



## **2022 AGC Convention Workshop** *Building and Retaining a Diverse Workforce*

During the 2022 AGC of America Annual Convention, attendees participated in a 90-minute working session on workforce issues. Participants in the Workforce Workshop shared details of the successes they have had in recruiting and retaining workers, particularly minority workers from urban, inner-city communities. We also asked attendees to help propose new strategies for recruiting and retaining a more diverse workforce.

The following report summarizes those success stories and identifies some of the new strategies the workshop participants crafted.

### **Recruitment**

#### Shorter-Term Strategies

1. **Offer current employees a recruiting bonus for referring new employees that are employed for 30-60-90 days.** Employee referrals are a powerful recruitment tool. Incenting existing employees with a bonus to refer new employees is a widespread practice. Some companies are using the recruitment bonus to engage the existing employee in retention of the new hire for the first 90 days, a critical period for new employees to be successful and decide to stay.
2. **Work in partnership with Joint Apprenticeship Committees, skilled trades, and labor unions to create transparency on the entrance to skilled trade careers.** It is no longer practical for entrance into the trades to be the ‘best kept secret’ reserved for those that have a neighbor or family member in the trades. Labor and management must work together to promote exploration into the trades and offer clear entrance pathways. Hold open houses at training centers and invite students, educators and parents in to learn about the application process, training and employment opportunities.
3. **Align pre-apprenticeship programs with formal apprenticeship programs.** Make sure that the learning and work experiences firms offer during pre-apprenticeship programs line up with the curriculum and work requirements of formal apprenticeship programs. That way new apprentices do not have to start from scratch after completing pre-apprenticeship programs.

4. **Work with Community Based Organizations to promote and offer recruitment events focused on specific demographics.** Firms should work with local community based organizations, like the Urban League, Boys & Girls Clubs and Latino Academies to organize recruiting events targeting local diverse ethnic groups. Partnering with these organizations allows firms that may not be well-known in local communities to have a local, known and trusted partner support their recruiting efforts.
5. **Develop formal partnerships to support recruitment, employment and advancement opportunities in the construction industry.** Firms should develop partnerships with local not-for-profits and workforce boards to assist with recruiting, employing and providing ongoing training for employees. Job centers, state labor or workforce agencies, and industry associations also provide tools, resources and opportunities to connect with and train employees.
6. **Utilize experienced employees nearing retirement or those on seasonal layoffs to serve as designated and trained mentors that are working with job seekers and new employees.** Having a trained mentor available to support new employees is critical during the first 90 days. Contractors should evaluate ways to utilize the experience and expertise of employees that may be nearing retirement or on temporary layoff to serve this vital role for new employees. Mentors should be trained and willing to serve in this role. When possible, match the demographic of the employee and mentor (gender, race, etc.)
7. **Leverage state and federal funding available for workforce to support recruitment and training efforts.** Federal workforce funds from the U.S. Department of Labor flow to each state through the Workforce Investment Boards. These funds are often targeted to specific demographics (out of school youth, ex-offenders, etc.) or targets (Apprenticeship Expansion grants). The funds are allocated at the local level to support employer recruitment and training. Meet with your local workforce board to learn about the grants they currently hold and how your company can qualify to leverage the resources.

### Longer-Term Strategies

8. **Start the K-12 recruitment process much earlier than high school.** By the time students reach high school, the window of opportunity to capture their interest in construction careers has likely passed. Creating and offering hands-on play-focused events for younger students, such as ‘Dozer Days’ are effective at nurturing the Tonka truck fascination with grades K-4. And establishing partnerships with youth organizations such as Boy & Girl Scouts and afterschool clubs can provide opportunities to offer meaningful career exploration for middle school-aged students.

9. **Provide internship and externship opportunities for teachers and school counselors.** Many educators do not understand the various pathways into construction careers, the variety of careers available in construction, the growth opportunity, or earning potential in the construction industry. They may hold outdated perceptions that construction careers are low-skill, low-tech and low-pay positions. Firms should consider offering internship and externship opportunities for teachers and school counselors to help them understand the complexity of the industry, immerse them in application that can be shared in the classroom (estimating skills in math class), and allow them to ‘see’ the faces of construction.
10. **Educate Parents on the Earning and Learning Potentials with Construction Careers Opportunities.** Firms should look for opportunities to educate parents and other caregivers about the significant earning potential within construction careers. They should also highlight the many pathways for construction craft workers to earn college degrees while advancing their careers. Also share stories of how former craft workers have advanced to own their own successful firms.
11. **Provide funds, tools/equipment and materials to support K-12 construction-related programs and activities.** School districts, particularly urban ones, struggle with budgetary constraints. As a result, many schools lack the modern tools and equipment needed to expose students to basic construction skills. Contractors can easily support their local programs by donating tools, equipment and surplus materials. When equipment or technology is not available or too costly to donate, contractors can provide opportunities outside of the school (in the contractor office or on a jobsite) for the students to use and/or experience the equipment.
12. **Help students understand complex topics through construction.** Many students struggle to understand abstract topics like math and science because they don’t understand their relevance. Contractors should offer to partner with educators to bring industry-related examples into the classroom so that students can better grasp how to apply math, science and other subjects in real world settings.
13. **Use recruiting volunteers that match the local student population.** When engaging in the classroom, pick representatives from the company that match the demographics of the student population to create the “I can see myself doing that” mindset.
14. **Support the development of formal construction programs with your school district.** As districts struggle with enrollment and budgetary constraints, career and technical education programs, or CTE for short, are often eliminated from the course offerings. There is also a shortage of CTE instructors that makes it challenging for districts to offer these courses. Construction firms should push for the development of construction-focused programs, either within school districts, or at facilities like local community colleges where school districts can send their students to learn and receive credit.

