AGC of America
THE ASSOCIATED GENERAL CONTRACTORS OF AMERICA
Quality People. Quality Projects.

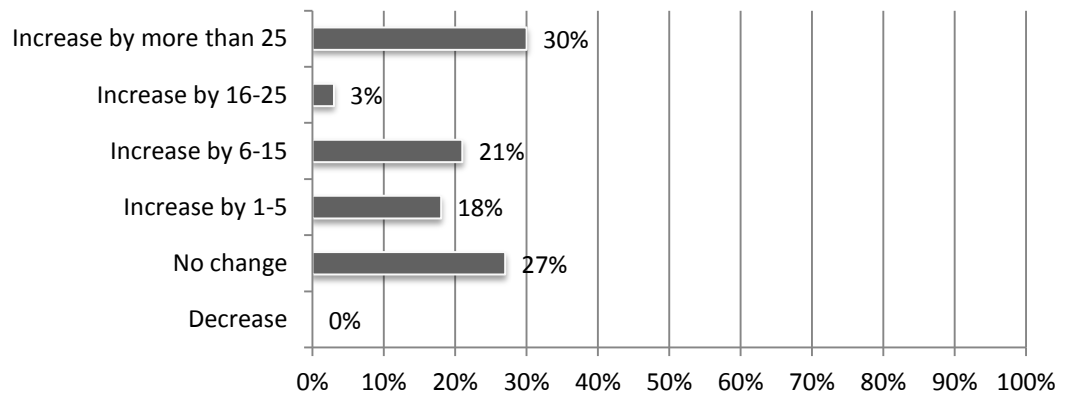# 2017 Construction Outlook Survey Results
Colorado Results

Total Responses: 46. Responses varied for some questions. Percentages are based on responses to each question and may not sum to 100 due to rounding.

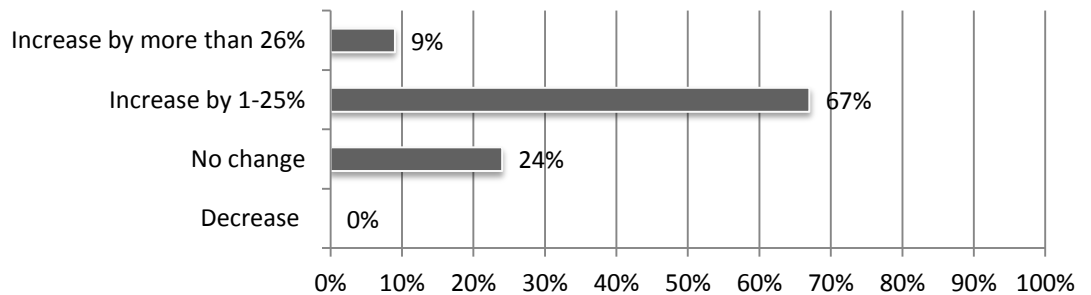**1. Compared to 2016, do you expect the available dollar volume of projects you compete for in 2017 to be:**

Market	Higher	Lower	Same	Net*
All projects	69%	0%	31%	69%
Private Office	47%	7%	47%	40%
Retail, Warehouse, Lodging	47%	7%	47%	40%
Hospital	44%	11%	44%	33%
Manufacturing	33%	4%	63%	29%
Federal (e.g., VA, GSA, USACE, NAVFAC)	29%	4%	67%	25%
K-12 School	38%	15%	46%	23%
Multifamily Residential	30%	15%	56%	15%
Water/Sewer	23%	15%	62%	8%
Higher Education	23%	15%	62%	8%
Public Building	21%	14%	64%	7%
Highway	23%	18%	67%	5%
Other Transportation (e.g., transit, rail, airport)	12%	12%	76%	0%
Power	14%	14%	71%	0%

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

2. What numerical change do you expect in your headcount in 2017?

Increase by more than 25	30%
Increase by 16-25	3%
Increase by 6-15	21%
Increase by 1-5	18%
No change	27%
Decrease	0%

