2021 Construction Outlook
National Survey Results

Total Responses: 1,329. Responses varied for some questions. Percentages are based on responses to each question and may not sum to 100 due to rounding.

1. Compared to 2020, do you expect the available dollar value of projects you compete for in 2021 to be (answer for all market areas in which your business operates): Responses: 1,320

<table>
<thead>
<tr>
<th>Market</th>
<th>Higher</th>
<th>Lower</th>
<th>Same</th>
<th>Net*</th>
<th>2020 Net</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other Healthcare (e.g., clinic, testing or screening facility, medical lab)</td>
<td>37%</td>
<td>26%</td>
<td>37%</td>
<td>11%</td>
<td>-</td>
</tr>
<tr>
<td>Warehouse</td>
<td>35%</td>
<td>31%</td>
<td>34%</td>
<td>4%</td>
<td>-</td>
</tr>
<tr>
<td>Water/Sewer</td>
<td>26%</td>
<td>25%</td>
<td>49%</td>
<td>1%</td>
<td>25%</td>
</tr>
<tr>
<td>Hospital</td>
<td>30%</td>
<td>33%</td>
<td>37%</td>
<td>-3%</td>
<td>20%</td>
</tr>
<tr>
<td>Multifamily Residential</td>
<td>28%</td>
<td>35%</td>
<td>37%</td>
<td>-8%</td>
<td>11%</td>
</tr>
<tr>
<td>Power</td>
<td>23%</td>
<td>31%</td>
<td>46%</td>
<td>-8%</td>
<td>17%</td>
</tr>
<tr>
<td>Federal (e.g., VA, GSA, USACE, NAVFAC)</td>
<td>22%</td>
<td>32%</td>
<td>45%</td>
<td>-10%</td>
<td>17%</td>
</tr>
<tr>
<td>Bridge/Highway</td>
<td>23%</td>
<td>34%</td>
<td>44%</td>
<td>-11%</td>
<td>20%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>24%</td>
<td>41%</td>
<td>35%</td>
<td>-17%</td>
<td>11%</td>
</tr>
<tr>
<td>Transportation (e.g., transit, rail, airport)</td>
<td>20%</td>
<td>39%</td>
<td>41%</td>
<td>-19%</td>
<td>20%</td>
</tr>
<tr>
<td>K-12 School</td>
<td>18%</td>
<td>46%</td>
<td>36%</td>
<td>-27%</td>
<td>20%</td>
</tr>
<tr>
<td>Public Building</td>
<td>13%</td>
<td>51%</td>
<td>36%</td>
<td>-38%</td>
<td>10%</td>
</tr>
<tr>
<td>Higher Education</td>
<td>13%</td>
<td>53%</td>
<td>34%</td>
<td>-40%</td>
<td>16%</td>
</tr>
<tr>
<td>Private Office</td>
<td>9%</td>
<td>67%</td>
<td>24%</td>
<td>-58%</td>
<td>8%</td>
</tr>
<tr>
<td>Lodging</td>
<td>9%</td>
<td>67%</td>
<td>24%</td>
<td>-58%</td>
<td>-</td>
</tr>
<tr>
<td>Retail</td>
<td>8%</td>
<td>71%</td>
<td>21%</td>
<td>-64%</td>
<td>-</td>
</tr>
</tbody>
</table>

*Net equals difference between number of “Higher” and “Lower” responses as percent of total.

2. What changes do you expect in your firm’s headcount in 2021? Responses: 1,324

- Increase: 35%
- Decrease: 24%
- No change: 41%

3. How would you describe your current situation in filling salaried and hourly craft positions?
   Responses: 1,312

- We are having a hard time filling some or all positions: 54%
- We are having no difficulty filling any positions: 18%
- We have no openings for positions: 29%
4. Do you expect any changes in the availability of hourly craft or salaried personnel over the coming 12 months? Responses: 1,300

- It will continue to be hard to hire: 28%
- It will become harder to hire: 21%
- No change: 33%
- It will become easier to hire: 15%
- It will continue to be easy to hire: 3%

5. Did your firm increase or decrease pay or benefits in 2020? (mark all that apply) Responses: 1,294

- Increased base pay rates by larger amounts in 2020 than in 199: 18%
- Increased base pay rates in 2020 but less than in 199: 12%
- Increased base pay rates by similar amounts in 2020 and 199: 33%
- Did not change base pay rates in 2020: 34%
- Reduced base pay rates in 2020: 3%
- Provided incentives/bonuses in 2020: 25%
- Provided incentives/bonuses in 2019 but not in 2020: 5%
- Increased firm's portion of benefit contributions and/or improved employee benefits in 2020: 12%
- Reduced or eliminated benefits or firm's contributions in 2020: 4%
6. What impact, if any, has the pandemic had on your projects? (mark all that apply) Responses: 1,288

