# Prologue

## 2023

## The Workforce Recruitment and Retention Challenge - One Year Later

In 2023, CMAA hosted two symposia to review the lessons learned from the 2022 "Prologue" discussion on the talent shortage in the program and construction management industry, examine the industry's progress, and provide additional recommendations. The symposia were collaborative discussions that focused on two of the Prologue's main themes: "Workforce Development" and "Inclusive Work Environments." 60 professionals participated, representing a broad cross-section of the industry, including agency and at-risk service firms, owner organizations, and both senior industry professionals and more recent entrants. CMAA members with extensive industry leadership experience facilitated the conversations.

⊕ **The participants in the 2023 symposia agreed with the Prologue's conclusions that the profession must build a more supportive, equitable, and performance-based work culture and create more flexible career paths.** The participants noted that workplace cultures which promote their employees' professional development and diversity, equity, inclusion, and belonging (DEIB) are critical to attracting **and** retaining talent.

### WHERE WE (STILL) ARE

**The symposia participants in 2023 described the same problems that the Prologue panel identified a year earlier: issues finding enough qualified program and construction management professionals to meet the workforce's demand.**

Drawing on the Prologue's conclusions, the 2023 participants identified several key trends that contribute to this issue, including qualifications-based hiring practices, worker pay, and cultural barriers.

⊕ **Both groups in 2023 also agreed with the Prologue's ideas to address the workforce shortage.** The symposia participants concurred with the Prologue's recommendations to tell more engaging stories about the profession, build more connections to postsecondary institutions, recruit from other professions, consider candidates with degrees other than architecture, engineering, and construction management (AEC), use co-ops and internships, improve work-life balance, and foster DEIB in the workplace.

**Building on the 2022 Prologue's framework, the 2023 participants identified new tactics to alleviate the worker shortage.** The 2023 participants shared new ideas for recruiting non-traditional candidates and creating more supportive workplace cultures to retain them.



# Broaden Recruitment and Career Pathways

The symposium on "Workforce Development" echoed the 2022 Prologue's recommendations to welcome a wider pool of candidates into the program and construction management industry.

The participants encouraged the industry to rethink traditional qualifications-based hiring practices which focus on a person's education and years of industry experience. Many owners and service providers require years of experience and an AEC degree, **even for some entry-level positions**. The group pointed out that this practice makes it difficult for firms to find enough workers who meet the requirements.

The symposium noted that traditional hiring practices which emphasize degrees and years of experience might miss candidates who have transferrable skills like good communication and teamwork. Participants observed that while a 4-year AEC degree is necessary for some roles, there are many jobs in the industry that someone could perform with a high school or 2-year associates degree. Workers from other professions like the trades and military who do not have years of experience could also quickly learn the basic skills to become billable.

The group also noticed that traditional hiring practices based on education and experience **do not guarantee** that a new worker would be appropriate for the industry. In other words, some workers who have strong resumes and AEC degrees are not a good fit for the industry. For example, participants pointed out that sometimes recent college graduates with AEC degrees who have work experience (internships, co-ops, etc.) lack the critical thinking and social skills necessary to succeed in the industry.

Finally, participants in both symposia and the Prologue commented that the industry over-emphasizes individual worker productivity. The attendees agreed that this "productivity mindset" limits the pool of available workers. Many roles in the industry require full-time schedules with frequent overtime and the ability to travel to the jobsite. However, qualified workers may be unwilling or unable to work long hours or travel.

## RECOMMENDATIONS

# New Hiring Practices

To broaden recruitment, the 2023 participants recommended that firms focus on "competency-based" hiring. In other words, instead of degrees and years of experience, look for candidates who demonstrate that they have the skills to perform the job. The group also urged organizations to develop internal resources and partnerships. Non-traditional candidates who do not have years of experience or a relevant degree may be able to close the gap with training and certifications.

> "I once managed a construction engineering and inspection program. When I hired someone, I looked at the job description as a performance specification instead of a design specification. Identify the competencies you need and then find the people who can get there. Use your internal training processes and outside resources to get them up to speed."
>
> **Christine Goins, PE, CCM**
> **RK&K**

**Notably, the 2023 participants also recommended offering more part-time and remote positions to provide more flexibility and widen the pool of available candidates.** Organizations that require all new hires to be full-time on the jobsite or in the office may miss candidates who have the competencies and interest to do the work. The group suggested that firms think carefully about what is necessary to complete certain tasks (e.g., is a full-time worker necessary or could a part-time worker fill this role) and remember that these workers are a value add that can increase the team's productivity.

## The group identified the following new tactics to shift to a competency-based recruitment/hiring process:

→ **Standardize competencies across the organization** – Participants advised firms to start by defining in detail what competencies each position in their organization needs and then standardize how the company measures those competencies. For example, an organization could create a bank of standard interview questions for each competency and a rubric with qualitative descriptions of what an "excellent," "average," and "poor" answer would be from a job applicant.

