



Minnesota Construction Industry Assessment **2023-2024**

Executive Summary

2023-2024 AGC of Minnesota Construction Industry Assessment

The 2023 AGC of Minnesota Survey Assessment reflects the input from 185 respondents representing the architect, engineering, and commercial construction (AEC) market sector. The survey yields projections for sector performance outlook into 2024 and provides response data characterizing key business conditions and construction market metrics for the 2023 calendar year. Some highlights follow:

2024 MARKET OBSERVATIONS:

Overall, the outlook for 2024 construction services is slightly more positive than 2023 with engineering services reflecting the greatest positive outlook projection. Construction demand is likely to remain strong into next year, yet headwinds generated by high inflation, tight skilled labor availability, and increased labor costs are the highest negative indicators impacting construction businesses and future market optimism. Technology advances again present as the top positive factor influencing the market while there is a continued gradual decline of concern for materials availability and materials cost increases as supply chains stabilize.

The outlook for alternative energy again shows the strongest response for sector growth yet there are signs it may be cooling compared to prior year projections. All other market sector projections mirror responses reported from 2022 with utility infrastructure and highway sectors again showing strong growth positive projections. Commercial building markets once again show a less bullish outlook with retail and office construction on a downward plane and multi-family and senior housing markets slowing.

LABOR MARKET IMPACTS AND HIRING OUTLOOK:

A tight labor supply continues to be a strong drag on the industry's overall performance as the unrelenting demand for workers persists. The hiring outlook for 2024 mirrors 2023 as over 60% report plans to conduct "significant hiring" or "some hiring" in 2024. Employers providing a positive workplace culture is cited as the top factor to attract and retain talent while promoting and offering remote working options is in decline among employers when compared to prior responses.

When sourcing craft workers, word of mouth recruiting remains the top approach for both signatory and non-signatory contractors. Talent sourced via this method posted the highest positive responses for employee performance among non-signatory contractors. Apprenticeship Training Programs remain a top source to find qualified workers for signatory contractors yet high unfamiliarity with JATC programs persists along with accompanying low utilization from signatory contractors.

DIVERSITY IN WORKFORCE AND SUBCONTRACTING:

Developing a diverse workforce remains challenging in both field and office employment but signs of improvement are seen in yearly comparative data. Utilizing a deliberate approach is unquestionably the most helpful strategy to increase diversity and more respondents (54%) are reporting this is making a positive difference. Respondents consistently indicate the greatest challenge to improve workforce diversity occurs when diverse talent is lacking in the market space or specific geographic area where work is being performed. Travel expectations present a significant barrier that hampers importing diverse talent to these market and geographic areas.

In the overall AEC space, respondents report that 44 percent (up from 36%) of clients are now requiring a DEI plan to evaluate in the proposal review process. Regarding subcontracting with new disadvantaged firms, responses show surprising improvement. 58 percent of GCs report using at least 1-5 new disadvantaged firms in 2023 Vs 49 percent in 2022.

Overall, barriers to utilizing women and minority owned (WMBE) firms are down over prior reporting.

CONCLUSION:

Fragile optimism for a positive 2024 construction season is threatened by persistent underlying market forces that have appeared throughout this survey in the recent past. An unsteady economy that threatens recession, rising inflation, and increased labor costs, each individually and collectively serves to undermine strong industry fundamentals and the ability to leverage emerging opportunities. The AEC sector has been remarkably resilient when facing these headwinds and has re-emerged from the post-COVID period poised to take advantage of new investments and shifting market and social demographics.

Thank you for participating in the 2023 AGC of Minnesota Survey Assessment. Your responses help frame the many challenges and opportunities for AEC firms in the Minnesota marketplace.

We remain **Your Trusted Resource.**

Tim Worke
CEO

Respondent Snapshot

Industry sectors, volume sales, and geographic areas

Industry Sectors

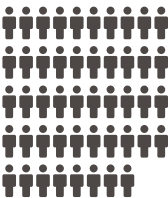
Primary sector: **Building**

62%
Building



114 respondents

26%
Highway



48 respondents

8%
UI



15 respondents

4%
Heavy



8 respondents

QUESTION 1

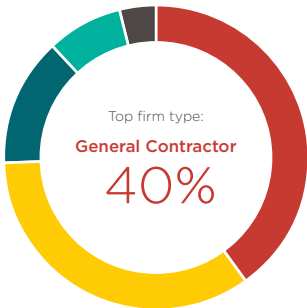
Please indicate your primary industry sector as defined below.

- Building
- Highway
- Utility Infrastructure
- Heavy Industrial
(i.e. refineries, pipelines)

= 1 respondent

Types of Firms

Top firm type: **General Contractors**



- General Contractor
- Specialty Contractor
- Affiliate
- Architect
- Engineer

40% of total	74 respondents
35%	64
14%	25
8%	15
4%	7

QUESTION 2

Which of the following best describes your firm?

- General Contractor
- Specialty Contractor/Subcontractor
- Engineer
- Architect
- Affiliate
(materials supplier/service provider)

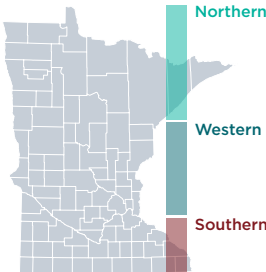
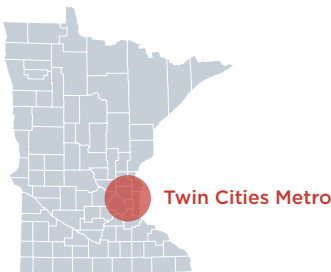
Geographic Area Where Work is Performed

Top area: **Twin Cities Metro**

74%
Twin Cities Metro



12%
States other
than Minnesota



QUESTION 4

Please indicate the primary geographic area where you perform work.

- Twin Cities Metro
- Northern Minnesota
- Western Minnesota
- Southern Minnesota
- States other than Minnesota

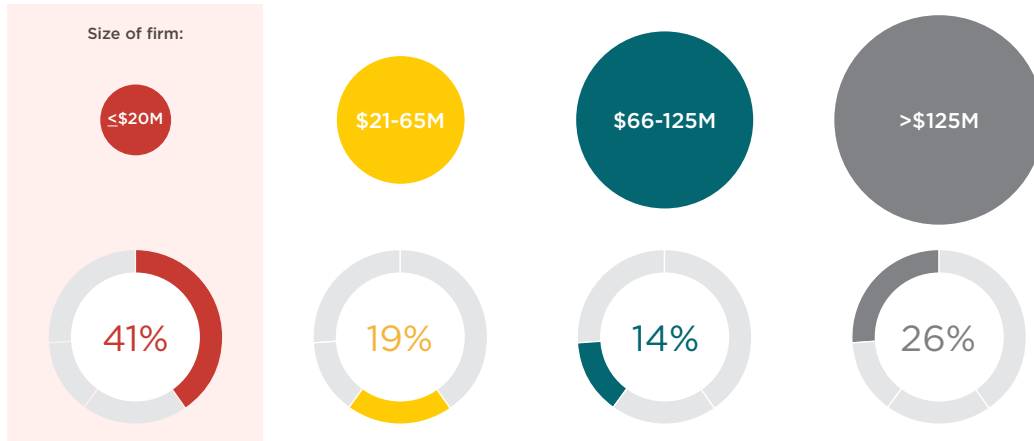
Respondent Snapshot

Size of firm in sales

ALL RESPONDENTS

Size of Firm in Annual Volume Sales

Top size: **\$0-20M**



QUESTION 3

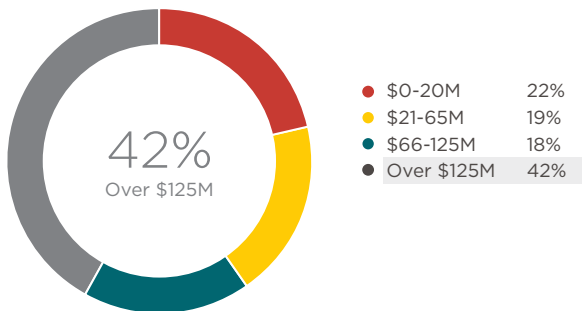
Please indicate the size of your firm in annual volume sales

- \$0-20M
- \$21-65M
- \$66-125M
- Over \$125M

Responses By Firm Type

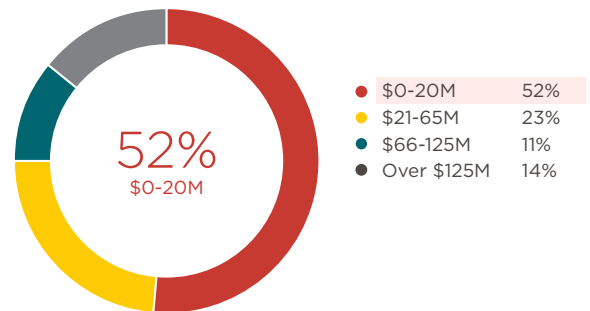
General contractors

Top size: over \$125M



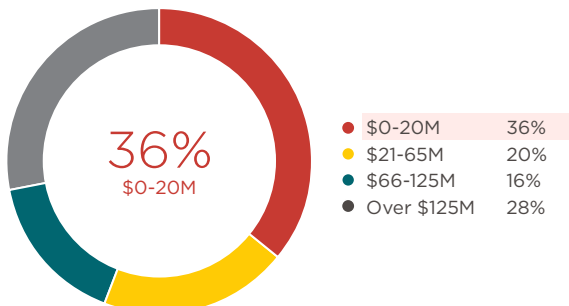
Specialty contractors

Top size: **\$0-20M**



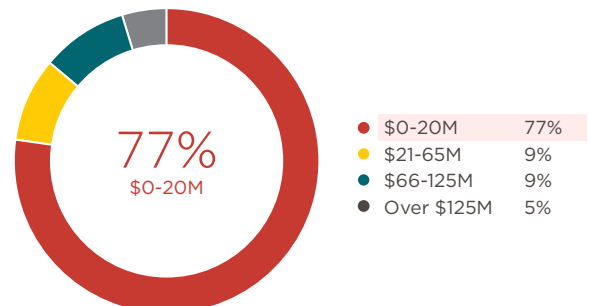
Affiliates (Materials Suppliers /Service Providers)

Top size: **\$0-20M**



Architects and Engineers

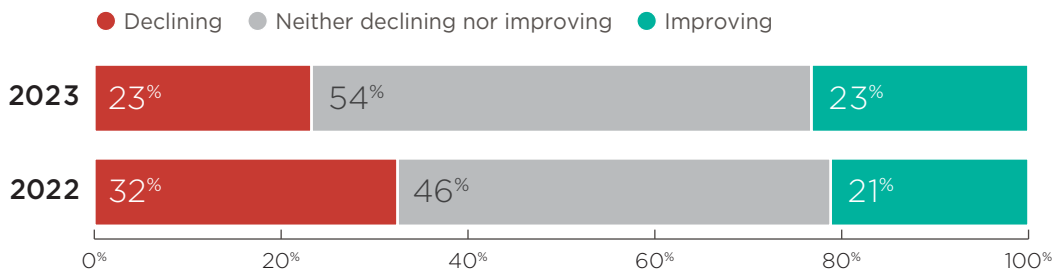
Top size: **\$0-20M**



Looking ahead to 2024

How respondents perceive market conditions affecting their firm

All Respondents



QUESTION 5

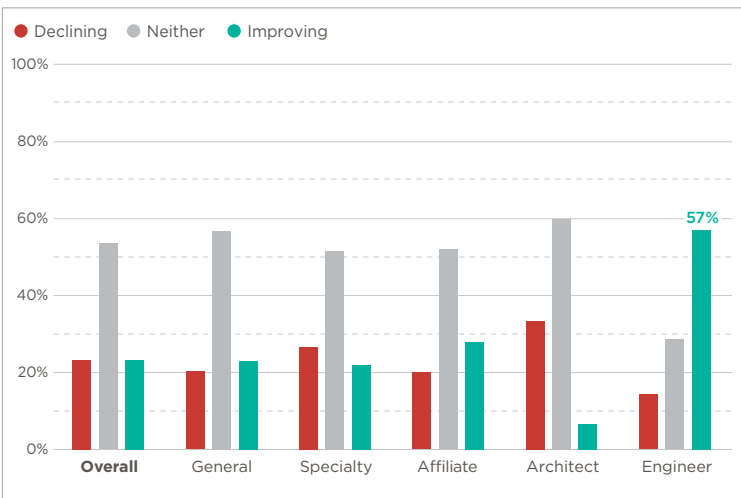
Looking ahead to 2024 in Minnesota, you anticipate market conditions affecting your firm to be:

Improving
Neither improving nor declining
Declining

Responses By Firm Type and Sector

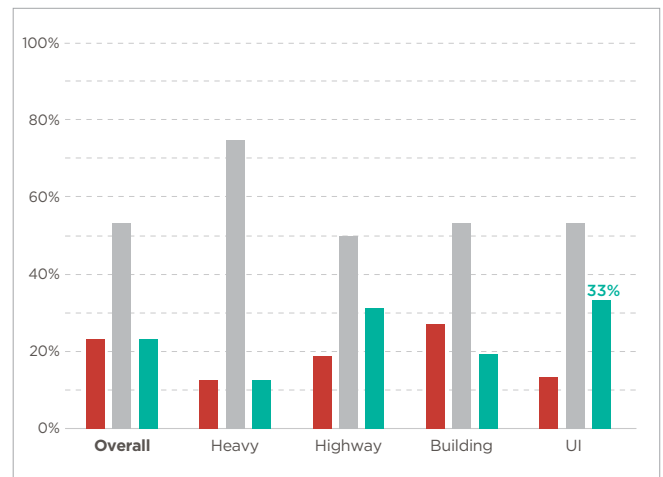
Firm Type

Top by 'improving': 57% Engineer



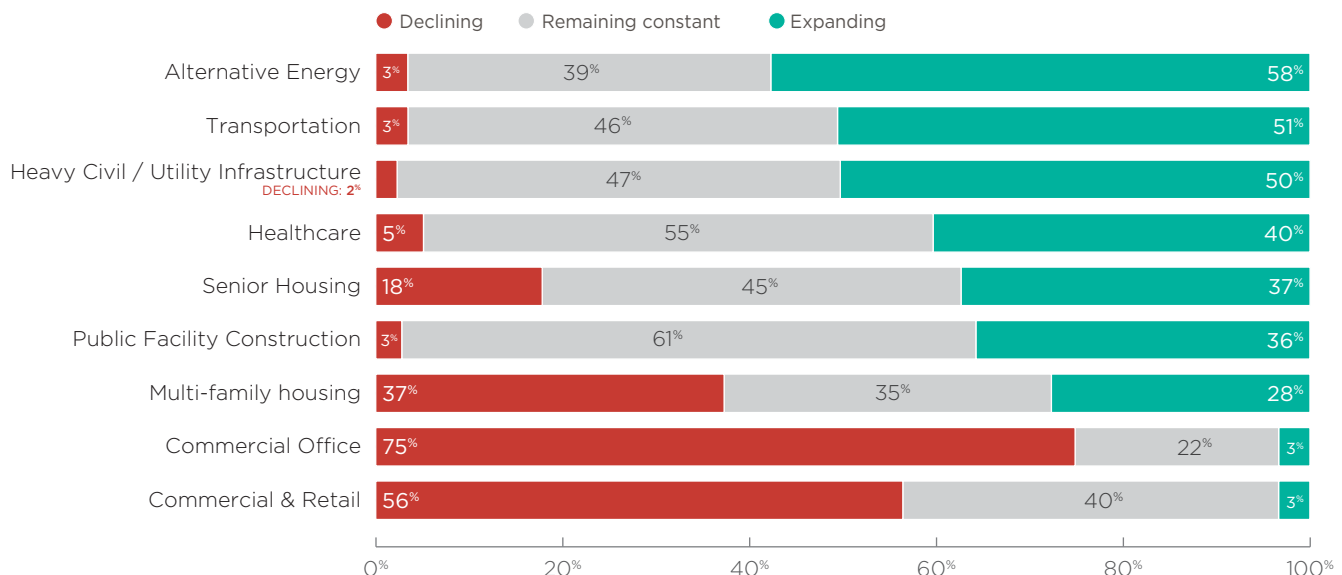
Sector

Top by 'improving': 33% UI



QUESTION 6

How do you anticipate the following construction market segments performing?



Equipment plans for 2024

Buy New, Buy Used, or Lease?

All Contractors

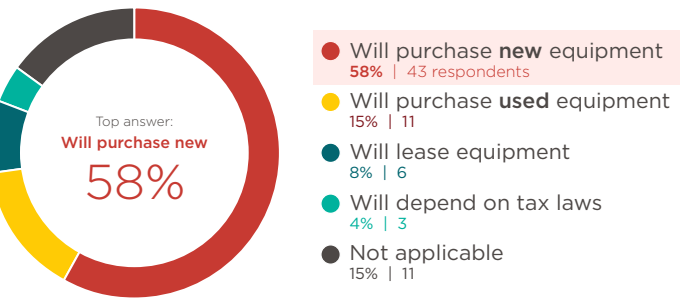
- Will purchase **new** equipment
52% | 72 respondents
- Will purchase **used** equipment
14% | 19
- Will lease equipment
9% | 13
- Will depend on tax laws
10% | 14
- Not applicable
14% | 20



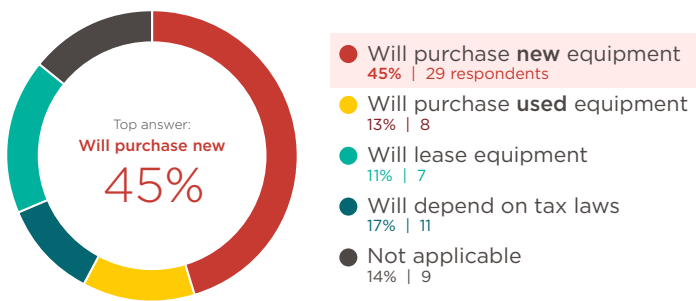
QUESTION 7
Your plans for equipment additions or reductions for 2024 can best be described as:

- Will purchase new equipment
- Will purchase used equipment
- Will lease equipment
- Will depend on tax laws
- Not applicable