- We have won new projects or add-ons to existing projects: 25%
- Projects have taken longer than we anticipated: 64%
- Projects have taken less time than we anticipated: 3%
- We have put longer completion times into our bids or contracts: 25%
- We have put shorter completion times into our bids or contracts: 1%
- Costs have been higher than we anticipated: 54%
- Costs have been lower than we anticipated: 3%
- We have put higher prices into our bids or contracts: 33%
- We have put lower prices into our bids or contracts: 13%
- No impact: 10%
- Other: 7%

7. Did an owner postpone or cancel any projects that were scheduled to start in 2020 or 2021? (mark all that apply) Responses: 1,265

- No projects have been postponed or canceled: 22%
- Postponed from 2020 to 2021: 59%
- Canceled in 2020; not rescheduled: 44%
- Scheduled to start in January-June 2021 but postponed: 18%
- Scheduled to start in January-June 2021 but canceled: 5%
- Scheduled to start in July 2021 or later but postponed: 6%
- Scheduled to start in July 2021 or later but canceled: 2%

8. When do you expect your firm’s volume of business will return to its normal level relative to one year earlier? Responses: 1,279

- Volume of business already matches or exceeds year-ago level: 33%
- 1-6 months: 12%
- More than 6 months (or never): 35%
- Don’t know: 20%
9. What are your biggest concerns for 2021? (mark all that apply) Responses: 1,277

- Continuing impact of pandemic on projects, workers, or supply chain: 84%
- Material costs: 58%
- Increased competition for projects: 55%
- Not enough private sector work: 44%
- Worker shortages: 43%
- Worker quality: 40%
- Rising direct labor costs (pay, benefits, employer taxes): 40%
- Federal regulations: 36%
- Inadequate funding for infrastructure: 35%
- Inadequate legal protection against unwarranted coronavirus-related claims from worksites: 33%
- State and local regulations: 33%
- Inadequate funding for public building projects: 32%
- Other costs (e.g., trucking, insurance, services): 31%
- Subcontractor availability or quality: 28%
- Safety: 25%
- Inadequate construction career education and training: 21%
- Relations with owners, subs and/or vendors: 16%
- Impact of immigration policy on labor supply: 9%
- Other: 2%
10. What challenges, if any, do you see regarding the safety and health of your firm’s workers (mark all that apply)? Responses: 1,185

- Inexperienced skilled labor/workforce shortage: 59%
- Steps needed to minimize risks from coronavirus: 48%
- Safety hazards created by third parties (e.g., nonemployees potentially spreading coronavirus on jobsite): 43%
- Poor subcontractor safety and health performance: 23%
- Lack of cooperation from government agencies or regulators: 23%
- Low quality of available safety and health training: 5%
- Other: 3%

11. Compared to 2020, will your firm’s 2021 investment in the following technologies change? (mark all that apply) Responses: 1,212

<table>
<thead>
<tr>
<th>Technology</th>
<th>Increase</th>
<th>Decrease</th>
<th>No change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Document management software</td>
<td>26%</td>
<td>3%</td>
<td>71%</td>
</tr>
<tr>
<td>Project management software</td>
<td>25%</td>
<td>3%</td>
<td>72%</td>
</tr>
<tr>
<td>Accounting software</td>
<td>20%</td>
<td>4%</td>
<td>76%</td>
</tr>
<tr>
<td>Estimating software</td>
<td>19%</td>
<td>3%</td>
<td>78%</td>
</tr>
<tr>
<td>Human resources (HR) software</td>
<td>18%</td>
<td>4%</td>
<td>78%</td>
</tr>
<tr>
<td>Tool/asset management/tracking</td>
<td>18%</td>
<td>3%</td>
<td>79%</td>
</tr>
<tr>
<td>Building Information Modeling (BIM)</td>
<td>17%</td>
<td>4%</td>
<td>79%</td>
</tr>
<tr>
<td>Project collaboration software</td>
<td>17%</td>
<td>4%</td>
<td>79%</td>
</tr>
<tr>
<td>Client relationship management (CRM) software</td>
<td>16%</td>
<td>4%</td>
<td>79%</td>
</tr>
<tr>
<td>Scheduling software</td>
<td>15%</td>
<td>3%</td>
<td>82%</td>
</tr>
<tr>
<td>Fleet tracking/management software</td>
<td>15%</td>
<td>4%</td>
<td>81%</td>
</tr>
<tr>
<td>Payroll software</td>
<td>13%</td>
<td>3%</td>
<td>84%</td>
</tr>
<tr>
<td>Prequalification software</td>
<td>8%</td>
<td>3%</td>
<td>89%</td>
</tr>
<tr>
<td>Service management software</td>
<td>8%</td>
<td>4%</td>
<td>89%</td>
</tr>
</tbody>
</table>
12. How does your company plan to use mobile software technology? (Mark all that apply) Responses: 1,196