→ **Measure "core" competencies first** – Participants observed that it is better to start the job interview process by measuring core skills like teamwork and communication instead of technical skills in design, engineering, or project/program controls. Without the right core skills, a job candidate's technical skills will not matter. Organizations are better off finding out earlier in the hiring process than later that a candidate does not have the necessary core competencies.

→ **Allow some collaboration among interviewers** – The group recommended allowing interviewers who are early in the hiring process to leave comments for other interviewers to follow up on later (e.g., an initial interviewer who measures core skills could leave comments about a candidate for a technical interviewer to review afterward). This tactic streamlines interviews so that interviewers later in the process have more context and can better assess a candidate's competencies.

→ **Hire from within** – Employees who are already part of an organization may have the right competencies, even if they do not meet all the degree and experience requirements (i.e., someone in the organization may be able to perform the job, even if they do something that seems unrelated right now). For example, a firm may have information technology staff with scheduling experience or marketing personnel with risk management certifications. The group advised firms to consider these candidates and provide all employees with resources (training, certifications, etc.) for the industry's different career paths so that these candidates are more likely to apply when a position opens.

> "Make sure your employees know what you're looking for and they will send the best people to you. Trust your people and they will have the right instincts."
>
> **Len Pappalardo, CCM**
> **Keville Enterprises, Inc.**

→ **Use employee referrals** – The symposium recommended that organizations develop attractive employee referral programs, such as bonuses to employees for referring someone that the company hires. Current employees have a vested interest in finding the right candidates and can often use their own personal and professional networks to find candidates with the necessary skills.

**Partner with career transition programs** – The group recommended that organizations research grants and tax incentives which can help offset the costs of hiring and training some non-traditional candidates. For example, eligible organizations can partner with the U.S. Department of Labor's VETS program to hire and train former U.S. military service members. The U.S. Internal Revenue Service also offers a Work Opportunity Tax Credit to employers who hire certain individuals that face barriers to employment, such as formerly-incarcerated people.

**Offer part-time options** – Some experienced workers with AEC degrees have personal commitments that prevent them from working full-time. Part-time opportunities may appeal to these individuals who would otherwise leave the workforce. The symposium pointed out that part-time workers are still billable to clients and have competencies that fill critical gaps.

**Reconsider if on-site work is necessary** – Participants noted that some jobs do not necessarily need to be on the jobsite regularly (or in some cases at all). Technology also makes it easier for remote work in certain roles on some projects/programs, e.g., cost controls. Firms that allow remote work can search nationwide from a much broader pool of candidates who have the required competencies to do the job.

"There are certain departments that do not necessarily need to be on a jobsite. You could reach out across the country to find potential new hires."

**Bill Johal, CCM**
**Kitchell**

"There are other sources of experienced talent, but we push them out of the industry. We need to be flexible and provide work-life balance."

**Coretta Sweet, CCM**
**Anser Advisory**

# Create an Inclusive Workplace Culture

The symposium on "Inclusive Work Environments" also echoed the 2022 Prologue's recommendations to promote a more flexible and nurturing culture in the workplace to better recruit **and** retain workers. The 2023 group agreed that the program and construction management industry needs structural changes to better address work-life balance, foster relationships between employer and employee, and improve pay equity and transparency. The participants stated that employees need to feel a sense of belonging, receive recognition, and see strong leadership (i.e., workers need to feel valued and understand where their organization is going).

The symposium participants briefly reviewed two topics from the Prologue panel: worker pay inequity and society's perception of the industry. The 2023 group noted the industry's pay discrepancies and the need for increased transparency, but added that owners and service providers often negotiate project/program rates in advance, which creates salary issues on multi-year contracts. The longer the contract, the more difficult it becomes in later phases to offer competitive pay and benefits (such as paid leave, health insurance, and retirement). Next, the 2023 participants agreed that the

public remains unfamiliar with program and construction management. However, the group also believed that the public tends to recognize other professions like architecture, engineering, and the trades.

Notably, both the Prologue and symposia agreed that the industry's productivity mindset is harmful to attracting and retaining talent. The "Inclusive Workplace Cultures" group noted that this "feed the beast" culture tells entry and mid-level workers to keep their heads down and avoid mistakes that would force a company executive to take an interest in them. The symposium participants added that this trend alienates employees who do not understand senior management's decision-making process.

The symposium participants also examined several additional cultural topics. The group explored how the nature of the work makes it difficult to establish organizational cultures. Participants pointed out that teams do not all come to work in the same place, jobsites are often far from company offices, and technology (particularly virtual meetings and emails) increases productivity but creates an impersonal workplace culture.

