

5. Determine which accommodation may apply

Organizations should use the definition of a "disability" and a "qualified individual with a disability" under provisions of the ADA, along with information obtained during the interactive process, to help make this determination. The ADA defines disability as an impairment that substantially limits a major life activity.

Title VII requires employers to accommodate only those religious beliefs that are "sincerely held." Because the definition of religion is broad and protects beliefs and practices with which the employer may be unfamiliar, the employer should ordinarily assume that an employee's request for religious accommodation is based on a sincerely held religious belief. If, however, the employer has an objective basis for questioning either the religious nature or the sincerity of a particular belief or practice, the employer would be justified in seeking additional supporting

information.

6. Review for undue hardship or direct threat

The ADA requires employers to grant an accommodation request, unless the accommodation would result in undue hardship on the employer or poses a direct threat to the health and safety of others.

Employers should conduct an individualized assessment of four factors in determining whether a direct threat exists: the duration of the risk; the nature and severity of the potential harm; the likelihood that the potential harm will occur; and the imminence of the potential harm. If an employer determines that an individual who cannot be vaccinated due to disability poses a direct threat at the worksite, the employer cannot exclude the employee from the workplace—or take any other action—unless there is no way to provide a reasonable accommodation (absent undue hardship) that would eliminate or reduce this risk so the unvaccinated employee does not pose a direct threat.

Under the ADA, undue hardship must be based on an individualized assessment of current circumstances that show that a specific reasonable accommodation would cause significant difficulty or expense. Under Title VII, the undue hardship defense to providing religious accommodation requires a showing that the proposed accommodation in a particular case poses a "more than de minimis" cost or burden.

If an employee cannot get vaccinated for COVID-19 because of a disability or sincerely held religious belief, practice, or observance, and there is no reasonable accommodation possible, then it may be

lawful for the employer to exclude the employee from the workplace.

7. Notify the employee

The next step is for HR to notify the employee in writing that his or her requested accommodation has been approved or denied. If the request is denied, the employer should communicate and document any available alternative accommodations.

HR must maintain all copies of accommodation requests, supporting information and documentation, including denials, in a file separate from the employee personnel file, consistent with the confidentiality requirements of the ADA and to protect sensitive religious preference information.

Managers and supervisors must understand that it is unlawful to disclose that an employee is receiving a reasonable accommodation or to retaliate against an employee for requesting an accommodation.

About the Author

SESCO Management Consultants will continue to monitor and report on developments with respect to the COVID-19 pandemic and will post updates in the firm's COVID-19 Resource Center as additional information becomes available. SESCO specializes in human resources consulting services and federal and state employment law compliance. We welcome your call to discuss compliance questions as well as provide to you, as an ASA member, free telephone and email consulting for human resource related questions or needs. Contact a SESCO Management Consultant today at (423) 764-4127 or via email at sesco@sescomgt.com.



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FEATURE

Six Ways Construction Companies Can Improve Employee Retention

by Jessica Meno, Raken

The **labor shortage in construction** has made turnover an even bigger challenge. For companies, now's the perfect time to look inward—and make sure your workers are happy to stay.

Here are six ways to improve employee retention at your construction business.

1. Pay everyone accurately, and on time

Payroll delays and errors can be extremely costly in construction. In fact, it's one of the biggest reasons why companies lose talented employees every year.

Think of your field crews. Their primary focus is completing projects on time—they shouldn't be worried about whether or not they're being paid. That's why it's critical to stay on top of job costing for every site.

2. Keep communication open

The best leader is one who you can trust. What's the best way to build trust? Talking openly, honestly, and clearly about everything. (Even the bad stuff.)

When workers don't have to think twice about office communications, they can put all their energy into the projects at hand. With an open-door policy, they'll feel empowered to speak up about any concerns they have, too. Everyone will have the information they need to keep projects on track.

3. Involve them in decisions

If a decision affects the company,

it'll most likely affect the field as well. Different teams have different workflows, so it's important to get crews involved in the decision-making process. That way, you can find a solution that works for everyone.

By including the field early on, crews and supervisors will feel like their opinions are valued. They'll give you better insight on how to improve things on the jobsite—and even be more open to change (like new tech or workflows).

4. Support their professional growth

In an industry like construction, there's a pretty clear team hierarchy. But moving up to the next role (or discovering a new one) isn't always as straightforward. For employees, not knowing what's next can leave them wanting more.

How can you help? Start a proper conversation with team members. Learn what gets them most excited about work. Offer training sessions to help them advance in their careers. The bottom line: Invest in your workers' personal goals, not just the company's vision. They'll feel more supported, more confident, and more eager to get things done.

5. Celebrate (and share) their success

Employee recognition is severely underrated. Even if a worker knows they did a job well done, it always feels good when someone else acknowledges it.

A simple shoutout or "Thank you" can go a long way. Not only does it

show employees that their talents are appreciated—it also lets them hype up other team members. As a result, you create a more close-knit team that's motivated to build great projects.

6. Invest in technology to save them time

No one wants to spend extra time at work. In construction especially, there are already too many long shifts and too much travel away from home.

Using construction software can help your teams work more efficiently. For example, Raken lets you collect and store field data in the cloud. With less paperwork to worry about, your crews can focus on building—and the office can focus on managing. It's a win-win for everyone.

Streamline your workflows with Raken

With Raken's construction software, you can collect field data in real time—and improve projects along the way. From daily reports and checklists to production tracking, you'll have more streamlined documentation in one place.