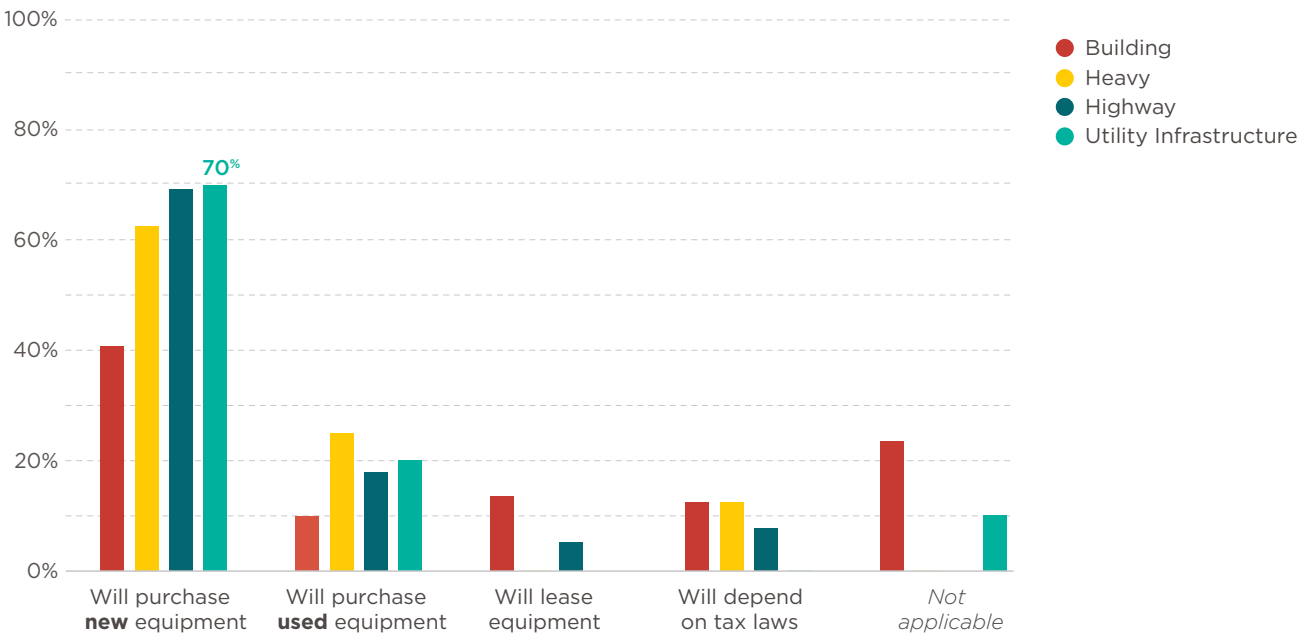
General Contractors



Specialty Contractors



By Sector

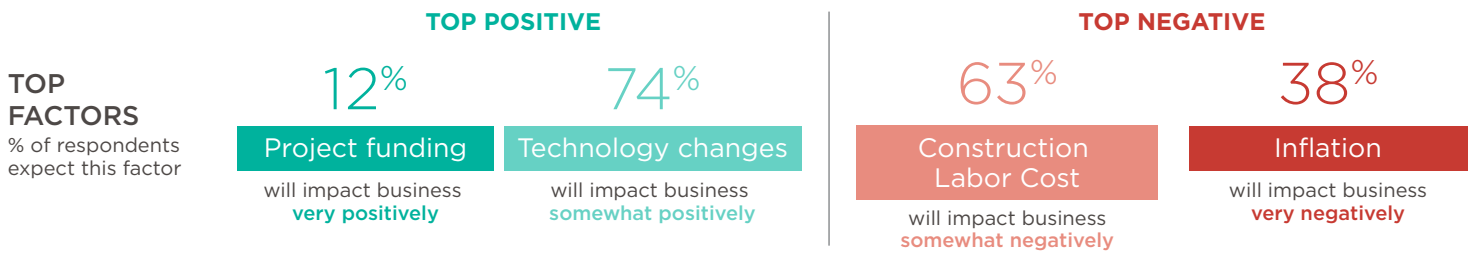


Factors expected to impact respondent business

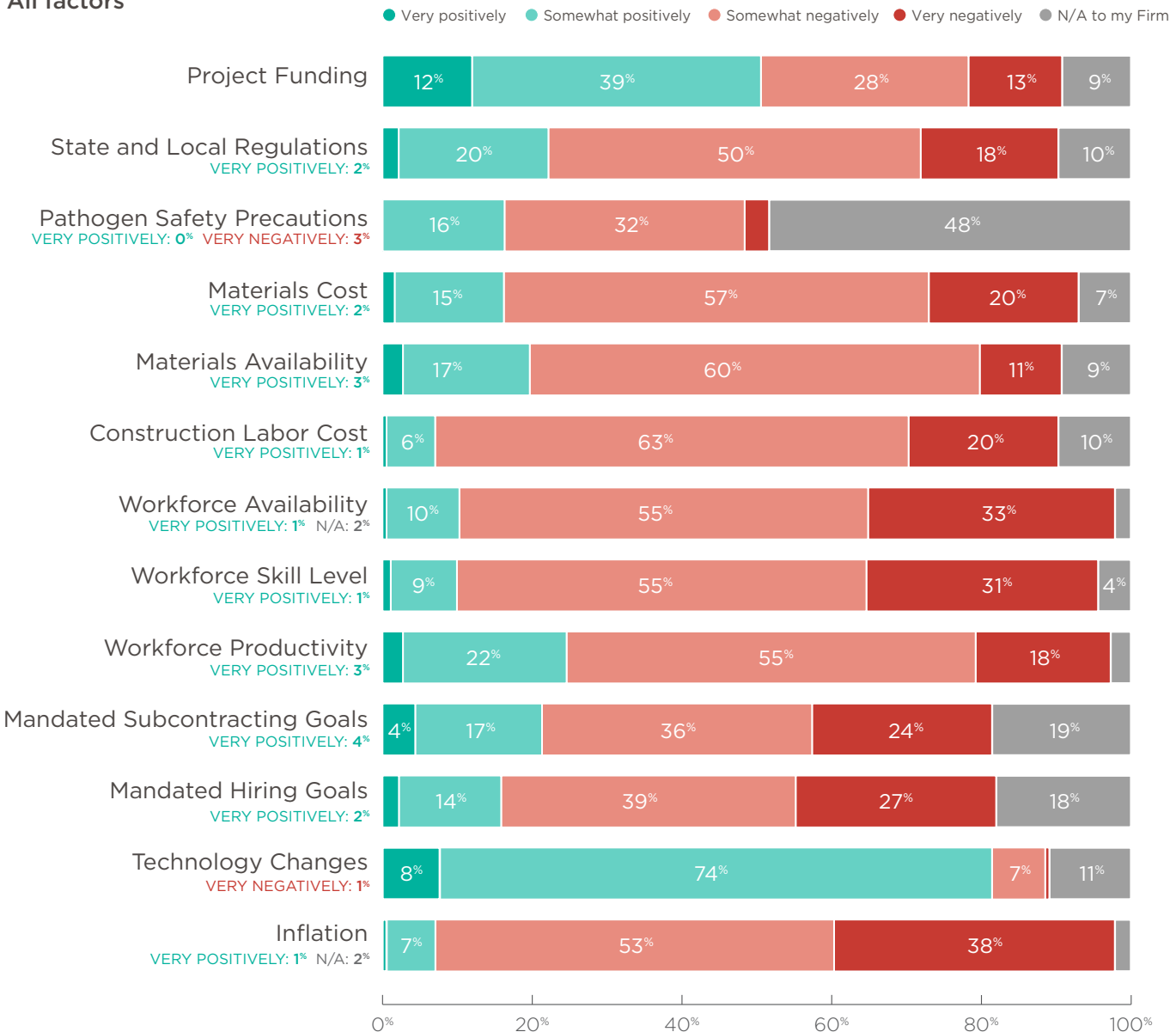
Impacts: positive, negative, or neutral

QUESTION 8

How do you expect the following factors to impact your business through 2024?



All factors



Factors expected to impact business in 2024

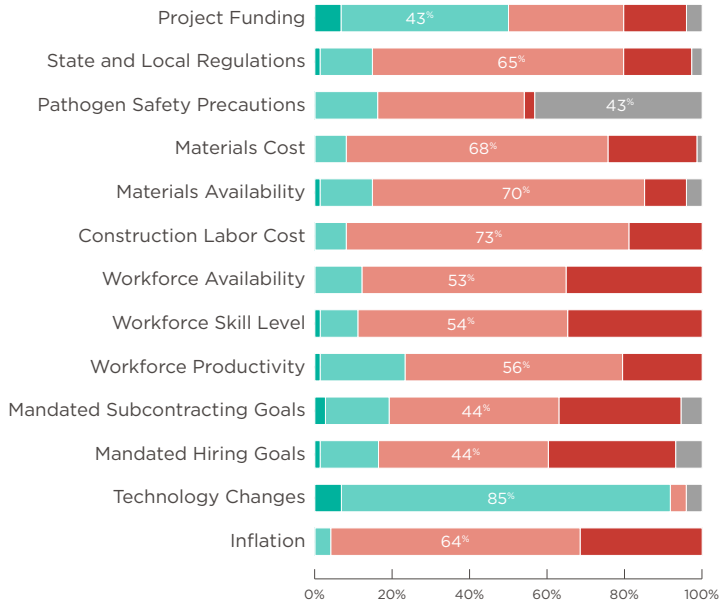
By firm type

QUESTION 8

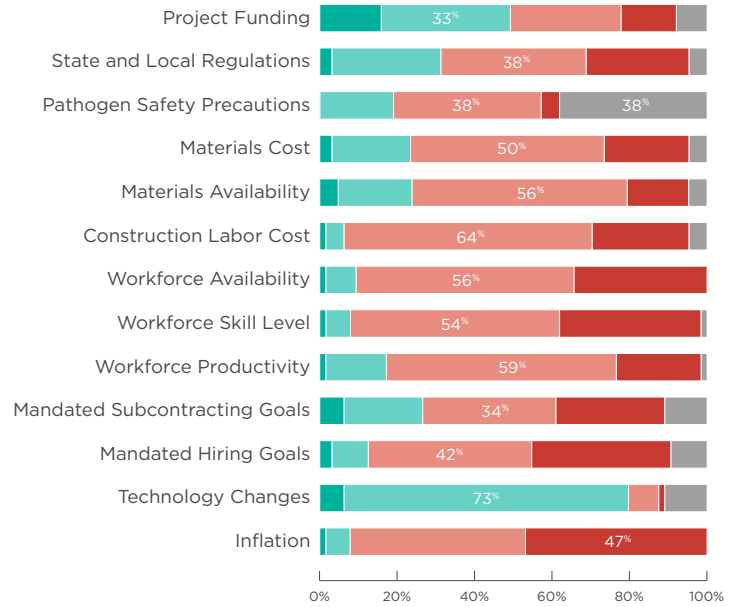
How do you expect the following factors to impact your business through 2024?

Very positively Somewhat positively Somewhat negatively Very negatively N/A to my Firm

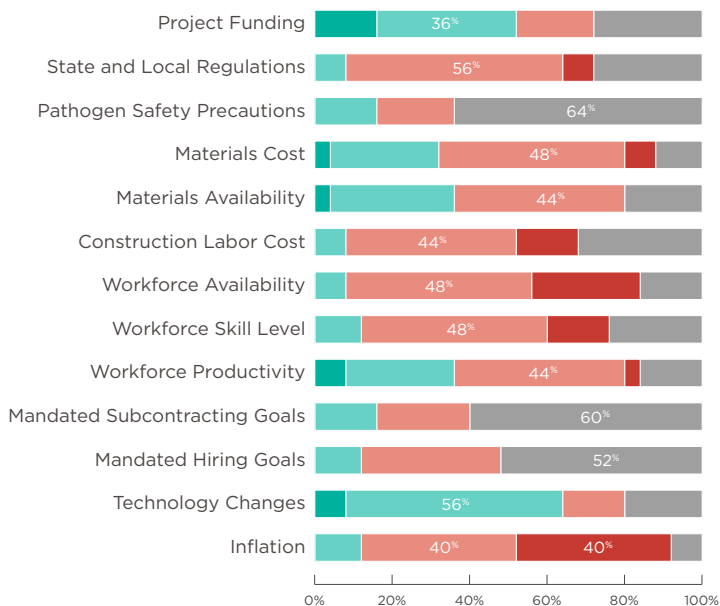
General Contractors



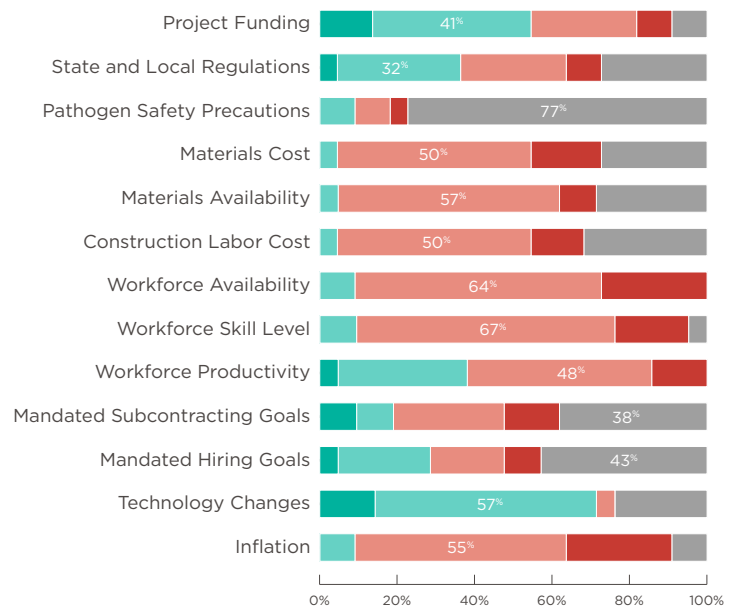
Specialty Contractors



Affiliates

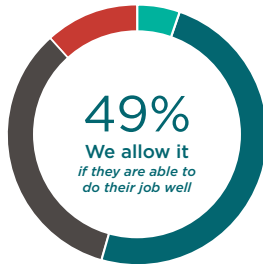


Architects/Engineers



Working Remotely

Policy on office staff working remotely



All responses

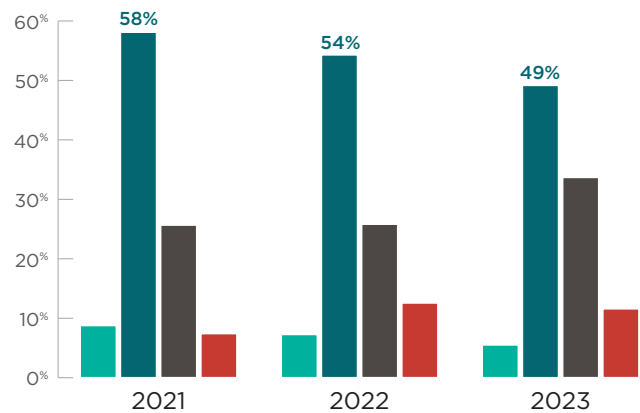
- 6%** ● We encourage it
staff may work remotely full time if they are able to do their job well
- 49%** ● We allow it
staff may work remotely part of the time if they are able to do their job well
- 34%** ● We discourage it
staff may work remotely on a case by case and day by day basis, if approved by management
- 12%** ● We do not allow it
all staff must work in the office unless ill or using PTO

QUESTION 9

What is your firm's policy on office staff working remotely?