3. What percentage change do you expect in your headcount in 2017?

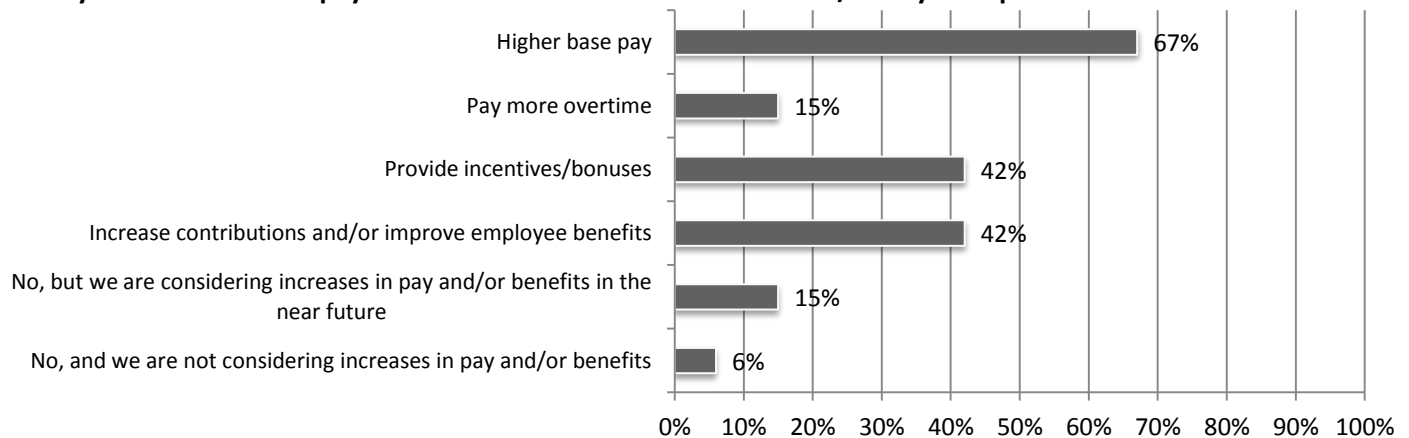|	
Increase by more than 26%	9%
Increase by 1-25%	67%
No change	24%
Decrease	0%

4. How would you describe your current conditions for filling key salaried positions (project manager/supervisor, estimator, etc.) and hourly craft positions (carpenter, laborer, equipment operator, etc.)?
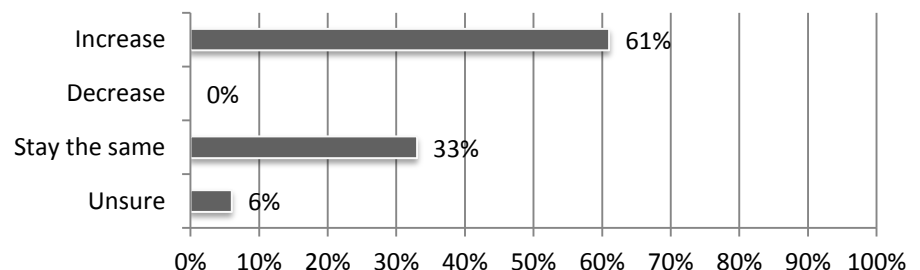
Response	Percentage
I am having a hard time filling both salaried and craft worker positions	52%
I am having a hard time filling some salaried positions, but no trouble filling craft worker positions	3%
I am having a hard time filling some craft worker positions, but no trouble filling salaried positions	24%
I am having no trouble filling any positions	6%
I am not doing any hiring	15%

5. Do you expect any changes in the availability of salaried/hourly craft construction professionals over the coming 12 months?