About the Author

*Jessica Meno is a 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, and safety management. **Schedule a demo today** to see how Raken can work for your business.*



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FEATURE

Attracting Construction's Top Talent Starts With Keeping Your Best Workers

by John Biggs, writer



The construction industry is in the midst of a war for talent on two fronts. The global labor shortage makes it difficult to match jobs with candidates in the first place, but keeping the talent you've already got is an equally pressing matter.

The U.S. job market as a whole could be in for some turbulence as well. According to recent reports, up to 40% of people want to change jobs this year, a phenomenon that has been dubbed "The Great Resignation."

Taken together, these factors paint a challenging picture of the road ahead for the construction industry. In order to successfully attract and retain talent, some construction companies are transforming themselves into places where people not only want to work but also where they'll actually want to stick around.

The industry's collective anxiety around talent has resulted in many construction companies looking inward in ways they never have, including how well their company culture reflects its values. Although culture hasn't historically been a top priority for C&E firms, that's slowly changing, and the results often speak for themselves.

"Top Talent Attracts Top Talent"

Kitchell is a diverse real estate development and construction company that does around \$650 million in annual revenue across Arizona, Texas, and California in healthcare, higher education, labs, and some Native American communities. Even when many peer companies have begun struggling with their talent pipelines, the company's internal reporting data shows their attrition rate is under 10%.

How did the company achieve this?

"The biggest thing is, in order to attract top talent, you have to retain top talent. Top talent attracts top talent no matter what sector or industry you're in, and culture can really drive that," said Nicole Maas, Kitchell's Vice President of Marketing and Communications.

Kitchell's culture was put to the ultimate test in 2020 when Zoom calls replaced in-person water cooler chats and after-work happy hours. And yet, instead of driving people apart, the sudden shift to remote work gave team members a chance to connect in a new and more intimate way.

"Leadership, marketing, communications, field operations, you name it, we got more human. We saw families, we saw spouses, partners, kids, pets, bathrooms, bedrooms,



kitchens, backyards. We saw it all, and I feel like that really drove our culture and made us stronger because we got to connect in this way we wouldn't have pre-pandemic," said Maas.

It's a good reminder of how good culture thrives despite obstacles like social distancing. Nurturing those connections helps coworkers feel like part of a team instead of a loose collective who share the same space for eight hours a day.

Before the pandemic, Kitchell participated in ***Procore's Culture Academy***, a two-and-a-half-day immersive culture and leadership event that unites like-minded construction executives committed to cultivating a healthy workplace culture before the pandemic. Kitchell developed its vision, mission, and values, which somewhat presciently, coalesced around "Reimagining the Building Experience."

"What a great time to be reimagining the building experience when labor, materials, and supply chain management is forcing us to do that. Hey, we're already there, right? What we were doing in 2019 is not going to work in 2021 and beyond, so we've really embraced that internally and I feel like it's a great time to be driving that culture," Maas said.

Learn to Recognize and Overcome Unconscious Bias

We all have unconscious biases that govern our actions and ways of thinking, and hiring managers are no different. However, they may unconsciously limit their talent options when they fail to look outside of their preconceived notions when evaluating candidates.

DPI Construction is a construction management firm focused on the Toronto market that prides itself on its inclusive workforce and diverse culture, hiring people from all corners of the globe. DPI's project teams are made up of at least 85% women and underrepresented groups. By approaching their hiring through this lens, DPI gave itself the advantage of fielding candidates from a much larger talent pool than if they had taken a more narrow approach that has historically excluded swaths of the working population.

The company was recently hiring for a project coordinator role. They received numerous talented applicants for the position, including a woman named Ella, a Rwandan immigrant with an undergraduate degree in design and a master's in construction management. A hiring manager blinded by their ***unconscious bias*** might have felt she

didn't check all of the traditional boxes of a candidate for a construction project coordinator role, but DPI knew better, so it offered her the job.

"If you're not looking at all possible candidates for a role and if you're taking a very narrow view which people have historically taken, you might not have come across an Ella. She's an amazing part of the team already, and she's really excited to be a part of what we're doing," said Carolyn Brown, DPI's Manager of Operations.

This "widening of the funnel" when it comes to finding talent enabled DPI to find the perfect candidate for the role.

"If you open your eyes and look, you get candidates like Ella, who sounds like an amazing talent, because you're not looking for the same template of somebody who traditionally 'looks like' a project manager or superintendent, for example," said Steve Zahm, Procore's Head of Culture.

You're getting this amazing level of experience and talent and you're not sacrificing or trying to say, 'Well, we have to look for someone who's female.' People from more traditional male-dominated roles in construction, for example, might come to this saying, 'Oh, I have to widen and start lowering the bar.' In fact, it sounds like you've raised the bar when it comes to that talent search."

Making Inclusivity a Business Imperative

Being inclusive in your hiring isn't just the right thing to do; it can directly impact the overall health of an organization.

LaNelle Alexander is Inaugural Director of Diversity, Equity, and Inclusion at ***L+M Development Partners Inc.***, a vertically integrated real estate company whose platform includes development, construction, and property management. Over her career, she's seen first-hand how the power of diversity can transform an



organization for the better.

Before her current role, Alexander served in an executive leadership position at global nonprofit buildOn, whose mandate was to help break the cycle of poverty and illiteracy through service and education.

Alexander developed buildOn's very first DE&I strategic plan, which became central to how the company attracted and cultivated its talent. During her tenure, buildOn's attrition rate dropped from 45% to 22%.