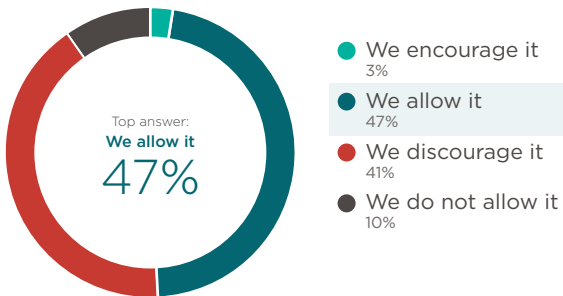
- We encourage it
- We allow it
- We discourage it
- We do not allow it

All responses: The past 3 years

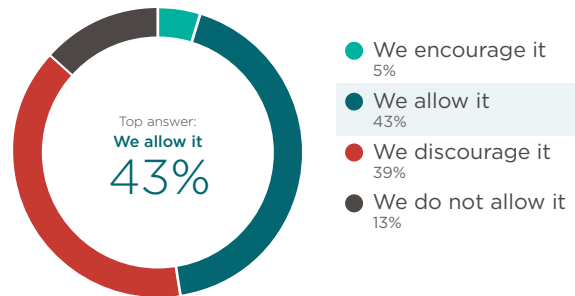


By firm type

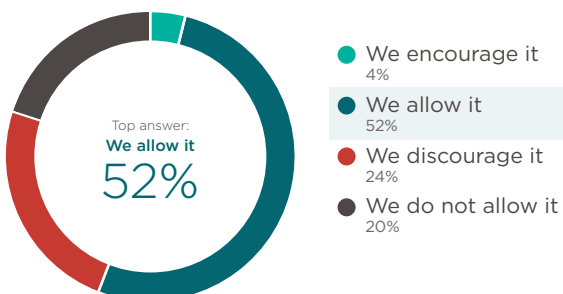
General contractors



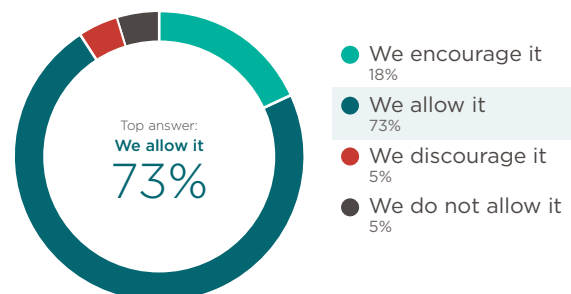
Specialty contractors



Affiliates



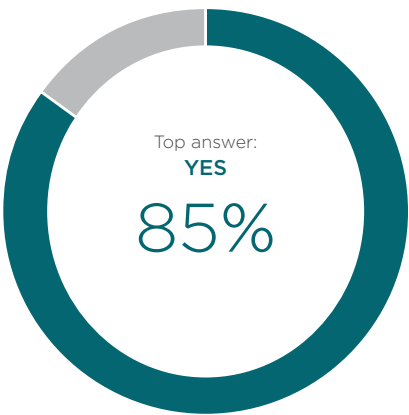
Architects and Engineers



Contractor Signatory Status

Overall, by firm, and by sector

QUESTION 10
Are you signatory with any union?
Yes
No

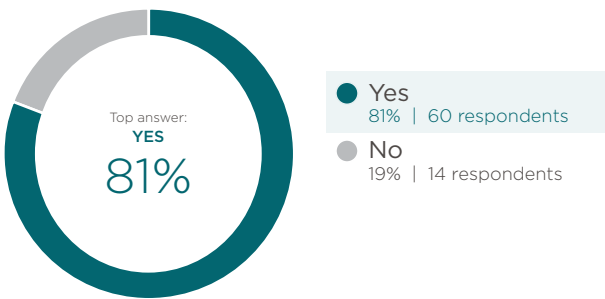


Are you signatory with any union?

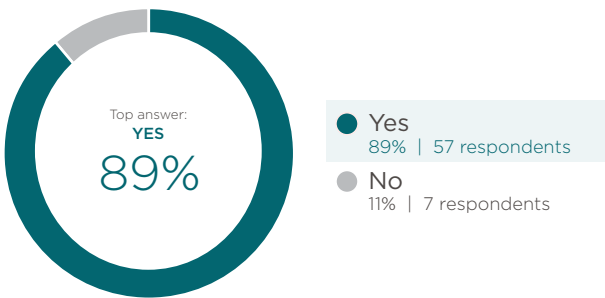
Yes: 85%
No: 15%

By Firm Type

General Contractors

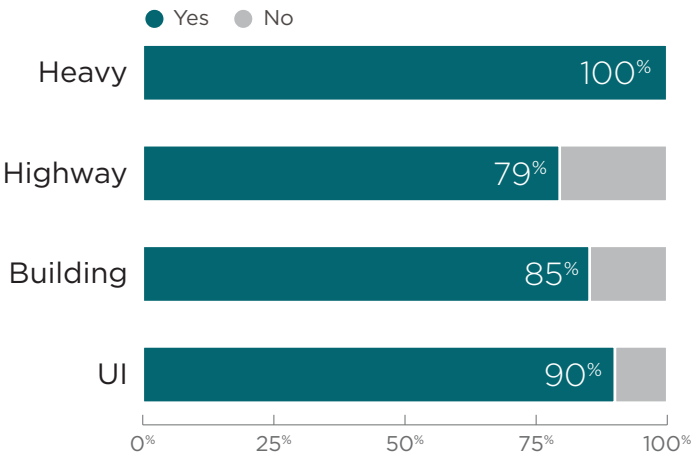


Specialty Contractors



By Sector

Filter: all contractors



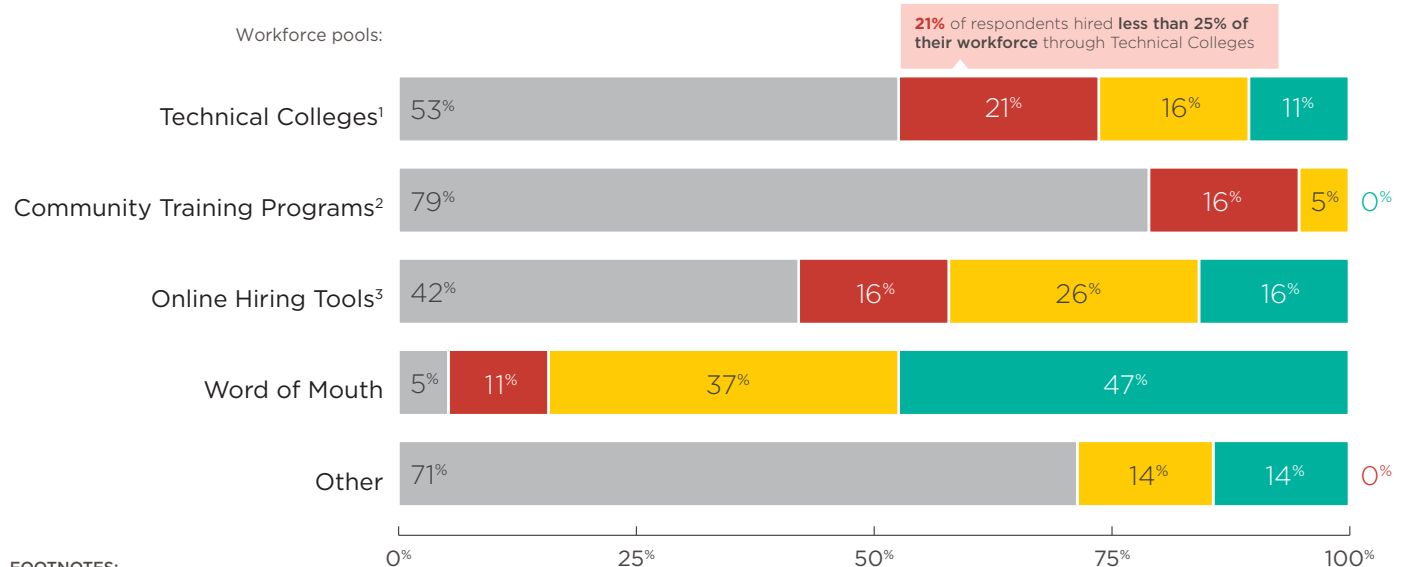
Hiring Sources - Field Craft Workforce

Non-Union Contractors

QUESTION 11

What **percentage** of field craft hiring have you done through the following workforce sources?

- None
- Not much (less than 25%)
- Some (26-74%)
- Most (over 75%)



FOOTNOTES:

¹(Hennepin Tech, St. Paul College, Dunwoody, etc.)

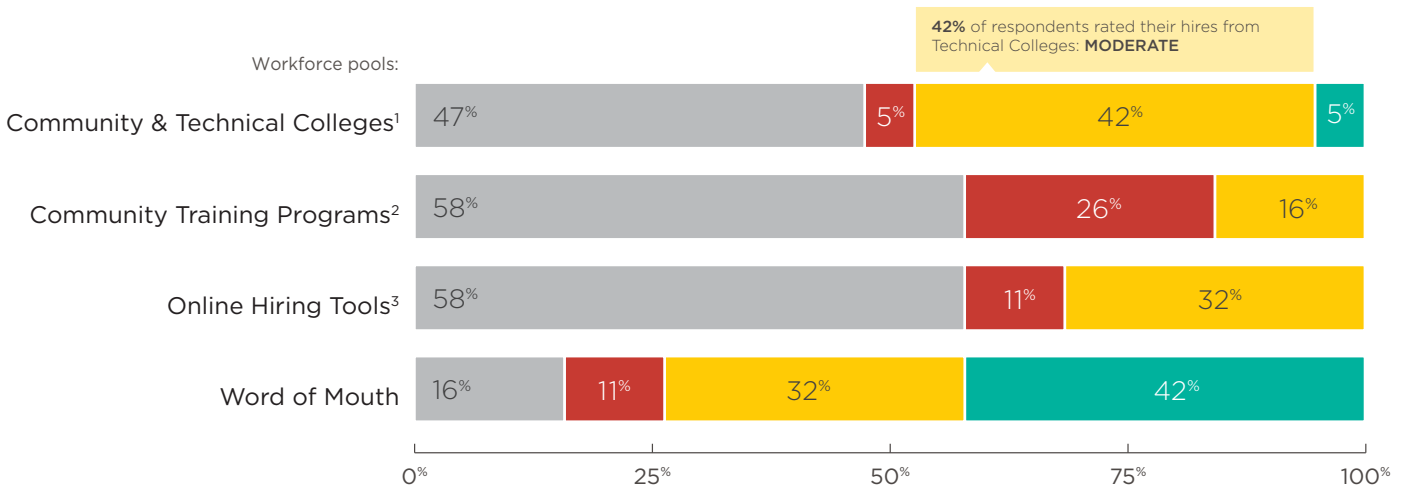
²(Goodwill, Merrick, Summit OIC, etc.)

³(Job boards, Indeed, Craigslist, etc.)

QUESTION 12

Please **rate** the performance of the workforce you have hired.

- We do not hire from this source
- Low performance
- Moderate performance
- High performance



FOOTNOTES:

¹(Hennepin Tech, St. Paul College, Dunwoody, etc.)

²(Goodwill, Merrick, Summit OIC, etc.)

³(Job boards, Indeed, Craigslist, etc.)