15. **Participate in school to work learning opportunities such as Youth Apprenticeship, formal internships and/or ACE Mentoring.** The ages of 16-18 are a critical time in a teenage life to explore industries that interest them, gain work experience and earn money. Work opportunities and internships allow the student to get a deeper understanding of the industry, evaluate which roles interest them, and engage with employers that will help them determine where they have interest and potential for employment after high school. Construction firms should take every opportunity to support, and participate in, those programs.

### Retention

1. **Offer benefits that are individualized and meet basic employee needs of childcare, housing and transportation.** The need for childcare and transportation prevents many individuals from successful employment in the construction trades. Some companies are offering onsite childcare or providing/subsidizing early morning or nighttime child-care to make working non-traditional shifts possible for working parents. Transportation accommodations that include organized ridesharing, reimbursement for parking and crew transports are common practices to assist with the availability and costs of transportation to jobsites. Workforce housing is becoming a frequent practice for remote jobsites where workforce is scarce, or housing is limited.
2. **Accommodate flexible work schedules for employees at all levels of the organization.** The COVID pandemic resulted in all industries embracing flexibility at a level never before tested. As a more normal work world returns, employees are demanding flexibility from employers. For skilled trades, this is not an easy task as the work does require that employees be onsite working. However, flexibility for the skilled trades can include four 10-hour days or the flexibility to arrive early/work late in order to attend a child's sporting event or medical appointment.
3. **Provide transparency on company financial performance and align with employee incentive compensation.** Clearly define how an employee can earn incentive pay, provide transparency in the financial performance and reward on a regular basis is recommended for field employees. Many companies offer bonus opportunities for field employees based on schedule milestones, change orders, safety achievement and/or profit gain. Critical to this practice is being clear on how awards are earned and transparency on the actual performance.
4. **Ensure workplace is safe, welcoming and appealing to all employees, regardless of race or gender.** An inclusive and welcoming workplace ensures that all employees, regardless of race, gender or sexual orientation feel safe – both physically and emotionally. Companies should ensure there are adequate facilities to accommodate all employees, regularly conduct training on inclusiveness, and have a zero tolerance for behaviors that discourage, threaten or create instability for employees. Firms can take

advantage of programs like AGC of America's Culture of Care to help create safer, more inclusive work environments.

5. **Develop a formal onboarding process for the first 90 days that includes an assigned mentor, rotation throughout the company and a regular check-in process.** The first 90 days are a critical time to ensure that an employee is integrated into the company. Ensure that on the first day, all team members are aware of the start date, necessary paperwork is ready and company-assigned equipment, technology, and tools are available. Designate an assigned mentor for the new employee that can answer questions, introduce the employee to team members and assist with orientation.
6. **Have well documented and accurate position descriptions that are aligned to a career path.** Transparency on what it takes to advance is critical. Employees need to understand what the requirements of the position are in order to ensure they are a good fit. It is common today that employees expect the opportunity to advance within a company, so prepare position descriptions that define not only the work activities of a position, but the experience, competencies and knowledge necessary for the position. This provides the information necessary to provide transparency on what it takes to succeed and advance in each position.
7. **Conduct exit interviews for all employees that leave and regularly assess if there are improvement opportunities that the company should consider in order to retain employees.** Regardless of how much effort your company puts into Total Rewards, onboarding, training and development, there are employees that will choose to leave. Companies should conduct exit interviews with all employees that leave the organization. The information received during the exit interviews should be compiled and reviewed on a regular basis to identify any trends that lead to employees leaving and new practices that can be put in place.

## **Summary**

There is no single solution to the significant workforce challenges in the construction industry. The suggestions listed above are designed to complement and expand on workforce development efforts that many firms and AGC chapters already have underway. What is clear, however, is that finding effective ways to recruit and retain workers, particularly from more diverse, urban markets, will be essential to the long-term success of the industry. More communities will seek to mandate local hire agreements as a condition of performing publicly funded and supported projects. As important, recruiting a more diverse workforce is a smart business practice, as documented by AGC of America, and key to overcoming current workforce shortages.