At L+M, Alexander and her team established some tools to attract top talent. They also devised a three-year strategic plan for how the company could become more inclusive.

"It was bottom-up, ground roots, not only a top-down approach. It made sure everyone was informed and had a voice," explained Alexander.

Of huge importance was getting the company's top executives' unwavering support for their initiatives.

"We also had the commitment from the executive leadership team. You can't get really far without your team on the top, the CEO and everyone else really being included and just being our champions."

One of Alexander's goals at L+M was to ensure everyone at the company felt they had a voice, which they

accomplished through an ambassador program that gave all staff members access to senior leadership. She also stressed the importance of taking an intentional and deliberate approach to defining their values.

"At buildOn, we had the language, and the mission and core values were compelling, however, the issue we needed to develop was how do we live and model these values. How do we ensure that the mission and value is authentic and that people really know how to model these behaviors?"

Alexander helped L+M achieve this through creation of their core values recognition program, holding annual team-wide conferences for learning and development, but also to celebrate their mission as a company. She further advanced these values within the company by shaping recruitment around them, providing interview scripts, space, and opportunities for diverse perspectives.

Most recently, Alexander spearheaded the establishment of L+M's Diversity, Equity, and Inclusion strategic plan, featuring employee resource groups and a DE&I council, which is currently working with Procore and L+M's executive team to firmly establish their mission, vision, and values company-wide.

Fostering an Inclusive Culture Through Storytelling

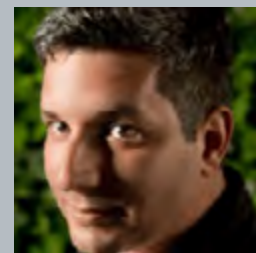
Procore worked with L+M to help develop its cultural language, mission, and vision. It helped ensure new employees were versed in that language was essential, both in how well their values were communicated and in making people feel they belonged and were a part of something.

"I think storytelling is a potent tool for really communicating that language and having people feel included. If I'm going to tell somebody about the culture of our construction company, for example, I could recite the processes that are in the employee manual, or I could tell them a story about the people that they work with. The people that they know and they interact with every day," said Zahm.

"I think in its ability to engender a feeling of belonging within a culture, to understand the mythology if you will, that campfire lore, once you know the stories at a company, you feel like you belong."

To learn more about how these industry leaders are transforming their company cultures to keep and hire the best talent, be sure to listen to this on-demand webinar: *What's Next Speaker Series: How to Compete for Top Construction Talent*.

About the Author



John Biggs is an entrepreneur, consultant and writer. Biggs spent 15 years as an editor for Gizmodo, CrunchGear, and

TechCrunch. His work has appeared in Men's Health, Wired, and the New York Times. Biggs runs the Technotopia podcast about a better future. This article originally appeared in August 2021 in Procore's blog, and we are republishing with their permission.

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How to Retain your Best Construction Employees

by Patrick Hogan, *Handle.com*

Labor shortage is one of the biggest challenges for the construction industry. Construction companies are struggling not only to hire new blood but also to keep and retain their current labor force.

There are various reasons why construction workers easily quit and jump ship to other companies. Beyond the drive to seek higher payment and a more manageable workload, there are also other factors such as the lack of appreciation or the absence of reliable supervision.

Companies need to understand the reasons why their employees are leaving. Otherwise, you will end up with a high employee turnover rate, which can be costly and inefficient. Companies also need to think long-term and find ways to retain their best people. Below are just some of the things you can do to promote high employee retention in construction.

1. Provide and ask for feedback regularly

To show your construction employees that they are more than a cog in the machine, you need to regularly provide them meaningful and constructive feedback. Consider setting quarterly or annual evaluations in which your employees and their respective managers discuss the employees' performance.

During regular evaluations, the employees should receive genuine feedback on their job performance. If they are doing well, be sure to tell them that. Also, make sure that you provide constructive comments so the employees also know what they can improve on.

The evaluations should also be open for the employees to provide feedback. Be sure to take note of the employees' feedback and act on them as necessary.

2. Prioritize internal employees when hiring for open positions

To demonstrate that you value your employees, you need to promote internally instead of hiring external candidates for higher positions. Internal upward mobility delivers a highly encouraging message to your current employees. When you promote

from within, you essentially communicate to your workers that you value their work, and you are willing to reward the best workers.

Promoting from within also inspires employee engagement. It is easier for employees to work harder and feel positive about what they do if they know that the company has plenty of opportunities for them to succeed.

3. Provide personal and professional development training

To show that you are invested in your employees' success, you can provide them opportunities for growth, including free courses for personal and professional development. When you encourage your employees to grow and learn, they are more likely to feel valued.

Professional development training is also a good way to identify which of your current construction employees have the potential and the skills to take on other responsibilities. For example, construction employees with natural leadership abilities can benefit from leadership training.

4. Offer competitive salaries and comprehensive benefit plans

While salaries and benefits are not the only factors that prevent employees from staying in their current construction jobs, they sure play a big role. If you want to keep your employees, you need to offer competitive pay and comprehensive benefits.

A salary that is below market average and is not commensurate with the amount of work being done can easily dampen the morale of an employee. The same applies to benefit packages with minimal coverage.

An employee who sees a job posting that offers higher payment may not even think twice about switching. Note that there is also an ongoing labor shortage in construction, and so it is very easy for companies to poach experienced construction workers from other businesses.

5. Show appreciation and share their achievements

Showing appreciation to your current employees can be done in many ways. You can offer annual salary increases in proportion to the workers' performance. You can verbally acknowledge and thank them for their good work not only during one-on-one conversations but also during meetings with the entire team.