Hiring Sources - Field Craft Workforce

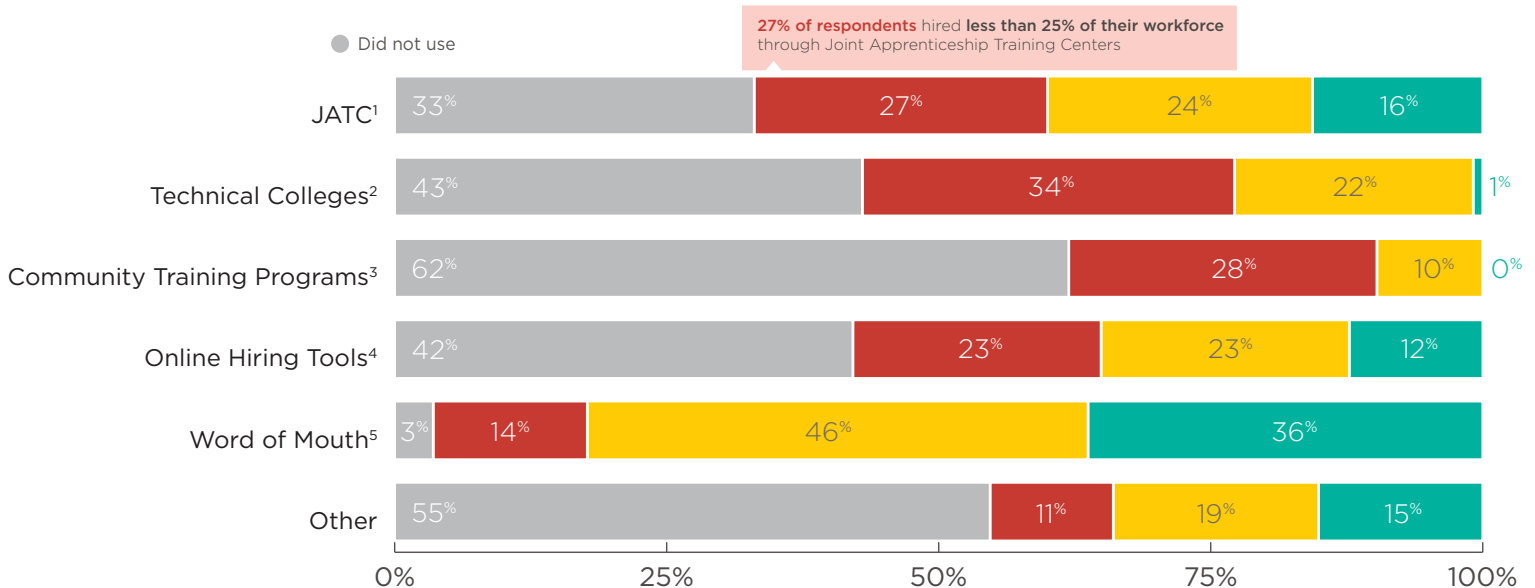
Union Contractors

QUESTION 14

Thinking of your hiring in the past year, what **percentage** of your field craft hiring have you done through the following workforce sources?



Hiring Sources



¹Joint Apprenticeship Training Center

²(Hennepin Tech, St. Paul College, Dunwoody, etc.)

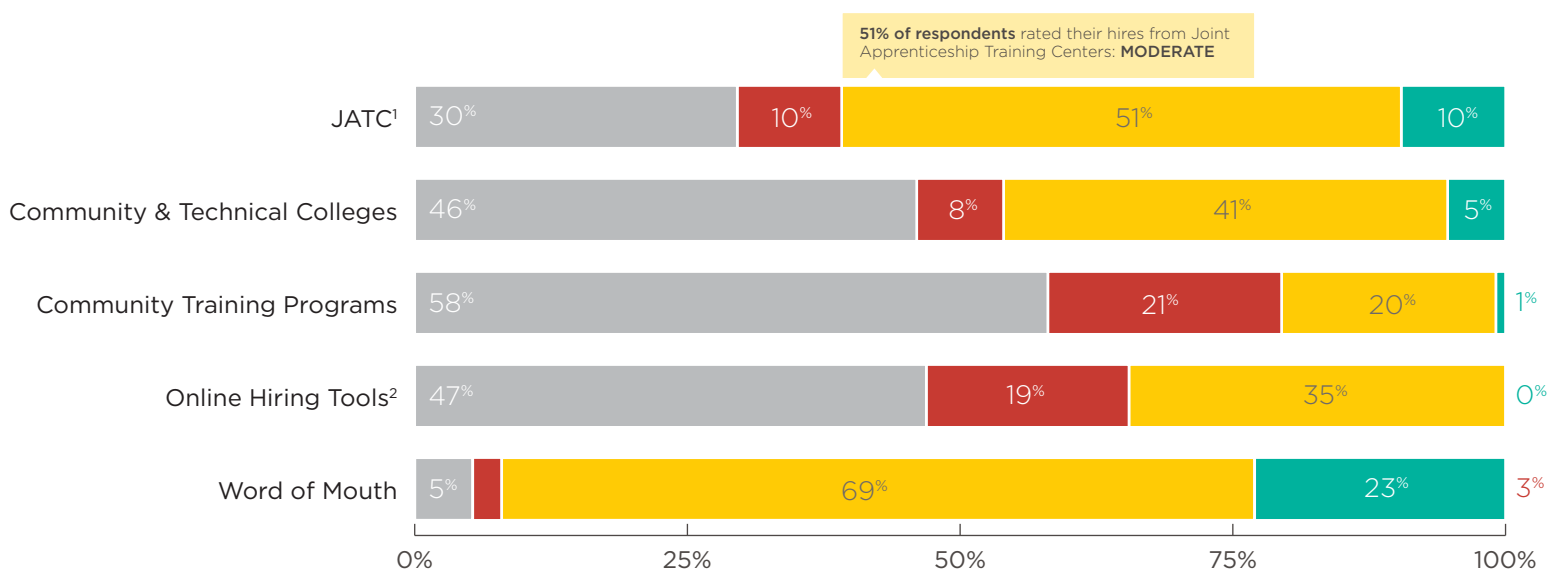
³(Goodwill, Merrick, Summit OIC, etc.)

⁴(job boards, Indeed, Craigslist, etc.)

QUESTION 15

Please rate the performance of the craft workforce you have hired through the following workforce sources.

Please rate the performance of the workforce you have hired



¹Joint Apprenticeship Training Center

²(Craigslist, job boards)

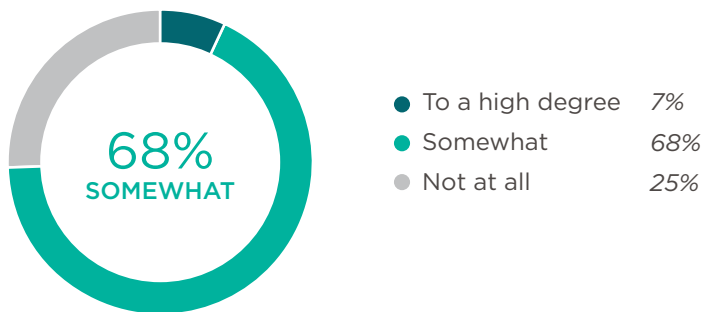


Hiring Sources - Field Craft Workforce

Union Contractors

QUESTION 13

To what extent do Joint Apprenticeship Training Committees (JATCs) meet your workforce skill & availability expectations?



QUESTION 16

What suggestions would you make to improve the availability and quality of workforce from these traditional sources?

"Opportunity with unions to collaborate closer together with community based organizations construction programs."

"Ensuring the workforce from these traditional sources understand the rigors, demands, and stressors in the industry and provide them strategies to maintain their well being."

"The Unions need to do a better job in getting information to public schools to let young people know more about the trades & opportunities available."

"Better training and better candidate selection process. Do not let anyone in unless better training can be done."

"Have instructors teach actual useful information when apprentices have class. Also ask contractors the type of skills they are looking for an tailoring classes to meet these needs."

"There seems to be many quality underutilized programs. We have found that increased communication, especially at high schools, seems to help. Many high school seniors were unaware of the potential to make construction a career opportunity."

"Continue to train on technology that will enhance productivity."

"I believe if there was more advertising on pay and benefits that would help draw more people into the industry for craft workers. Have ads through YouTube, Instagram and Facebook."

"Need to recruit and allow more people to join the locals. We are an electrical and mechanical contractor so we need the locals to allow more people in."

"JATC needs stronger recruiting practices."

What impacts General Contractors' use of JATCs?

Factors that impact the use of JATC training programs

Select all that apply:

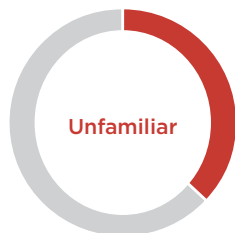
QUESTION 17

Do any of the following factors impact your firm's use of JATC training programs and/or hiring of apprentices? (select all that apply)



46%

Concerns about **workforce productivity**



37%

Unfamiliar with the JATC model



34%

Unable to provide **sufficient mentoring and development** of apprentices



20%

Unsure of how to **access and utilize** apprentices

"We don't have full time positions but need workers for the projects we have. We cannot grow our business without part-time workers, journeymen and apprentices. The unions have to change benefit models so part-time workers can access the same benefits as full time workers. The employers pay for it all."

"We found that a 4:1 journeyman to apprentice ratio is required to properly mentor and develop apprentice operators."

"We continue to use and support the JATC model."

"It is difficult for a small company like ours to hire apprentices given the ratio requirements of journeymen to apprentices. Our work is too specialized for the JATC model to have much benefit."

"Not enough people going thru the JATC to supply the need."

"All of our apprentices are people we send to the union, rarely or never the other way around."

QUESTION 18

What have been the most successful strategies you have utilized to encourage your workforce to use the JATC training program(s)?

"Direct contact with workforce planner and candidates. Regularly touch base with union leadership."

"We provide a training roadmap, outlining required certifications for each position and/or to be considered for promotions into foreman/superintendent positions."

"We have not been successful."

"Direct assignment of resources for relationship management and participation at the leadership level."

"Will pay time for additional trainings."

"We encourage our staff who have not completed their training hours to do so in the dormant season."

"We know we've got to develop our own workforce."

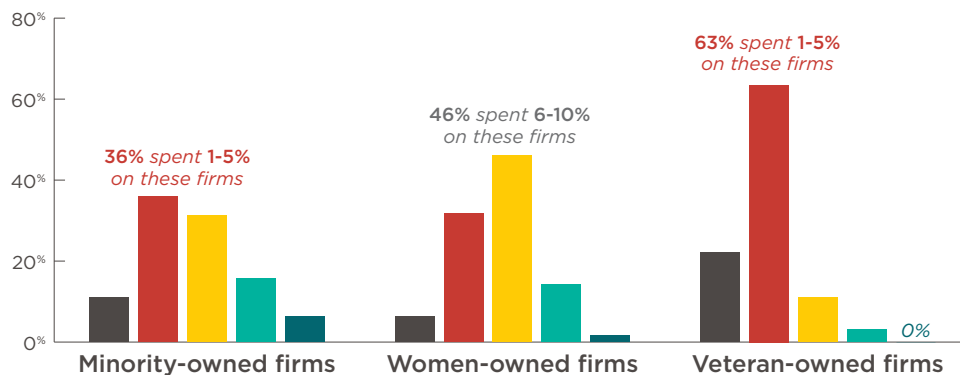
"Communication and training with our experienced workers to accept, assist, and train new hires."

"Require a certain number of hours for continued employment. Most employees seek training from their unions and become better with time."

Diversity in Subcontracting

This page of questions was answered by general contractors.

Subcontracting spend on disadvantaged firms

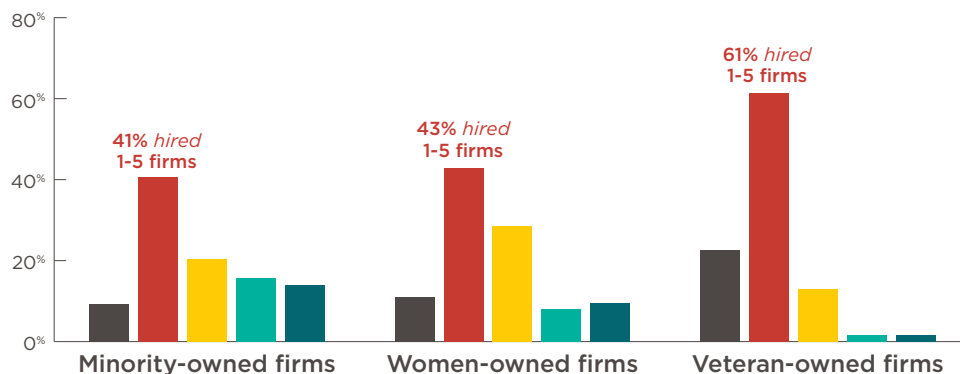


QUESTION 19

In the past year, what percentage of your firm's total subcontracting spend was with MWBE and veteran-owned firms?

