

Maryland's Construction Industry Outlook

Top Trends, Challenges and Solutions for Success



INTRODUCTIONS



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SURVEY TOPICS

1. Outlook and Trends
2. Human Resources and Personnel Development
3. Accounting and Finance
4. Technology
5. Exit and Succession Planning
6. Marketing




Who participated

Over 1,000
asked to participate

Close to 200
provided responses

Who participated

-  **50%** of respondents own their company
-  **85%** of respondents are subcontractors

Who participated



43% of respondents are ages 50-59

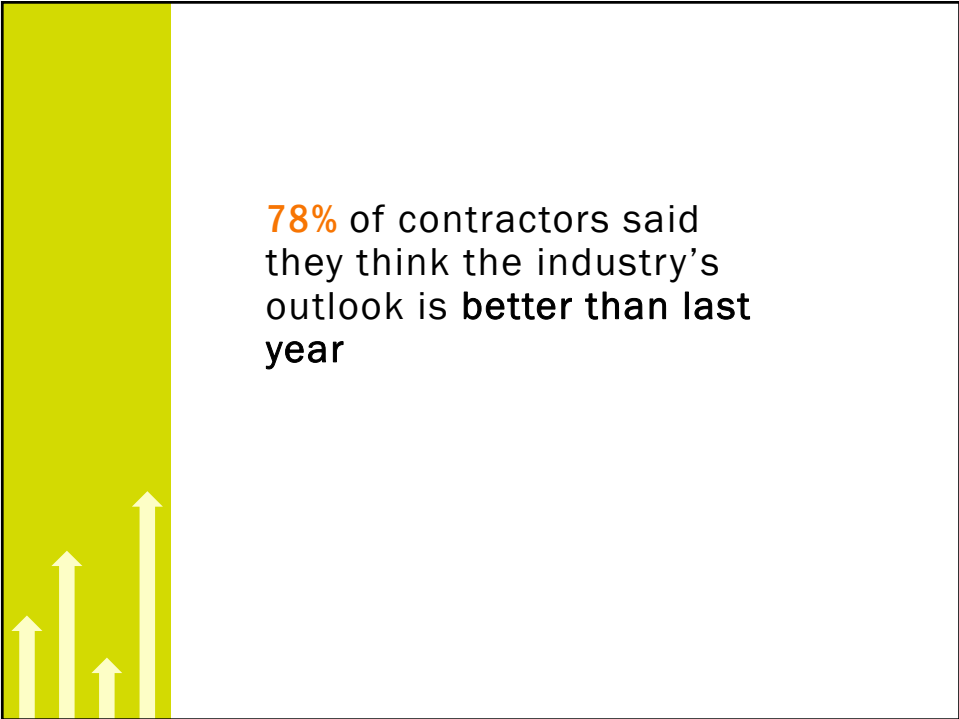


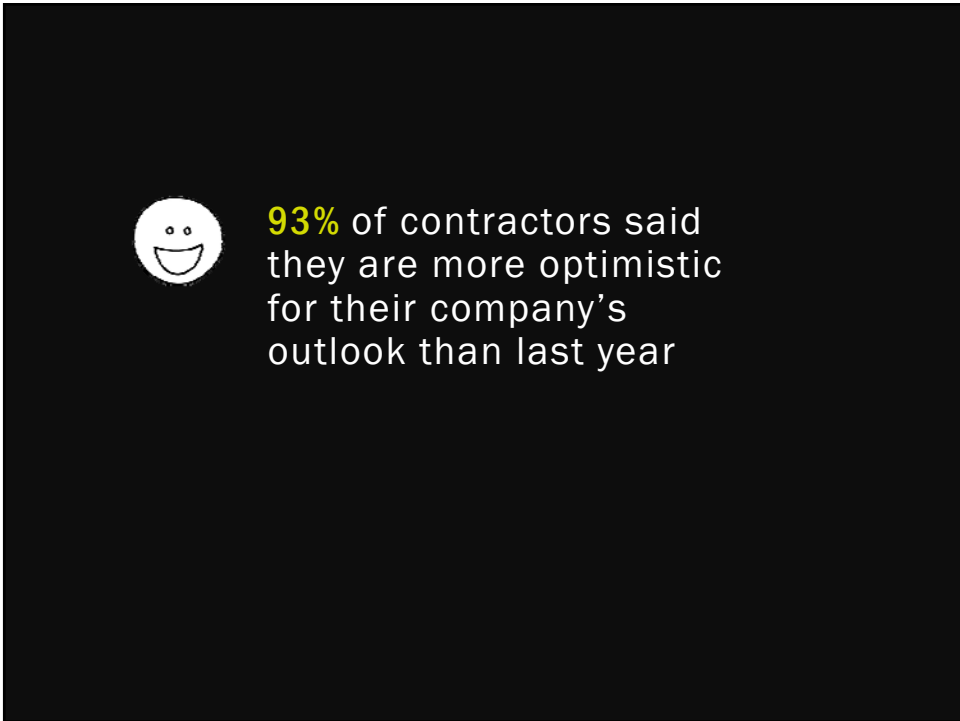
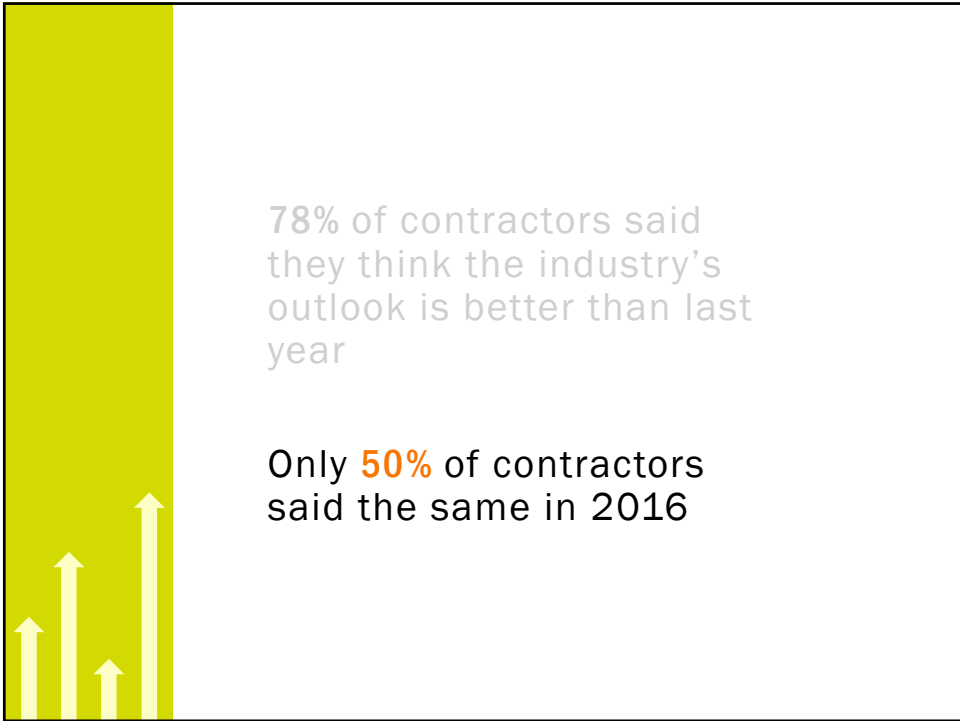
51% of respondents' companies make less than \$10M per year

Who participated



59% of respondents' companies have less than 50 employees





93% of contractors said they are more optimistic for their company's outlook than last year



Only 85% of contractors said the same in 2016

TOP CONCERNS FOR 2017



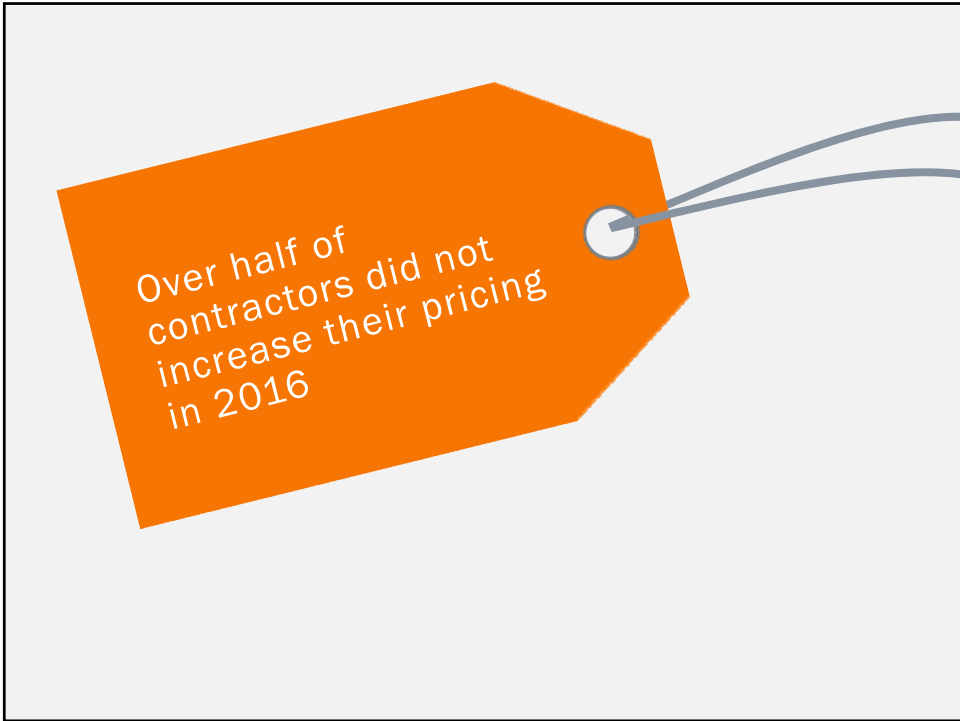
Finding and retaining good employees 62%