Sharing an employee's achievements with the team can make them feel valued and validated. It also promotes a positive work culture in which good work is publicly acknowledged and appreciated.

6. Plan a career path for your employees

To retain your construction employees, you also need to make them feel that they are important assets to the company. You do not want to make them feel disposable and replaceable. Instead, you want to let them know that you are invested in their success within the company.

Ask your employees what their career plans are, and make sure to provide the opportunities that can help them succeed. Foster a positive manager-employee culture, so your employees are not afraid to communicate their desired career paths. Keep in mind that the success of your employees will also translate to the success of the company as a whole.

About the Author

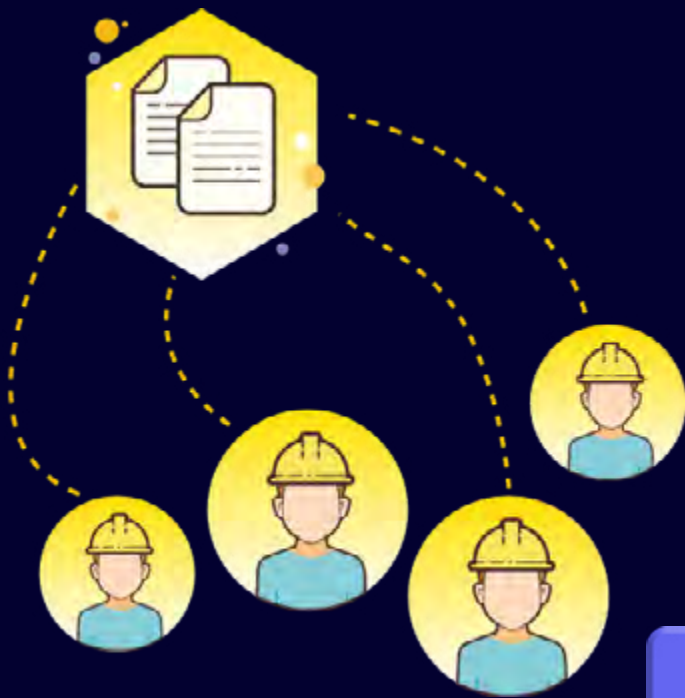


*Patrick Hogan is the CEO of **Handle.com**, where they build software that helps contractors, subcontractors, and material suppliers with late payments. Handle.com also provides*

funding for construction businesses in the form of invoice factoring, material supply trade credit, and mechanics lien purchasing.

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HR—Leading a Multi-Generational Workforce

by Dale Carnegie staff

HR is often tasked with raising employee engagement scores. Looking across the ranks, HR sees a multi-generational team. Each generation has its unique mindset, work style and ways of communication. This translated into different attitudes and concepts of what drives employee engagement. To cope, HR sets out to train managers to recognize how to motivate team members individually. The goal is to capitalize on the strengths each member brings to the team.

Understanding attitudinal and behavioral differences among team members of different generations is an important tool of driving engagement.¹

A Dale Carnegie employee engagement study shows that "Middle-aged employees (40-49 years) are less engaged or are disengaged with their organization." This might be because of external pressure due to family life or feelings that they have reached a plateau in their careers.

In contrast, the study found that "young employees (around the age of 30) and those ages 50+ are more engaged." This might be attributed to the youthful expectation of a new career, or - for older

workers - of achieving career milestones.

At least 66% of the employees are not fully engaged. More importantly, engagement levels with experienced middle managers are very low.

Learn to communicate, coach, motivate and provide feedback for each generation

To understand how to better motivate employees, we need to know some of the main characteristics of the groups that dominate today's workforce.

Many of the Baby Boomers are near retirement age. In some cases their retirement has been put off due to the global economic crises.²

Baby Boomer (b. 1945–1960)

- Recognize their unique qualities and characteristics. Boomers like to feel unique and different from their co-workers.
- Provide them with resources and involve them in the decision making. They like a collaborative and consensual environment. They feel

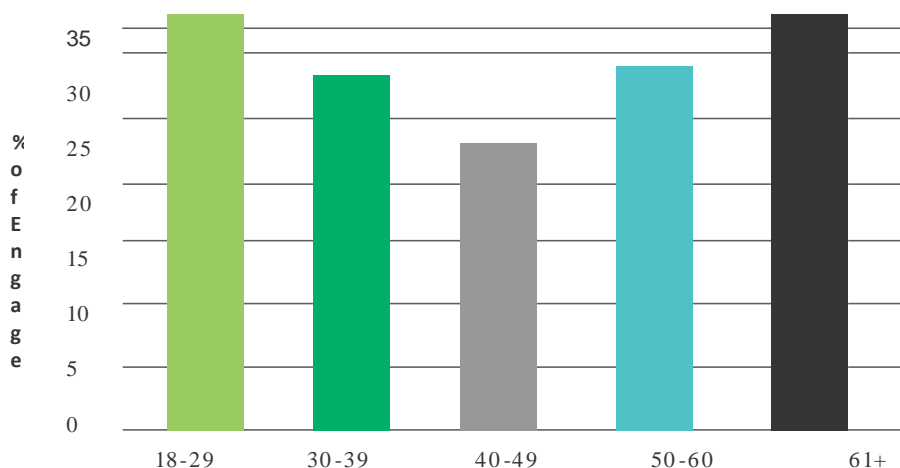
important when you include them in the decision-making process

- Appreciate their strong work ethic, willingness to work long hours, and desire to prove themselves.
- Communicate face-to-face and directly. Give them continual feedback with evidence.
- Recognize them publicly. They like to be praised in front of others.