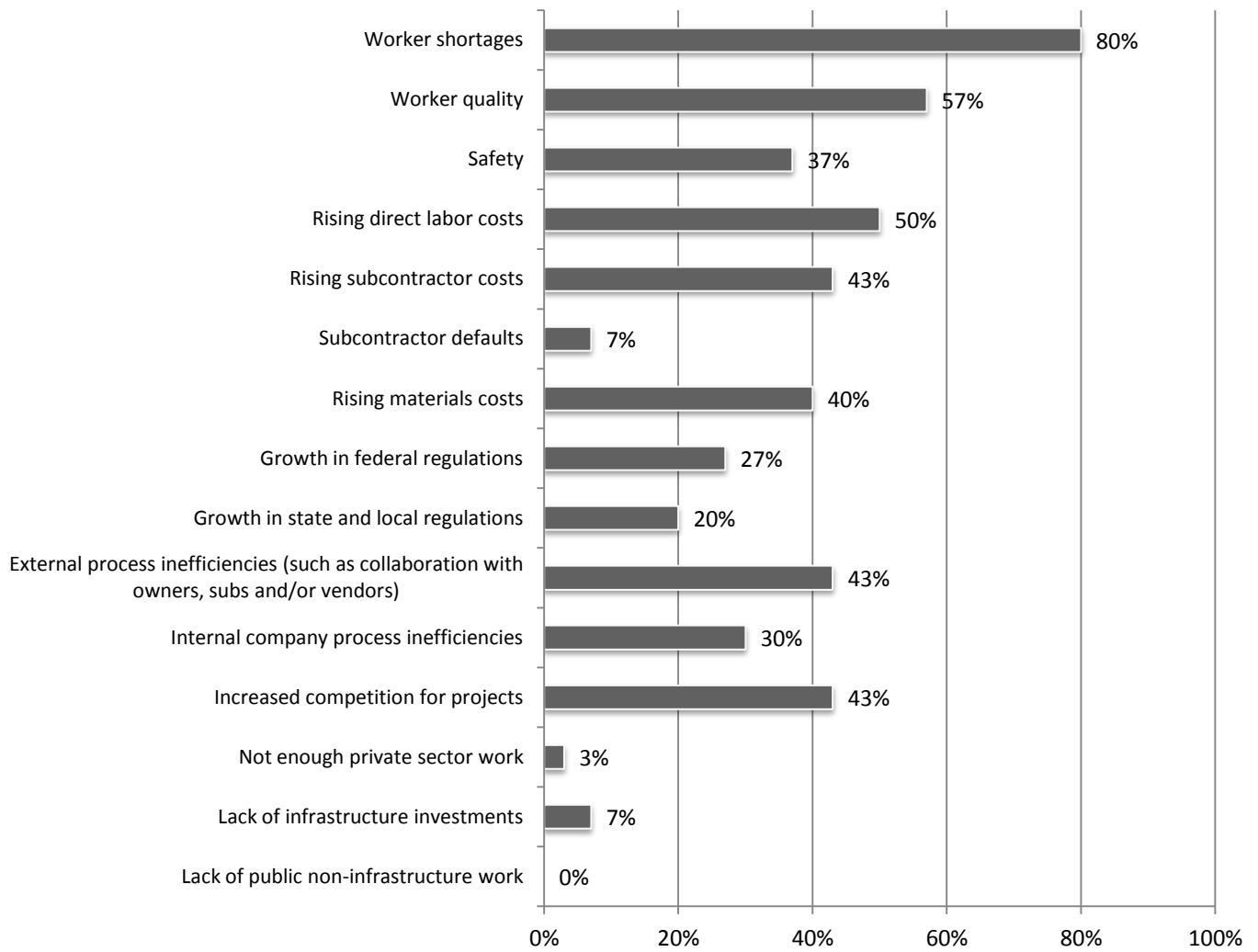| Response	Percentage
It will continue to be easy to find and hire qualified construction professionals	0%
It will become easier to find and hire qualified construction professionals	0%
It will become harder to find and hire qualified construction professionals	15%
It will continue to be hard to find qualified construction professionals	64%
Unsure	21%
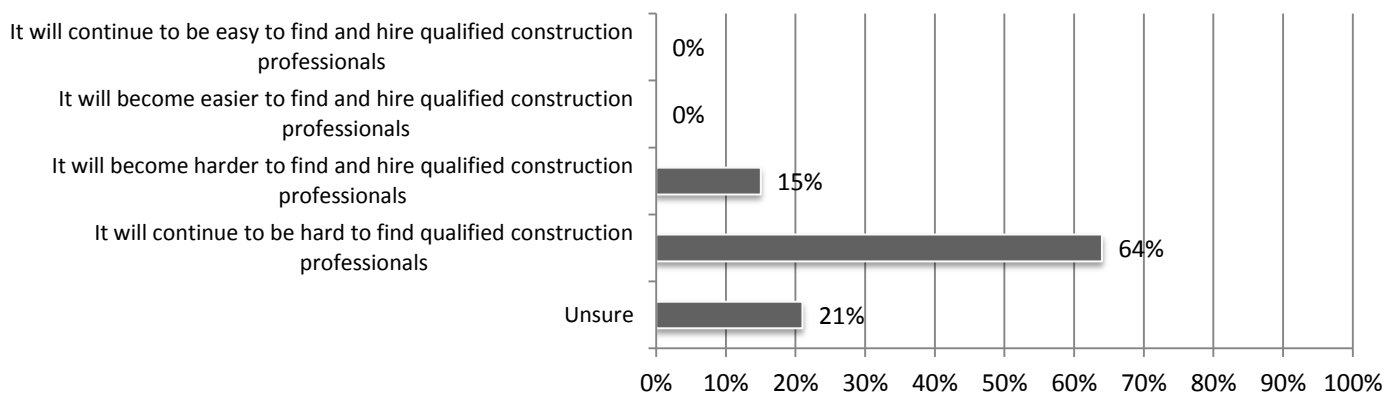
6. Has your firm increased pay or benefits to retain or recruit salaried/hourly craft professionals?