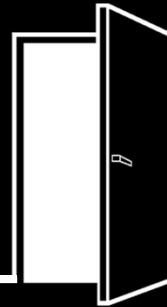
Finding new business 42%



The economy 36%



The **#1 reason** employees
leave their company is
because they can get
more money elsewhere



62% of contractors say
they offer technical or
trade training to their
employees

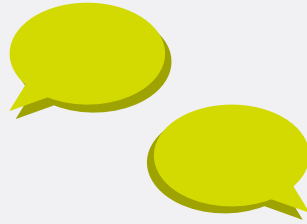


62% of contractors say they offer technical or trade training to their employees

This is an **8%** increase from 2016



Over half of contractors rank their company's current leadership development program as "alright"



The majority of contractors
find new employees through
word of mouth



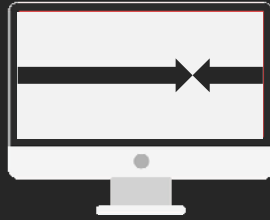
But **90%** of Americans who
looked for a job between 2013
and 2015 used the internet¹

¹ PEW Research Center | <http://pewrsr.ch/1NFAWUO>



Nearly **3 out of 10** of contractors aren't giving feedback to employees on a regular basis





27% of contractors say their #1 technology concern is automated integrations between software tools

80% of contractors say they use mobile technology to access electronic timesheets, communication between jobs, etc.





20% of contractors were hacked in the past year



If you're part of the 80% who said you haven't been hacked...

How can you be sure?



60% of construction company owners say they do not have an exit plan

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Less than half of construction company owners say they've identified a successor



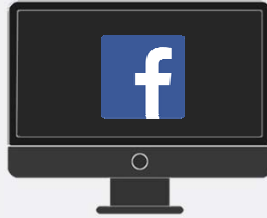
19% of construction company owners say they have **no idea** how much their business is worth



MARKETING



86% of contractors say they believe a company's website is an important part of attracting new customers



Only **50%** of construction companies use Facebook, compared to **79%** of all online adults

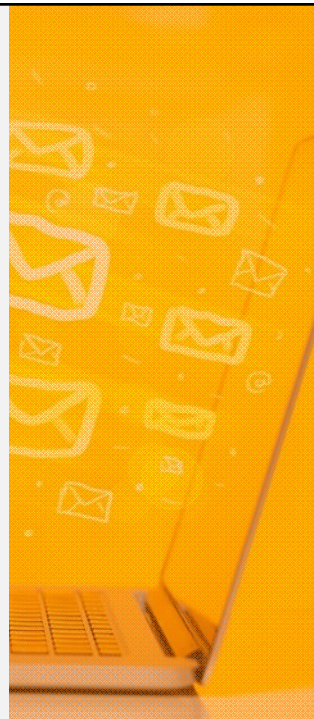


43% of contractors say online reviews do not impact whether prospective customers do business with that company



86% of contractors say face to face networking results in the best results for them

Less than 10% of contractors say their company's current online marketing efforts are "great"



RECOMMENDATIONS

- ▶ Increase your company's pricing to keep up with rising costs and competition in the labor market
- ▶ Analyze key employees and proactively make any necessary adjustments to market

RECOMMENDATIONS

- ▶ Develop leadership program for rising stars
- ▶ Invest in employee morale programs that keep good people engaged and willing to stay loyal to your business

RECOMMENDATIONS

- ▶ Give feedback to employees after every completed job or project
- ▶ Begin or continue to offer technical and/or soft skill training to employees

RECOMMENDATIONS

- ▶ Engage the services of IT specialists who can assess your system and put in safeguards to protect your company's data
- ▶ Have an exit plan and know the value of your business

RECOMMENDATIONS

- ▶ Keep your website up-to-date
- ▶ Utilize social media and interact with online reviews

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