Generation X (b. 1960–1980)

Generation X entered the job market in the wake of the "Boomers" and were confronted with new terms like "downsizing" and, "outsourcing." They tend to be skeptical toward authority and cautious in their commitments.³ Managers need to recognize those characteristics and provide the following:

- Freedom from traditional management practices. Give them the elbow room to be creative in the way in which they accomplish tasks and goals. Allow them the opportunity to make choices to use their own resources and creativity to achieve success. Invite them to engage in multiple projects and empower them to prioritize these projects themselves so they feel in control.
- Provide challenging tasks. Allow opportunities to learn new skills and provide a variety of responsibilities. This group loves learning opportunities and training programs. They know that keeping their abilities current is critical for their professional success, so investing in training programs can build on job satisfaction and engagement.



¹ "Work Motivation Theory: Identifying Multi-Generational Values in the Workplace." Rhonda Rochelle Brown-Crowder. Walden University. 2017

² "The Case for Hiring Older Workers." Josh Bersin and Tomas Chamorro-Premuzic. Harvard Business Review. September 26, 2019.



- Give them room to grow. To engage their employees, managers need to clearly communicate their employees' career paths and align their career goals to the company goals.
- Coach briefly and be straightforward. Gen X members are self-learners. Encourage them to figure things out themselves. For example, ask questions like: "What do you think is the best approach?"

and "How do you plan to solve this problem?" These employees feel appreciated when you need and ask for their opinions and ideas. Show them how their work makes a difference in the organization. To achieve full engagement from employees the manager needs to be proactive, show strong leadership skills, and foster a positive working environment.

- Listen attentively and respect their opinions. Provide constructive and direct feedback on their progress. They need to know what they are doing right and what they need to improve. This goes hand-in-hand with their desire for self-development, improvement and engagement.

Generation Y/Millennials

(b. 1980–2000)

This generation grew up with technology. They are the employees

most familiar with technology changes and multitasking. Extensive use of social media is one of the significant differences with older generations. Coming of age during a shift toward values, they are attracted to organizations whose missions speak to a purpose greater than a bottom line. Millennials are motivated from opportunities to learn and develop.⁴ In general, family and work-life balance are important to them.

Follow these tips to engage Millennials:

- Coach them directly and know they will get the point quickly. Paint visual pictures to engage, motivate and inspire them. Use different electronic forms to communicate with them.
- Get to know them as personalities and create a person-centered relationship with them. Show respect and interest in their personal lives. Focus on their personal values and goals, try to align those with the company's goals. Provide opportunities for learning, personal growth and responsibility. Communicate the company's overall vision and plans for growth.
- Positively challenge their abilities, creativity and interests. Gen Ys like to be challenged. Assign them projects from which they can learn. They like to try new things. Encourage them to use the latest technology and media. Stimulate out-of-the box thinking and innovation.

- Create a positive, informal, and fun team environment and delegate tasks. Gen Ys prefer to work in tandem with others. Often colleagues become their friends. Assign challenging work. Show them how their work makes a difference and that it is important to the team and the company's goals. Give flexibility, and they will be loyal to you. Respect their personal lives, family concerns and health issues, and they will pay you back respect as a leader.
- Create an environment where reciprocal feedback is encouraged. Show Generation Y employees your door is always open for them. Recognize them frequently with positive feedback. Personal recognition from direct managers is a very effective motivator.

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.

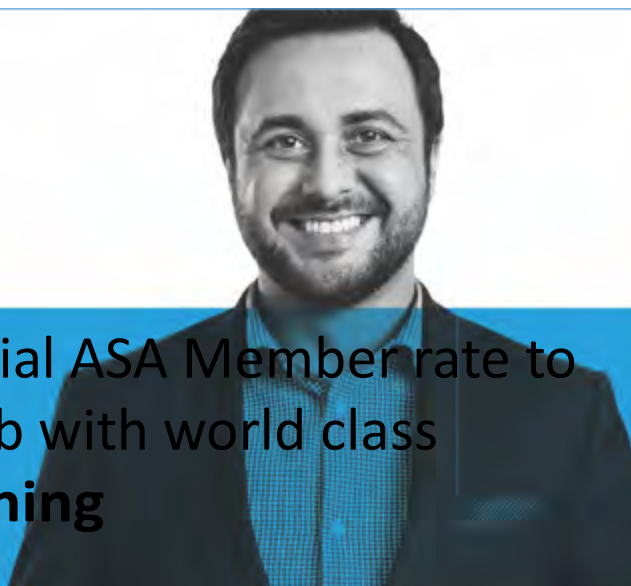
Dale Carnegie Training can help an organization build effective interpersonal skills that generate the positive emotions essential to a productive work environment and that lead to increased employee engagement.

³ "Generational Differences Chart." HR Training Lunch Bytes. University of South Florida.

⁴ "Millennials Want Jobs to Be Development Opportunities." Amy Adkins and Brandon Rigoni. Gallup Workplace. June 30, 2016

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Non-Compete Agreements: Still a Valuable Tool for Protecting Your Business Despite Increasing Regulation

by Joseph Kanfer, Esquire; Woolford Kanfer Law, P.C.