- 0% spent on these firms
- 1-5%
- 6-10%
- 11-25%
- Over 25%

Number of disadvantaged firms awarded contracts

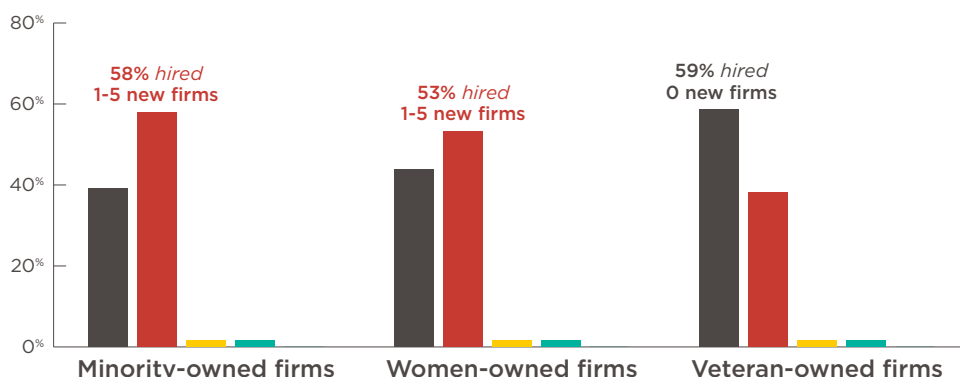


QUESTION 20

In the past year, how many MWBE and veteran-owned firms were awarded contracts by your firm?

- 0 firms
- 1-5
- 6-10
- 11-15
- Over 15

NEW disadvantaged firms awarded contracts



QUESTION 21

In the past year, how many contracts were awarded by your firm to NEW MWBE and veteran-owned firms?

- 0 firms
- 1-5
- 6-10
- 11-15
- Over 15

Barriers that prevent more diversity in subcontracting

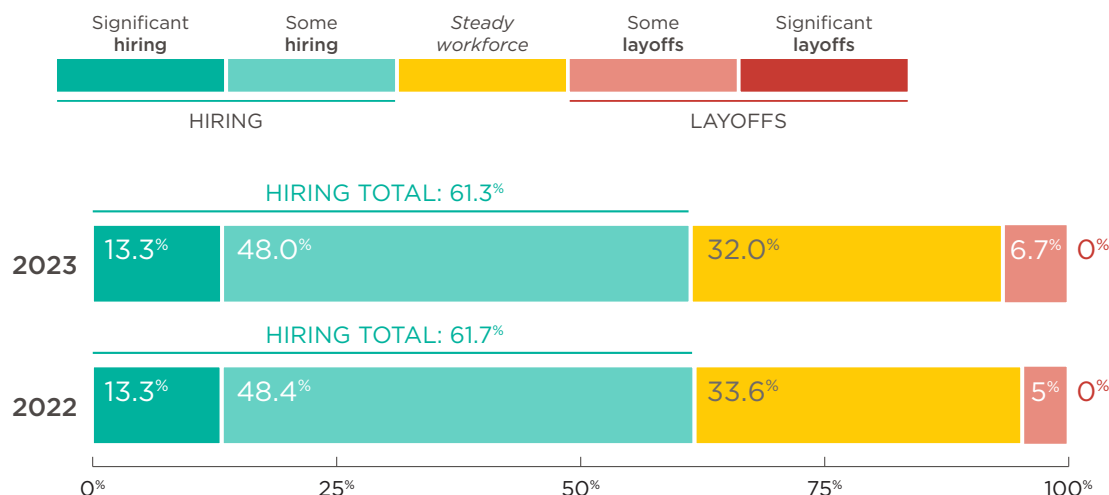
- 58% Minority-owned, women-owned, and veteran-owned firms are not readily available for the specific work that my firm performs.
- 47% Minority-owned, women-owned, and veteran-owned firms are not readily available in the primary geographic area where my firm does business.
- 40% The process for finding Minority-owned, women-owned, and veteran-owned subcontractors is challenging.
- 18% Long-standing relationships with existing subcontractors.

QUESTION 22

What are the top two barriers that prevent your firm from doing more business with minority-owned, women-owned, and veteran-owned firms? (Please choose a maximum of two)

Workforce plans for 2024

Hiring, steady workforce, or layoffs

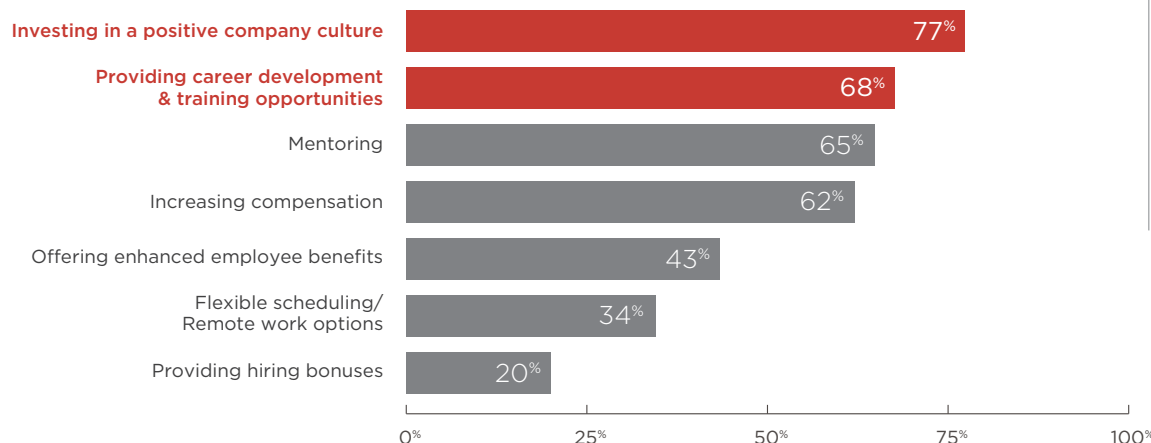


QUESTION 23

Your workforce plans for 2024 are best described as:

- Significant hiring
- Some hiring
- Steady workforce
- Some layoffs
- Significant layoffs

Workforce hiring strategies



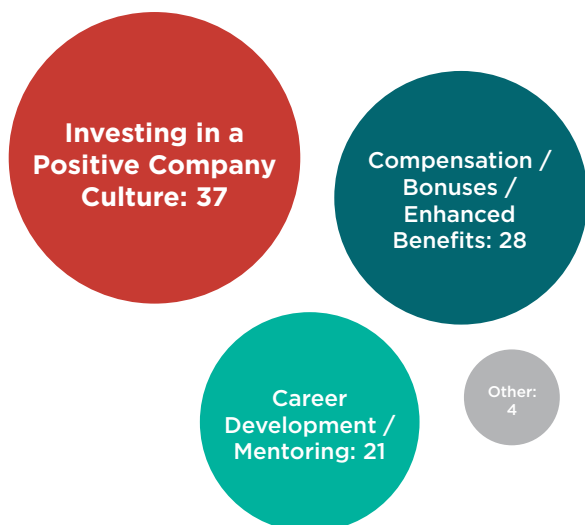
QUESTION 24

Which of the following is your company doing to attract and retain workforce?

- Increasing compensation
- Providing hiring bonuses
- Providing career development and training opportunities
- Mentoring
- Offering enhanced employee benefits
- Flexible scheduling/Remote work options
- Investing in a positive company culture

Most effective strategies

90 survey participants left comments, indicating that the following were the most effective.



QUESTION 25

Of the strategies you selected above, which have you found to be most effective in attracting and retaining workforce?

"Providing a clear roadmap and milestones that incentivize training and performance. This allows high performers a path to future promotions, keeping them motivated and providing them a sense of achievement."

"The compensation appeals to younger personnel, and the positive culture and career development is effective with retention."

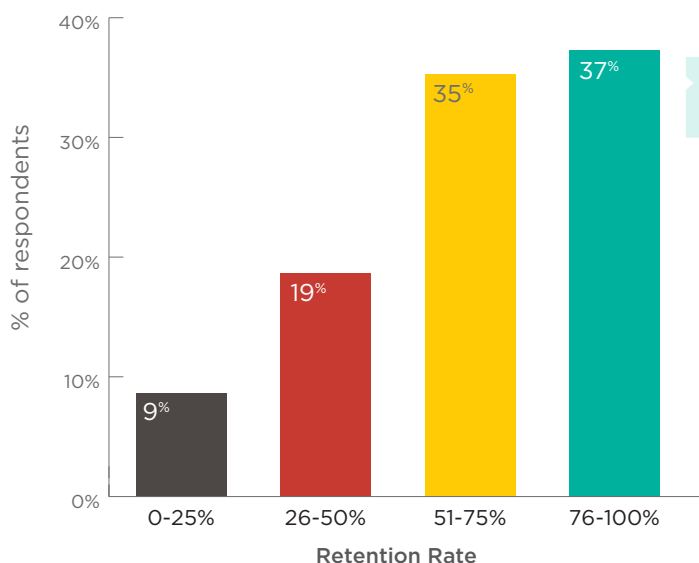
"Having a legacy of a great culture has been our #1 recruiting tool."

"Showing them a path to go from apprentice, to journeyman then foreman. Treat them with respect and try to get them 40 hours of work each week."

Retention rate

With regard to your recent hires,* what is the retention rate of these employees?

All respondents



37% of respondents' recent hires had a 76-100% retention rate

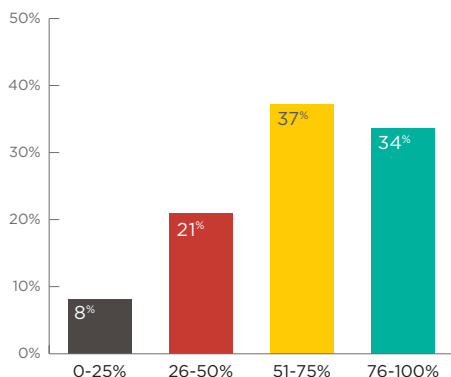
*Recent hires = last 1-3 years

QUESTION 26

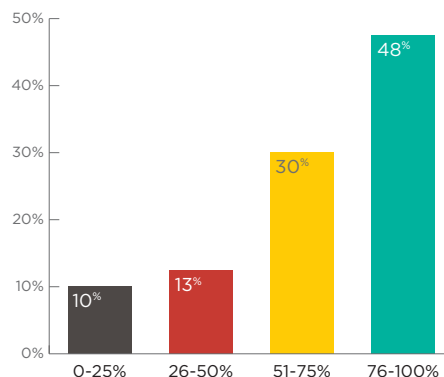
With regard to your recent hires (last 1-3 years), what is the retention rate of these employees?

- 0-25%
- 26-50%
- 51-75%
- 76-100%

Contractors



Architects, Engineers, and Affiliates



QUESTION 27

List the #1 factor impacting the engagement or retention of your new hires

TOP POSITIVE FACTORS LISTED:

- **Positive company culture**
(of 54 positive responses to this question, 32 referenced company culture)
- Steady Work / No Layoffs
- Compensation / Performance Bonuses / Benefits
- Mentoring/Training

TOP NEGATIVE FACTORS LISTED:

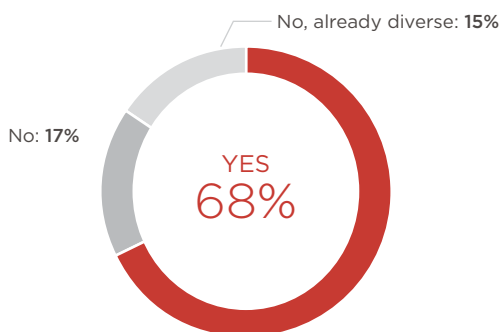
- **Work Schedule / Travel Requirements**
(Of 36 negative responses to this question, 16 referenced a lack of desire on the part of employees to endure the work schedule/hours or travel required.)
- Poor performance / work ethic / lack of quality training
- Competition with other contractors / greener grass mentality

Efforts to increase workforce diversity

Measures taken to attract and retain people of color and women

Taking deliberate measures?