<table>
<thead>
<tr>
<th>Activity</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Daily field reports</td>
<td>68%</td>
</tr>
<tr>
<td>Employee time tracking and approval</td>
<td>56%</td>
</tr>
<tr>
<td>Access to customer and job information from the field</td>
<td>56%</td>
</tr>
<tr>
<td>Sharing of drawings, photos and documents</td>
<td>56%</td>
</tr>
<tr>
<td>Access to job cost and project reports from the field</td>
<td>47%</td>
</tr>
<tr>
<td>Punch lists</td>
<td>41%</td>
</tr>
<tr>
<td>RFI/Issue tracking</td>
<td>40%</td>
</tr>
<tr>
<td>Submittals and commitments</td>
<td>37%</td>
</tr>
<tr>
<td>Equipment tracking</td>
<td>37%</td>
</tr>
<tr>
<td>Scheduling</td>
<td>36%</td>
</tr>
<tr>
<td>GPS tracking (e.g. fleet tracking)</td>
<td>29%</td>
</tr>
<tr>
<td>Change management</td>
<td>27%</td>
</tr>
<tr>
<td>Reports to owners, regulatory compliance reports</td>
<td>27%</td>
</tr>
<tr>
<td>Building Information Modeling (BIM)</td>
<td>22%</td>
</tr>
<tr>
<td>Estimating</td>
<td>18%</td>
</tr>
<tr>
<td>Material acceptance at the job site</td>
<td>16%</td>
</tr>
<tr>
<td>Inventory tracking</td>
<td>15%</td>
</tr>
<tr>
<td>Processing service work orders in the field</td>
<td>14%</td>
</tr>
<tr>
<td>No plan to use mobile technology software</td>
<td>10%</td>
</tr>
<tr>
<td>Processing payments in the field</td>
<td>7%</td>
</tr>
<tr>
<td>Don’t know</td>
<td>5%</td>
</tr>
<tr>
<td>Other</td>
<td>1%</td>
</tr>
</tbody>
</table>
13. Does your firm currently have a formal IT plan to support your business objectives? Responses: 1,228

Yes: 62%
No: 28%
Not yet, but plan to in 2021: 7%
Don't know: 4%

14. What are your biggest IT challenges (mark all that apply)? Responses: 1,201

- Time needed to implement and train on new technology: 44%
- Employee resistance to technology: 41%
- Communication between field and office: 37%
- Connectivity to remote job sites: 35%
- Keeping company data secure from hackers: 33%
- Integration between software used inside our company: 28%
- Keeping software current: 24%
- Integration with software used by project partners outside our company: 21%
- Keeping hardware current: 19%
- Outdated company software and systems: 14%
- Management resistance to technology: 10%
- None: 8%
- Don't know: 5%
- Other: 2%
15. Does your firm use cloud-hosted technology in any of the following ways (mark all that apply)?
   Responses: 1,167

- Accounting: 38%
- Field operations: 42%
- Project management: 53%
- Time tracking: 36%
- Tool management: 13%
- We do not use the cloud: 26%
- Other: 5%


- Architect/engineer/designer: 2%
- General contractor/construction manager: 54%
- Owner/developer: 0%
- Specialty or sub-contractor: 35%
- Supplier/service provider: 5%
- Other: 3%

17. When you self-perform construction work, do you operate as a union contractor or an open-shop contractor? Responses: 1,200

- We always operate as a union contractor: 28%
- We primarily operate as a union contractor but not always: 8%
- We primarily operate as an open-shop contractor but not always: 6%
- We always operate as an open-shop contractor: 50%
- We do not self-perform or directly hire craft personnel: 8%
18. Estimate the total dollar amount of work your firm performed in 2020. Responses: 1,208

- $50 million or under: 63%
- $50.1 million - $500 million: 30%
- Over $500 million: 7%

19. How many total employees does your firm employ at all of its locations? Responses: 1,208

- 1-19: 16%
- 20-99: 42%
- 100-499: 30%
- 500 or more: 12%