> "Culture is not something that you do once. We all must remember that we shape the culture no matter how long we have been working in the industry. We can never stop, but we can also celebrate how far we have come. I can remember being the only woman in the room, but we are very different now from how we were a few decades ago."
>
> **Anne Cotter, CCM**
> **Cotter Consulting**



> "We think we set the culture because we wrote it down, but culture is not what's 'on the wall,' it's 'down the hall.' That culture cultivates itself as you bring in new people."
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> **Paul Foster, CCM, FCMAA**
> **Foster CM Group, Inc.**
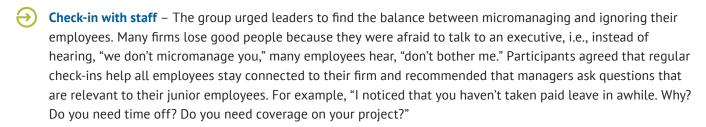
# New Solutions to Overcome Cultural Barriers

The group emphasized that building a workplace culture is a **team** activity because **cultures do not stand still**. Workers at all levels help change their organization's and industry's culture over time. The industry's culture is far more inclusive in 2023 than it was a few decades earlier, but the discussion highlighted areas that still have room for improvement. Participants called on senior executives, mid-level workers, and entry-level employees to all use their influence to improve DEIB.

**Participants offered many ideas to build a more inclusive workplace culture for all employees, including:**

→ **Add regular fee increases to contracts** – To offer more competitive pay on long-term contracts, the group recommended that owners and service providers add more conditions to the contract language to help offset potential future market changes. For example, a multi-year program contract could allow the program management fee to increase each year at the same rate as inflation. In this example, the firm could then more easily increase compensation each year for all program staff.

→ **Help staff volunteer, particularly with students** – To tell engaging stories about the profession, the symposium urged the industry to allow all staff to volunteer in local communities. The group added that one way to maximize volunteer time to attract more students to the profession is to help staff teach courses in local colleges and trade schools. Participants suggested that owners and service providers could partner to help teach these courses, exposing students to more parts of the industry.

→ **Encourage junior employees to lead organization-wide events** – Participants believed that interactions among employees at all organizational levels are key to building an inclusive environment. Some firms hold regular events for all their employees, such as staff meetings and celebrations. The group recommended asking junior employees to lead the agenda during these events. This practice promotes DEIB because each employee approaches this responsibility differently.

> "The program and construction manager's role is not purely about the technical aspects anymore. Connecting with the staff who report to you leads to better outcomes."
>
> **Raoul D Ilaw, PE, CCM, FCMAA STV**

→ **Check-in with staff** – The group urged leaders to find the balance between micromanaging and ignoring their employees. Many firms lose good people because they were afraid to talk to an executive, i.e., instead of hearing, "we don't micromanage you," many employees hear, "don't bother me." Participants agreed that regular check-ins help all employees stay connected to their firm and recommended that managers ask questions that are relevant to their junior employees. For example, "I noticed that you haven't taken paid leave in awhile. Why? Do you need time off? Do you need coverage on your project?"

**Create mentor opportunities** – Sometimes there are conflicts between the owner's and service provider's cultures which are difficult for workers to navigate. The symposium participants advised organizations to create mentor programs to support their employees when conflicts arise. Employees at all levels (including the C-suite, Vice Presidents, Regional Directors, etc.) should participate. For example, some firms schedule informal meetings that are completely off the record to allow workers to discuss issues and find a mentor or ally.

**Use technology more collaboratively** – Participants noted that virtual meetings and emails are formal communications. This technology helps teams work efficiently but teams lose the relaxed "water cooler" culture where coworkers can talk informally. Attendees recommended striking a balance and rethinking how companies use virtual meetings and email. Ideas included setting limits for all employees on virtual meetings (e.g., meetings must be no longer than a certain length, must not occur at certain times, etc.) and requiring some alternatives (e.g., some conversations must be on the phone, some meetings must be in-person, etc.).

# Barriers to Improvement

**In 2023, both symposia noted that barriers to more inclusive hiring and workforce development remain.** Participants shared that many owners rely on specific education and experience requirements to evaluate a potential hire, which prevents non-traditional candidates. Furthermore, firms need billable workers and staff frequently need to be on jobsites that are separate from the organization's offices, which presents challenges for company cultures.

**However**, like the Prologue panel a year earlier, the symposia participants observed that relationships are a two-way street, and owners may be more open to increased flexibility if program and construction management professionals focus on creating value by building better and faster. The participants urged owners and service providers to be honest with each other about workforce issues and look for creative solutions. Organizations that adapt will reduce inefficiencies and create a well-trained, productive, and loyal workforce that is better able to deliver projects and programs.

"Sometimes we get buried in a cultural norm without addressing the problem. If we want to solve problems, we must tell the truth about what the problems are."

Paul Foster, CCM, FCMAA
Foster CM Group, Inc.