Recruiting and retaining skilled employees has long been a challenge in the construction industry, and the COVID-19 pandemic has made retaining employees more urgent than ever. Non-compete agreements can be powerful tools to protect your business against losing key employees. Non-Compete agreements prohibit employees from working for a competitor in a particular geographic area for a specified period of time. The rules for non-compete agreements vary widely among states, and the law surrounding these agreements is rapidly evolving. Before considering non-compete agreements for your business, it is important to understand the rules for enforceable non-compete agreements in your state and how the law may change in the near future.

Non-compete agreements should further an important business interest

While the law surrounding non-compete agreements varies among the states, there are a number of principles that apply in most states where these agreements are enforced. Because non-compete agreements limit a former employee's ability to earn a living, they are strictly construed by the courts. As a result, most courts will only enforce non-compete agreements that further an important business interest. For example, salespersons often develop close relationships with customers, and a non-compete agreement can help prevent the salesperson from bringing those customers to a competitor. Upper-level management employees may gain confidential information about the inner

workings of a business that they would inevitably use when working for a new employer, and non-compete agreements can prevent this knowledge from being taken to a competitor. You may also invest heavily in specialized training for your employees, and a non-compete agreement can protect your investment in those employees. Depending upon your state's laws, these may be legitimate business reasons to support a non-compete agreement. Courts will generally not enforce non-compete agreements if the purpose is to punish employees who decide to move on.

Non-compete agreements must be reasonable in scope

A non-compete agreement should only prohibit a former employee from working for competitors in a specific geographic area. This area should be based upon the area where the employee performs work for you. However, there may be other considerations that warrant a broader geographic scope, such as when an employee has access to confidential information about operations in other geographic areas. Courts will also look at the duration of the restrictions. Courts will not enforce a non-compete agreement for an unlimited period of time. Common lengths are one or two years, but ultimately the court is going to consider whether the duration of the agreement is reasonably necessary to protect your legitimate business interest. And, a non-compete agreement should only restrict employees from working in fields or areas in which the employee was involved at your company. If a non-compete agreement is too broad in any of these areas, a court may either limit the scope of the agreement or decline to

enforce it altogether depending upon the circumstances and the laws of your state.

A 2016 Illinois lawsuit against the sandwich chain Jimmy John's illustrates how overly broad non-compete agreements will not be enforced. Jimmy John's formerly required all of its employees, down to delivery drivers and sandwich makers, to sign non-compete agreements. These non-compete agreements prohibited all former Jimmy John's employees from working in any sandwich store located near any Jimmy John's location in the United States (of which there are thousands) for two years after leaving their employment. This practice got the attention of the Attorney General of Illinois, who sued Jimmy John's arguing that these agreements were overly broad and therefore unenforceable. Jimmy John's ended up settling the lawsuit by agreeing to eliminate its non-compete agreements and paying the state \$100,000. While this type of lawsuit is unusual, it illustrates that courts will not enforce non-compete agreements that are too broad and do not support a legitimate business interest.

Non-compete agreements may need to be supported by consideration

Many states have a requirement that the employee receives something of value in exchange for signing the agreement. In some states, having the employee sign the non-compete agreement when employment begins will satisfy this requirement, though in a few states this is not true if the employee is "at-will" and can be terminated at any time. In many states, giving an employee

a promotion or a raise also counts. In a few states, a non-compete agreement will be enforceable even if the employee does not receive anything in exchange for signing the agreement. It is important to know your state's laws before deciding whether and how to implement a non-compete agreement to ensure that the agreement can be enforced.

Non-compete agreements are increasingly limited by law in many states

In recent years, state legislatures across the country have enacted laws to limit the enforceability of non-compete agreements in different circumstances. So far this year, at least three states – Oregon, Illinois, and Nevada – and the District of Columbia have each adopted new restrictions on non-compete agreements. One recent trend is for states to enact laws that prohibit use of non-compete agreements for employees who make less than a certain hourly wage or salary. Other states prohibit using non-compete agreements for hourly workers at all. Some states have adopted disclosure requirements where an employee must be given advance notice of the non-compete agreement before being expected to sign it. A handful of states, including California, Oklahoma, and North Dakota, prohibit use of non-compete agreements except in certain limited circumstances such as in conjunction with the sale or purchase of a business or among business partners. Each state's laws are unique, and you should be familiar with what your state allows before implementing non-compete agreements for your employees.

Non-compete agreements may be limited by federal law in the near future

Enforceability of non-compete agreements has historically been a question of state law. However, the Biden administration is trying to change that. On July 9, 2021, President Biden issued

an Executive Order entitled Promoting Competition in the American Economy that contains a provision requesting that the Federal Trade Commission (FTC) prepare regulations to “curtail the unfair use of non-compete clauses and other clauses or agreements that may unfairly impact worker mobility.” This Executive Order does not itself ban or limit non-compete agreements. It is essentially a recommendation that the FTC consider adopting rules limiting non-compete agreements, although it does not specify what those rules should say. If the FTC does decide to propose regulations to limit non-compete agreements, it would have to follow a months- or years-long rulemaking process before issuing regulations restricting non-compete agreements. These rules could range from a near-complete prohibition on non-compete agreements to restrictions on the types of employees who can be covered. The FTC could also decide not to regulate non-compete agreements at all and leave the issue to the states. If the FTC ultimately does issue regulations on non-compete agreements, it is likely that they will be challenged in court, creating significant uncertainty as to the state of the law concerning non-compete agreements.