Yes: **68%**



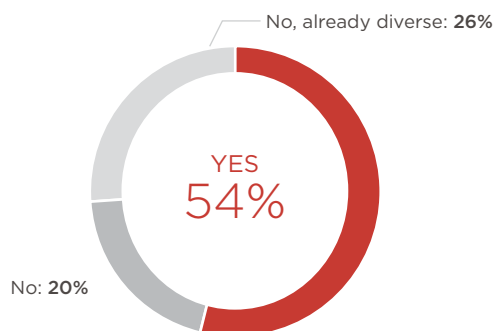
QUESTION 28

In your workforce recruitment efforts, has your firm undertaken deliberate measures to attract and retain minorities, women, and veterans?

- Yes
- No
- No, because our firm is already very diverse

Are deliberate measures making a difference?

Yes: **54%**



QUESTION 30

Has your firm increased its percentage of minorities, women, and/or veterans in its workforce since employing these strategies?

- Yes
- No
- N/A - Our firm is already very diverse

QUESTION 29

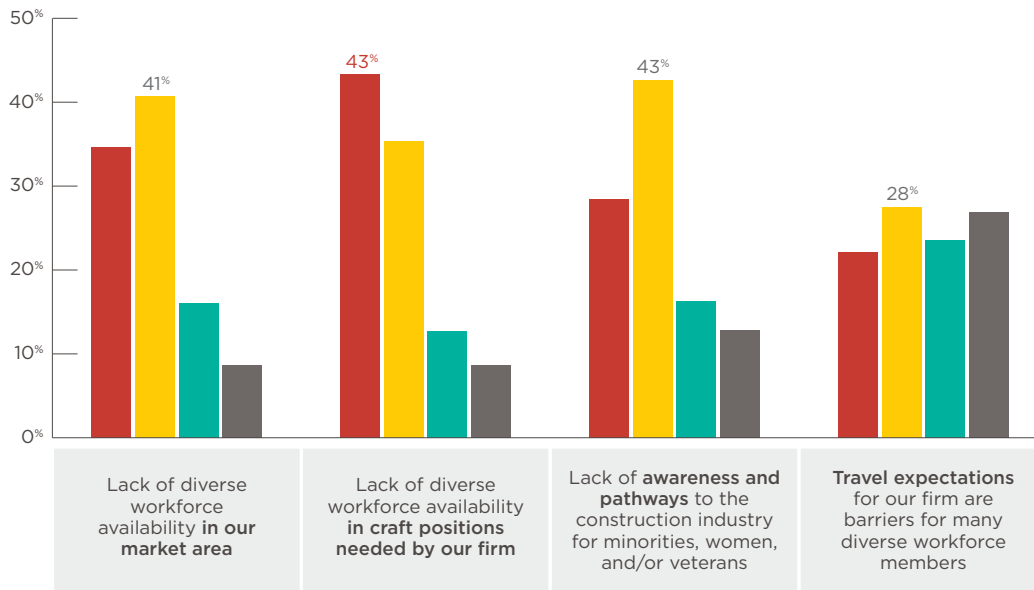
If yes, indicate which measures have been **most successful** in attracting and retaining people of color and/or women.

- Intentional and specific recruiting efforts and outreach / job fairs
- Inclusive culture / creating a welcoming environment / diversity attracts diversity
- Word of mouth advertising from current employees
- Mentorship and training opportunities
- Social Media / More online tools
- Encouraging or asking unions directly to provide minority applicants

Challenges in increasing workforce diversity

How significant are the following challenges?

All respondents



QUESTION 31

Please rate the following challenges for your firm in increasing workforce diversity.

- Lack in our market area
- Lack in craft positions needed
- Lack of awareness and pathways
- Travel expectations

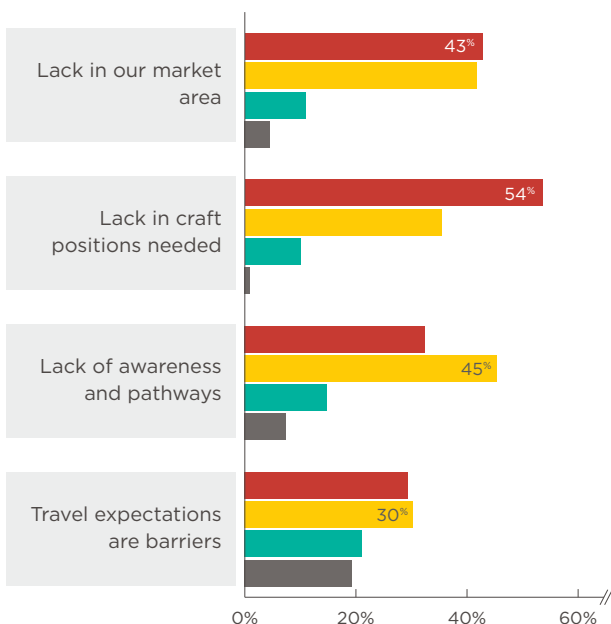
Ratings:

- Very challenging
- Somewhat challenging
- Not challenging
- N/A

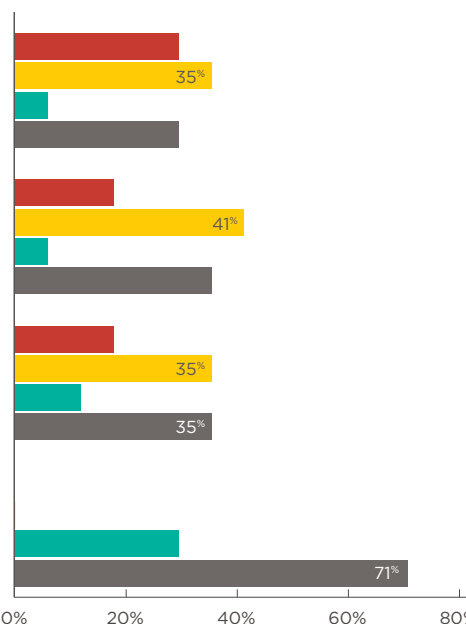
Filtered by types of firms

- Very challenging
- Somewhat challenging
- Not challenging
- N/A

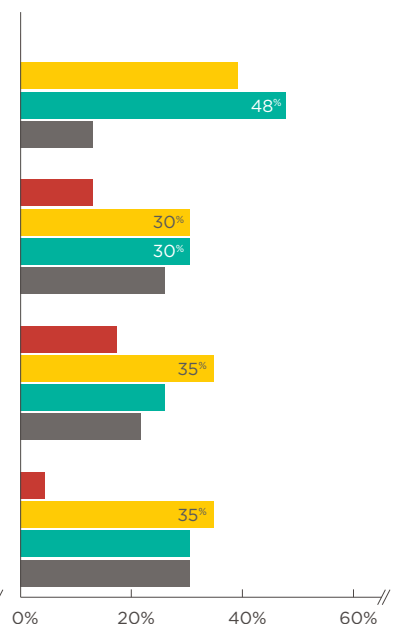
Contractors



Architects and Engineers



Affiliates (Suppliers & Service Providers)

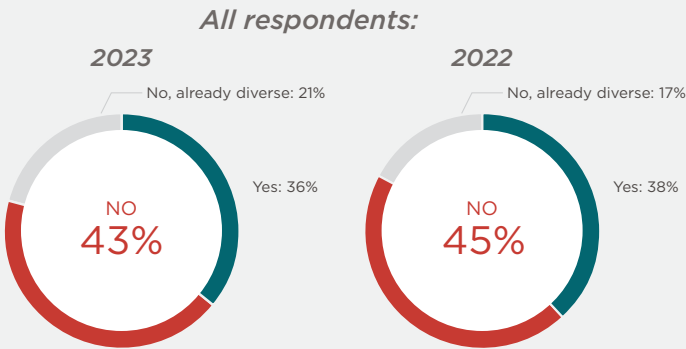


DEI Partnering and Plans

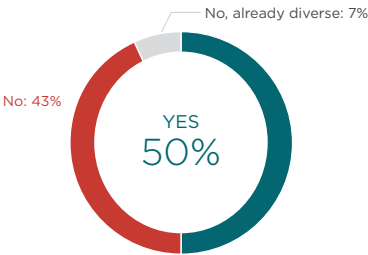
Working with minority firms

QUESTION 32
Do you partner or work with minority firms to increase your access to talent?

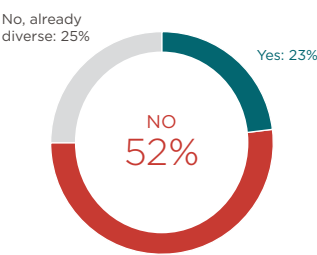
● Yes
● No
● N/A - Our firm is already very diverse



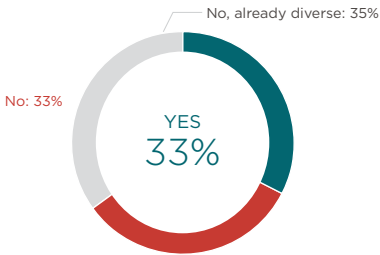
General Contractors



Specialty Contractors



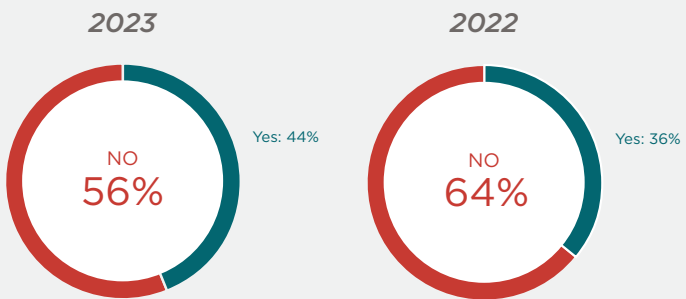
Architects, Engineers, and Affiliates



Specific DEI plan: *All respondents*

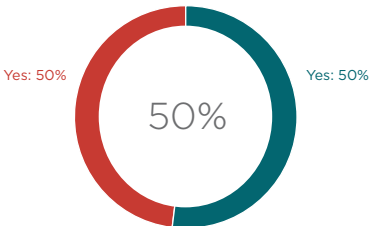
QUESTION 33
Are any of your customers/clients requiring a specific DEI plan by your firm to evaluate as part of the proposal process?

● Yes
● No

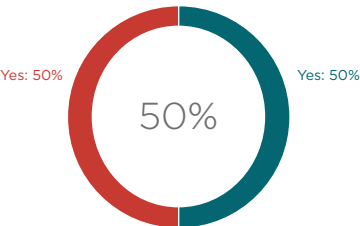


By types of firms:

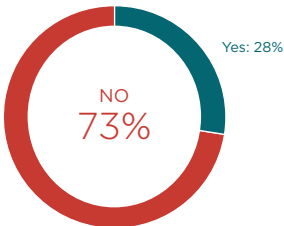
General Contractors



Specialty Contractors

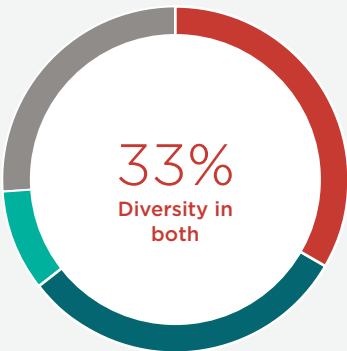


Architects, Engineers, and Affiliates



Diversity in field staff and office staff

Where's the biggest need for growth?



