

### **Empowering Next Generation Leaders in Construction**

by David Morton, Maxim Consulting Group

Recruiting and retaining top talent in the construction industry continues to be one of the most stubborn challenges facing contractors today. The sector faces a high demand for skilled labor coupled with a notable shortage of qualified candidates. These issues are exacerbated by regional megaprojects that strain local labor markets and elevate competition for skilled workers. This scarcity is further compounded by an aging workforce and the evolving technical complexities of modern construction projects, which require continuous training and adaptation. To combat these challenges and enhance career development opportunities, a multi-dimensional approach is necessary, one that not only attracts but also cultivates and retains skilled professionals.

#### Defining a Career Roadmap

Career progression is a key motivator, particularly for younger professionals. The Construction Management Association of America (CMAA) noted in a 2020 study that "Clear career pathways and opportunities for advancement are critical for employee retention and motivation." By defining these paths, you provide a roadmap for employees to follow, making it easier for them to envision and achieve their professional aspirations.

Lateral career moves are equally valuable for career development. As highlighted in a report by the Associated General Contractors of America (AGC) in 2023, "Lateral moves within an organization can broaden employees' skillsets, expose them to different aspects of the business, and increase overall job satisfaction." Encouraging these transitions allows employees to explore new challenges and roles, making them more versatile and satisfied in their careers. Such lateral moves also signal that an employee's career path is being actively managed without advancing them beyond their current skills and capabilities, thereby increasing the odds of burnout or attrition.

#### Self-Guided Development

Effective onboarding processes, supplemented by self-guided training and development roadmaps, are crucial in this context. Once career pathways are clearly defined, the next step is to equip employees with the necessary experience, knowledge, and skills to advance to the next level. Not only do these roadmaps help new hires quickly acclimate to company culture and operational practices while empowering them to take charge of their career progression, significantly enhancing retention rates by fostering a sense of belonging and clarity from the outset.

## Aligning Capabilities with Roles

To further enhance the effectiveness of career development, tools like the Myers-Briggs Type Indicator® assessment and the DiSC® Assessment can be beneficial. The assessments help identify employees' behavioral styles and preferences, making it easier to align their capabilities with the most suitable roles within the organization. According to a 2022 report by the Society for Human Resource Management (SHRM), "Using behavioral assessments like DiSC<sup>®</sup> can significantly improve job satisfaction and performance by ensuring employees are placed in roles that match their strengths." Every year, talented employees are lost when they are moved into roles that are out of

alignment with their skills and inherent behavior biases.

#### Championing Continuous Education and Leadership Development

Of course, career advancement goals must be enabled through meaningful stretch assignments as well as education and training opportunities. According to a study by the Construction Industry Institute (CII) in 2022, "Ongoing education and training are crucial for keeping up with the demands of modern construction projects, especially as new technologies and methodologies emerge." Offering regular training programs ensures that your workforce remains at the forefront of the latest industry practices. Leadership development is integrated into this educational framework, providing employees with the skills needed to take on greater responsibilities and navigate complex projects. According to the American Society of Civil Engineers (ASCE) in a 2021 report, investing in leadership training equips employees with the capabilities necessary for both upward and lateral career advancement, fostering a culture of proactive growth and innovation. A study by Dodge Data & Analytics in 2021 emphasized that "Investment in both technical and soft skills is essential for preparing construction professionals to meet the demands of increasingly complex projects." Offering training in advanced techniques and machinery operation ensures your team is equipped to handle modern construction challenges, while leadership and communication skills are critical for those aspiring to move up or laterally within the company.

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### Involving Younger Workers in Process Improvement Teams

Including new hires and younger workers on process improvement teams is a strategic move that benefits both the employees and the organization. This involvement not only exposes them to best practices and innovative thinking but also provides them with visibility to senior management. Engaging younger workers in these teams accelerates their learning and integrates fresh perspectives into the process, which can lead to more dynamic and effective solutions. It also allows for mentorship opportunities with experienced leaders, fostering a culture of learning and collaboration that supports long-term career development. Industry organizations like the Lean Construction Institute advocate for such integration, emphasizing that younger professionals can bring novel insights into Lean practices, enhancing the efficiency and adaptability of projects.

#### **Embracing Technology**

The construction industry is in the midst of a technological revolution that is not only enhancing productivity but also forging new career paths previously unseen in the sector. A 2022 report by McKinsey & Company highlighted that digital technologies could boost productivity by up to 15%, significantly reducing overall project costs. Tools like Building Information Modeling (BIM) are indispensable, enabling precise planning and realtime collaboration essential for modern construction management. Furthermore, the introduction of drones and robotics is transforming site inspections and surveying processes by providing accurate, real-time data which minimizes the need for manual inspections and boosts decisionmaking efficiency.

Moreover, Artificial Intelligence (AI) and Machine Learning are

reshaping project management through advanced data analysis, facilitating predictive planning and efficient risk management, potentially increasing project margins significantly. Collectively, these advancements are setting the stage for a transformed industry that not only accelerates project timelines but also offers robust career opportunities in emerging technological fields.

# Facilitating Networking and Engagement

Networking is a cornerstone of professional growth. A detailed analysis by McKinsey & Company in their 2022 report underscores that "professional networking and engagement are vital for accelerating career growth, opening doors to new learning opportunities, and facilitating meaningful collaborations." Encouraging employees to actively participate in industry associations, attend relevant conferences, and engage in networking events not only connects them with industry leaders but also immerses them in diverse methodologies and best practices. Such interactions can significantly broaden their professional outlook and enhance job satisfaction.

#### Refining Performance Management and Recognizing Excellence

Refining performance management and recognizing employee excellence are interlinked strategies that drive career growth and job satisfaction. Regular feedback and performance reviews are essential for aligning individual goals with organizational objectives, as highlighted by a 2023 study by the Society for Human Resource Management (SHRM). This process not only motivates employees but also identifies those who demonstrate outstanding performance. Recognizing and rewarding these achievements through formal programs and incentives such as bonuses or awards fosters a culture of excellence

and encourages employees to explore new career paths.

#### The Road Ahead

Looking forward, the construction industry stands at a pivotal crossroads. By embracing both traditional and innovative career pathways, integrating cutting-edge assessment tools, and fostering an inclusive environment that engages all levels of employees, companies are not just responding to immediate challenges but also shaping the future of construction leadership. These proactive strategies ensure that the industry not only survives but thrives, adapting to technological advances and evolving workforce dynamics with resilience and foresight. This comprehensive approach not only cultivates a more skilled and adaptable workforce but also cements your company's position as a forwardthinking leader in the industry, fully prepared to attract and retain top talent. Through these strategies, the construction industry is poised not merely to adapt but to thrive, equipped to face future challenges with a wellprepared, ambitious workforce.

#### About the Author

David Morton is a Director at Maxim Consulting Group. David works with construction related firms of all sizes to identify and solve complex business, financial, and operational challenges. With nearly 30 years of experience in the construction and manufacturing industries, his experience includes C-Level leadership, operations management, leadership development, contract negotiations, project execution, financial planning and entrepreneurial ventures. David is a nationally recognized speaker, business consultant and executive coach. David holds a Bachelor's Degree in Economics from UC San Diego and an MBA from the University of Michigan, Ross School of Business, He can be reached at david.morton@ maximconsulting.com.

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