In addition to the possibility of regulation by the FTC, Congress is considering restrictions on non-compete agreements as part of the Workforce Mobility Act of 2021. The current version of this Act would severely limit non-compete agreements to situations involving the sale of a business or dissolution of a partnership, much like in California, Oklahoma, and North Dakota. This law would also allow employees to sue employers who violate the Act by requiring employees to enter into prohibited non-compete agreements. While this draft legislation has bipartisan sponsorship, the bill is currently in committee in both the House and the Senate and it is unclear whether it will pass those committees in its current form, let alone pass both houses of Congress and become law. Regardless of whether this Act ultimately passes,

it is clear that the trend at both the federal and state levels is to restrict non-compete agreements further and employers should anticipate additional regulation of these agreements in the future.

Recommendations for small businesses

Because of the changing legal landscape and the complexity of existing laws, the most important aspect of preparing a non-compete agreement is getting legal advice from a lawyer knowledgeable about your state's laws. Enforceability of non-compete agreements depends so much on the particular situation and the laws of the state where your employee works, you should never try to use a form non-compete agreement that has not been tailored to your particular situation. A carefully drafted and thoughtfully implemented non-compete agreement can be a valuable tool for protecting your business from losing key employees during this time of unprecedented employee turnover.

About the Author

Joseph M. Kanfer is a partner at Woolford Law, P.C., with experience litigating a wide range of complex business, construction, and other disputes in both state and federal courts. He has also argued cases before the Superior Court of Pennsylvania, the Commonwealth Court of Pennsylvania, and the United States Court of Appeals for the Third Circuit. Woolford Law provides a wide range of legal services to its diverse client-base, which includes general contractors, subcontractors, homebuilders, real estate developers, municipalities, design professionals, health care professionals, manufacturers, distribution companies, professional services firms, retailers, and communications firms. [Click here](#) for more information on Woolford Kanfer Law PC.

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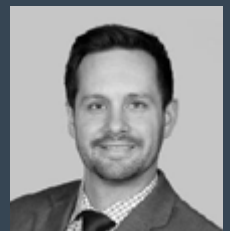
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FEATURE

Five Tips to Maintain High-Quality Projects Despite Current Challenges in the Industry

by Scott Casabona, Signatory Wall and Ceiling Contractors Association (SWACCA)



It's no surprise the construction industry is continuing to face unique challenges as we head toward 2022. Contractors and subcontractors across the country have encountered supply chain interruptions, material shortages and rising costs, all while struggling to find qualified workers and trying to protect current on-site staff from COVID-19.

According to AGC's **2021 Construction Outlook Survey**, more than half of construction companies report having trouble filling salaried and hourly craft positions. In addition, 64% of companies are seeing projects take longer than anticipated and 54% say the cost of materials is higher than usual.

Now, as the Delta variant accounts for the majority of new coronavirus cases and threatens another national shutdown, these challenges don't look to be going away anytime soon. As a result, it's crucial to adopt new strategies and solutions to maintain safe, high-quality projects despite the circumstances.

As president of the Signatory Wall and Ceiling Contractors Association (SWACCA), I've personally witnessed how our members are affected by these obstacles, and I want to share a few tips to help you navigate and prepare as we start thinking about next year...

1. Use Technology to Your Advantage

It's a great time to start integrating new technologies into your work. Advancements in tech can help overcome a variety of challenges and enhance efficiencies with your clients and projects moving forward. For example, construction drones and BIM software are two of the fastest growing trends in the industry. They provide clear visualization of a project from start to finish, including site measurements, renderings and more. Mobile software applications which can be accessed in the field via smartphones and tablets can help move projects along faster by

eliminating paper and streamlining many daily tasks, so you can spend more time focusing on other areas. Customers can track the progress of a job in real time from any location, which helps increase communication and transparency between both parties. New technologies also address growing safety concerns, with wearable safety innovations and protective equipment that can spot potential dangers on-site before they're an issue.

2. Explore New Recruitment Strategies

If you have been struggling to find experienced workers to fill open positions, you are not alone. Thankfully, there are other avenues you can explore to enhance your recruitment search. Consider partnering with local colleges to offer internship or apprenticeship opportunities for students who show a strong aptitude for the construction industry. An internship program is a mutually beneficial solution that allows you to train future employees who are a good fit for your company, and enables schools to offer hands-on experience to their students, which increases the college's employment rate. Other recruitment options include tapping into channels and tools you may not have considered before, like social media, job boards, industry-specific recruitment apps and employee referral programs.

3. Offer Professional Development

One way to reduce accidents and improve project quality is by providing regular professional development opportunities to your employees. Through hands-on training and continued learning, you can ensure

your workers are up-to-date on the latest industry trends, skills and safety standards. Offering professional development is also a great recruitment tool and competitive benefit that shows how much you value the growth and education of your staff. As baby boomers rapidly retire and employers struggle to find new hires prepared to fill empty positions, implementing a systemized training program will help close the skill gap and build relationships among all levels of your team.

4. Consider Modular Building Methods

Modular construction is the process of assembling individual sections of a project simultaneously in an off-site facility, then assembling them later



on-site like a puzzle. While traditional projects require work to be done on-site from the ground up, modular building is a great way to keep progress moving forward despite challenges such as a delay in materials, the site location not being functional or a variety of other factors. This method can also help reduce labor costs to improve your bottom line. According to **Vanguard**

Modular Building Systems, modular construction saves 30-50% of scheduled building time without reducing the project quality.