All respondents

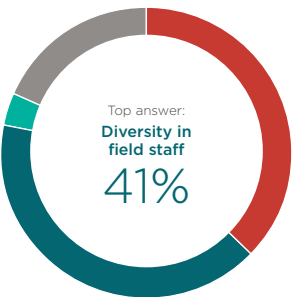
- Diversity in both (field & office)
33% | 50 respondents
- Diversity in field staff
31% | 47
- Diversity in office staff
9% | 14
- N/A, already very diverse
26% | 39

QUESTION 34

Which area does your firm see as the greatest need for growth?

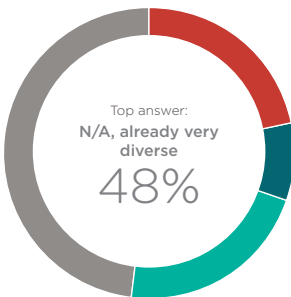
- Diversity in office staff
- Diversity in field staff
- Diversity in both office and field staff
- N/A - our firm is already very diverse

Contractors



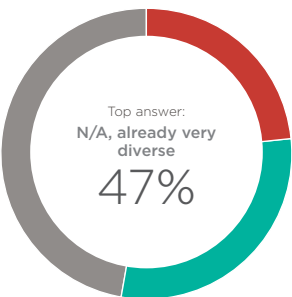
- Diversity in both
37% | 41 respondents
- Diversity in field staff
41% | 45
- Diversity in office staff
4% | 4
- N/A, already very diverse
18% | 20

Affiliates



- Diversity in both
22% | 5 respondents
- Diversity in field staff
9% | 2
- Diversity in office staff
22% | 5
- N/A, already very diverse
48% | 11

Architects & Engineers



- Diversity in both
24% | 4 respondents
- Diversity in field staff
0% | 0
- Diversity in office staff
29% | 5
- N/A, already very diverse
47% | 8

Workforce hiring challenges

Office workforce

QUESTION 37

Office Positions

With 1 being **least difficult** and 4 being **most difficult**, indicate your degree of difficulty in hiring for these office positions.

38% of general contractor respondents chose **Estimating Professionals** as *the most difficult* office position to hire (4 rating)

General Contractors	Least difficult → Most				
	1	2	3	4	N/A
Estimating Professionals	5%	23%	29%	38%	5%
Project Managers/Supervisors	5%	33%	39%	19%	4%
Safety professionals	9%	40%	21%	12%	18%
Engineers	11%	23%	13%	9%	45%
Business development	11%	25%	21%	9%	35%
Design professionals	5%	16%	7%	4%	68%

26% of specialty contractor respondents chose **Estimating Professionals** as *the most difficult* office position to hire (4 rating)

Specialty Contractors	Least difficult → Most				
	1	2	3	4	N/A
Estimating Professionals	10%	20%	28%	26%	16%
Project Managers/Supervisors	10%	16%	36%	22%	16%
Engineers	2%	12%	12%	10%	64%
Business development	4%	26%	6%	10%	54%
Design professionals	4%	12%	6%	10%	68%
Safety professionals	8%	18%	14%	4%	55%

TOP 3 most difficult chosen by general contractors



TOP 3 most difficult chosen by specialty contractors



31% of architect & engineer respondents chose **Project managers/supervisors** as *the most difficult* office position to hire (4 rating)

Architects & Engineers	Least difficult → Most				
	1	2	3	4	N/A
Project managers/supervisors	0%	0%	13%	31%	56%
Design professionals	0%	6%	38%	31%	25%
Engineers	0%	6%	13%	19%	63%
Business development	0%	6%	19%	19%	56%
Estimating professionals	0%	0%	6%	13%	81%
Safety professionals	0%	6%	0%	6%	88%

TOP 3 most difficult chosen by architects & engineers



Workforce hiring challenges

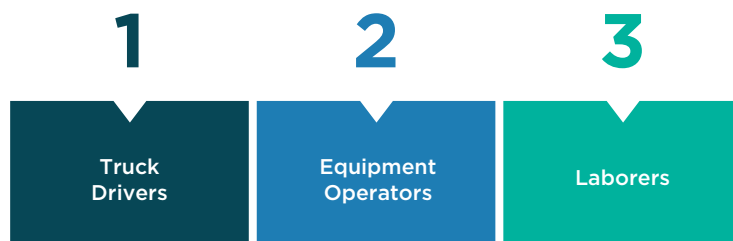
Craft workforce

QUESTION 38

Craft Trade Positions

Please select the THREE craft trade positions that are **the most difficult** to fill.

TOP 3 chosen by *contractors and suppliers*



	Overall	General	Specialty	Affiliate
Truck Drivers	41%	62%	35%	24%
Equipment Operators	19%	33%	53%	24%
Laborers	19%	37%	29%	52%
Electricians	15%	48%	16%	10%
Bricklayers	11%	35%	6%	10%
Cement Masons	11%	25%	14%	10%
Plumbers	11%	8%	14%	10%
Carpenters	7%	6%	8%	10%
Pipefitters/Welders	7%	4%	12%	10%
Drywall Installers	4%	10%	2%	5%
Ironworkers	4%	8%	4%	0%
Millwrights	4%	4%	6%	5%
Painters	4%	4%	2%	5%
Tile Setters	4%	2%	2%	5%
Roofers	0%	0%	4%	0%
Sheet Metal Workers	0%	0%	2%	0%

Overall Business Challenges for 2024






Biggest challenges your company faces in 2024 & beyond

QUESTION 39

The two biggest challenges your company faces in 2024 and beyond are (please select only two):

TOP 5 CHALLENGES



Business Challenges for 2024 and Beyond		Overall	General	Specialty	Affiliate	Architect/ Engineer
	Finding skilled and trained workers	50%	62%	52%	22%	41%
	Inflation	22%	22%	23%	26%	12%
	Increasing productivity	17%	16%	21%	17%	6%
	Finding available workers	16%	14%	23%	9%	12%
	Managing cash flow	16%	9%	23%	4%	35%
	Succession planning/Business leadership transition	14%	12%	12%	22%	18%
	Reducing costs	12%	7%	8%	35%	12%
	Discovering new markets	12%	14%	8%	13%	18%
	Supply Chain issues	11%	14%	8%	13%	6%
	Developing new leadership	9%	10%	6%	17%	6%
	Managing client expectations	7%	2%	6%	9%	24%
	Navigating the regulatory environment	7%	9%	6%	9%	0%
	Workforce hiring goals	5%	9%	4%	0%	0%
	Responding to COVID-19 work and safety issues	0%	0%	0%	0%	0%

Comments from respondents

Please tell us what we haven't included in this survey that keeps you up at night

Below are unedited comments from respondents

Government regulation

Monopoly powers of prime contractors

Intimidation, retaliation and blacklisting of Independent Truck Operators and Multiple Truck Operators by Truck Brokers. Collusion between primes and brokers

I'm concerned about the lack of accountability at the DOT. With all the various transportation funding programs, from the Federal level to the State level, we continue to see declining funding. I fear they are struggling with the same workforce issues we are and do not have the staff to get shovel ready projects out the door to take advantage of the funding that is available. There are so many roadways in terrible, unsafe conditions that could be designed and out the door with little effort but it's not happening.

Less people going into accounting. Much like the construction market we need to work on telling and demonstrating the short term and long-term opportunities. The opportunities are tremendous, but people have many choices today, so we have to sell our professions to young people and people in career transition more and more.

Unfavorable contract language for subcontractors

Environmental Justice

Work is slowing down. Trying to keep employees full time without any layoffs. If employees get laid off they will leave to another opportunity that will keep them on full time. No one can afford to live without healthcare. The cost is so significant to be on Cobra. Healthcare should not be mandatory especially if you get laid off. Or there needs to be more affordable care for people that want to keep their job but might become laid off. This needs to be on a national level. Not just a state level.

The looming recession and the potential for global war and how it will affect all of us and our businesses.

Increased labor costs need to translate into higher prices to end customers. We need help benchmarking where companies are in terms of overhead, labor/materials and net profitability.

Young workers are increasingly lost, depressed, and disconnected from work. Social skills are lacking, and teamwork seems to be a foreign concept.

All of the new taxes and employment laws impacting small business bottom line will drive some out of business. I think the government has a very narrow view of who and what the state represents and a one size fits all mentality is very challenging and wrong.

Lack of work/bid opportunities for our division

The buy-in by employees to want the company to succeed.

Access to projects using direct select process.

More questions on changing market work. More on how inflation is affecting business.

Crime issues and safety issues as a result of crime on jobsites. Employees and equipment at risk in high-crime areas. What can be done by associations to convince politicians and municipal leaders that policies they currently endorse are having negative impact on the safety of our employees and the vibrancy of our construction market in their crime-ridden, uncontrolled metro areas. Challenge these groups rather than partner with them in their failing proposals.

Working in construction is hard and seasonal. We are finding that people rarely want to work on Saturdays and would prefer shorter working days. This is really tough for an industry that has very low revenue from Dec-April. We have to get 12 months worth of work done in 7 months and people just aren't willing to do that anymore. Also, equipment costs and parts availability are out of control. Inflation has caused us to look hard at alternative industries that don't have that same capital requirement.

We have been in business since 1954 and have dealt with a lot of changes over the years, but the biggest impact to our business currently has been how high the goals are becoming on State let projects and some County. We have lost about 50% of that market in the last 2 years and only see that getting worse going forward....

Owners expectations are moving in a completely opposite direction than what reality is. They all want the projects to move faster, be cheaper, and work under conditions that are not the safest to what it could be. With a workforce that is less knowledgeable, productive, taking more time off, and ultimately less safe due to onsite knowledge. It's a path that will lead to not good things.

Severe lack of manpower to perform the work that is out for bid and/or current projects. The workers are less talented and ambitious than previous generations of workers. Communication with younger office staff is challenging, more digital communication rather than a conversation.

Aging workforce and the future leadership at the field level (both at the crew and site level) continue to be our major concern. In the next 10 years we expect to lose a significant amount of knowledge and leadership due to a retiring workforce.

I sleep fine.

IT - Ransomware, Being Hacked, Etc...

Interest rates + capital scarcity.

The economic squeeze to control inflation is a concern that has the potential for long term problems.

Companies stating that we were low and they wanted to work with us but DBE Goals forced them to work with a different subcontractor.

MNDOT pressing goals on contractors in areas that don't have options available to hire minorities.

I would like to install a 5-10 year business plan to have constant growth and be more financially secure is the upcoming season and I am hoping AGC can help me get in contact with someone who can help on this.

Procuring work in the various markets with all the required reporting and restrictions to even get a job in the public sector.

My company cannot grow if I can't find skilled workers, or anyone who wants to work in the flooring industry.

All of the above

Bidding and project award. We still see our competitors taking jobs at costs that are well below what it will take to do the job. We don't know how these companies stay in business and we don't understand how they do the work in a quality manner. It seems that price is the only driving factor in the industry. Quality is suffering and the customer is paying for it in the long run. This is not right.

Concerns over general contraction of the construction industry

The unknowns stemming from our current political environment at both the Federal and State level. Bi-partisan politics is a thing of the past and I believe is beyond repair. Unprecedented actions by one party or a fractionated portion of one of the parties can bring everything to a screeching halt.

The interest rates on our LOC are more than we are comfortable with at this time. I wish commercial payments were processed in a more timely manner. Highway heavy / MNDOT pay monthly and you can always check when the Prime has been paid.

The great state of Minnesota and its liberal government mandates. One size fits all legislation does not work.