5. Diversify Your Materials and Your Supply Chain

One obvious way to reduce cost and speed up a lagging project is by using alternative materials. While it's not always easy to swap out one material for another, especially when challenges arise mid-project, pre-planning for anticipated shortages can help. Consider options that are readily available and avoid high-demand materials that have skyrocketed

in price when possible, like lumber, plywood, steel and concrete. Many of the alternative options are not only cost-effective, but also environmentally friendly and offer a modern look. For example, consider MDF (medium-density fiberboard) as a durable substitute for plywood, or bamboo flooring versus the traditional hardwood, depending on your client's specific needs and what will

work best for them. It's also important to diversify your supply chain and look beyond your traditional suppliers for more affordable, faster service that delivers high-quality products on budget and on time. Maintaining an open, honest dialogue with the project owner is the key to a successful project no matter what obstacles may arise.

About the Author



*Scott Casabona is the President of the **Signatory Wall and Ceiling Contractors Association** (SWACCA), a national organization of signatory wall and ceiling contractors. SWACCA is*

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FEATURE

The Farm System and Free Agency—An examination at recruiting talent that aligns with a firm's strategy

by Gregg Schoppman, FMI



Even when the game isn't on, the world of sports keeps pressing. Even in the dead of winter, baseball teams are doling out large sums of money to get the best free agents in the market. Before the last tick of the Super Bowl, general managers and coaches are

feverishly examining the fresh crop of college recruits that are entering the draft. Both baseball and football have drafts and both have the opportunity to enhance their talent through free agency. Teams such as the Yankees seem to have an endless stream of

cash to pay for the best players OTHER teams have developed in their farm system. On the other hand, how many wide receivers did the Detroit Lions draft in the early 2000s? There is not the same clamor of recruiting in the world of construction. Imagine the fanfare as Brand X Construction makes their 8th selection on an equipment operator and their 10th selection for that amazing project engineer. While there is no draft per se, firms annually get to select from a bright group of women and men in high schools, trade schools and universities. Additionally, there is no moratorium on free agency, as professionals regularly traverse the construction landscape seeking new opportunities. All that being said, firms need to understand how their strategy aligns with their talent goals.

The Farm System

- Strong reliance on training
- Marrying seasoned practitioners with rookies to create synergy
- Playbook that serves as a detailed "How To" for all things

The Free Agency

- Focus on creating "buy-in" to the firm's ideals and best practices
- Strong reliance on accountability to the firm's best practices rather than the individual's tool box

For instance, recruiting new talent from universities may be a sound philosophy for some firms but without the right strategy to support it, the new professionals will only flounder. In the end, every firm will engage in both talent pools – the farm system and free agency – but the ones that make a conscious decision and back it up with the right tactics will win the never-ending war for talent.

A Case for the Farm System

Whether it is the wide-eyed new graduate from a local university or college or the greenhorn apprentice from a trade school, both hopefully come into a new firm with a ton of ambition and little to no experience. Schooling provides essential skills but there is almost no equivalent to seeing construction real time. The flaw that many firms have is that they recruit from these sources and thrust many individuals into a world with little to no training. How often have we heard “We let them sink or swim...” or “We throw them to the wolves” or “We put them in the fire”? Why are we throwing anyone anywhere? Yes, real world experience is imperative and there are few substitutes but there are methods and means for accomplishing this all why setting new team members up for success.

The first is a development plan that aligns with the operational model of the firm. Even if a new manager learned about change orders and RFIs, there should be indoctrination with the firm’s model. Constructing a schedule using software is one thing, but build a schedule in concert with a seasoned superintendent. Firms that rely on rookie talent must have a “playbook” that clearly articulates how to build in accordance with said firm. Too often,

new associates are handed a standard operating procedures manual on Day 1 and that might be the last time it is opened, unless they are looking for a vacation request. This playbook needs to be the “how to” for just about everything anyone would need to do in the firm, regardless of tenure.

Secondly, there needs to be a robust training program for all associates that focuses on practical knowledge. The operative word is “all.” What better way to reinforce the “how to” than have senior and junior associates mingle together? Additionally, even the saltiest of veterans can be “reminded” of the firm’s best practices from time to time.

The farm system approach does not mean the firm avoids free agents. However, creating home grown talent focuses on molding a cadre of associates that learn the firm’s way of building from Day 1, since there are no other behaviors yet to take root.

A Case for Free Agency

Whether a firm always seems to have a bountiful backlog or because the talent pool in their market is weak, bringing in free agents seems the most viable source of talent. Free agents have already been trained and in some cases a book of business that they have developed. They bring their own tool kit and rolodex from their X years in the industry. However, it is important to note that they also bring in their own tool kit and behaviors from their X years in the business (did we mention that already?). For every superstar in sports that braved the free agency market, there are countless stories of the teammate who was a cancer to the team and had a detrimental effect on the business. The same can be said for

a construction organization. Without a codified set of best practices and most importantly a strict methodology for accountability, free agents can run amok and leave a wake of destruction internally and externally.

Training this group is less about the construction methods and means but more about the firm’s culture and behavioral model. Free agents have worn a “few jerseys” in their time. It is important to make sure the current jersey is the right fit and creates a sense of belonging and passion. Whether it is how customers should be treated or why a process is integral to the firm’s success, free agents need to see the connective tissue to ensure they get bought in.

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 v by email at gschoppman@fminet.com.

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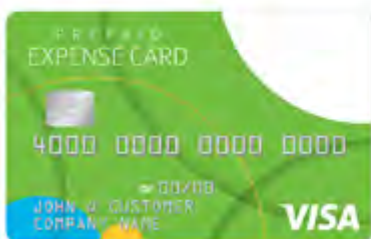
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