Response	Percentage
Higher base pay	67%
Pay more overtime	15%
Provide incentives/bonuses	42%
Increase contributions and/or improve employee benefits	42%
No, but we are considering increases in pay and/or benefits in the near future	15%
No, and we are not considering increases in pay and/or benefits	6%

7. Compared to 2016, how will your 2017 investment in training and development change?

Response	Percentage
Increase	61%
Decrease	0%
Stay the same	33%
Unsure	6%

8. Which of the following issues are the biggest concerns to you and your business?

Issue	Percentage
Worker shortages	80%
Worker quality	57%
Safety	37%
Rising direct labor costs	50%
Rising subcontractor costs	43%
Subcontractor defaults	7%
Rising materials costs	40%
Growth in federal regulations	27%
Growth in state and local regulations	20%
External process inefficiencies (such as collaboration with owners, subs and/or vendors)	43%
Internal company process inefficiencies	30%
Increased competition for projects	43%
Not enough private sector work	3%
Lack of infrastructure investments	7%
Lack of public non-infrastructure work	0%

9. What challenges, if any, do you see regarding the safety and health of your workers?

Challenge	Major	Minor	No challenge
Inexperienced skilled labor/workforce shortage	55%	34%	10%
Lack of cooperation from federal agencies or regulators	17%	42%	42%
Low quality of available safety and health training	5%	42%	54%
Poor subcontractor safety and health performance	12%	46%	42%

— Major   ▪ Minor   · No challenge
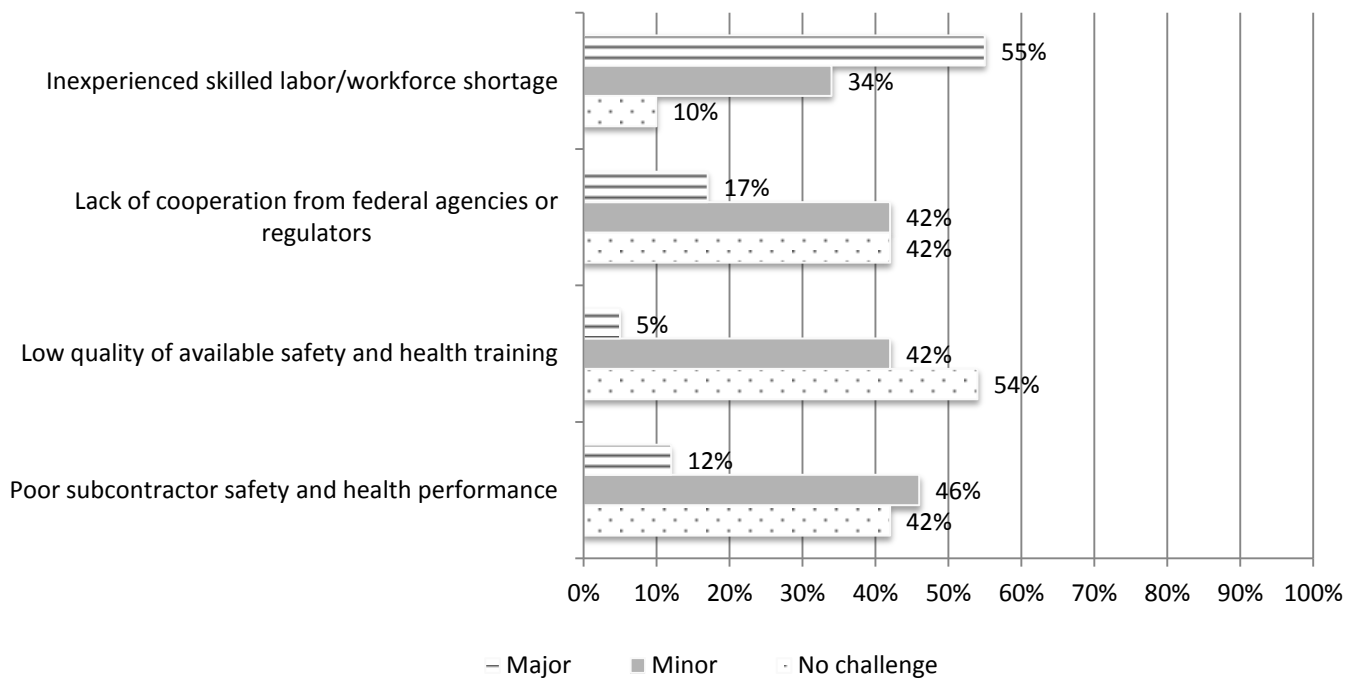
10. How would you describe credit or lending conditions for your company?

Response	Percentage
My firm has had a harder time getting bank loans than a year ago	0%
My firm has had an easier time getting bank loans than a year ago	3%
Bank credit has not been an issue for my firm, but has caused my customers' projects to be delayed or canceled	45%
Easier bank credit has enabled customers to move ahead with previously delayed projects	3%
There has been no change in bank lending with regard to my firm or customers	48%

11. Did the cost of providing health care insurance for your employees increase or decrease in 2016?

| Response	Percentage
Increased	90%
Decreased	0%
Stayed the same	7%
We did not provide health care insurance in 2016	3%

12. Do you expect the cost of providing health care insurance for your employees to increase or decrease in 2017?

| Response	Percentage
Increase	93%
Decrease	3%
Stay the same	3%
We did not provide health insurance in 2016 and do not plan to do so in 2017	0%
We did not provide health insurance in 2016, but plan to do so in 2017	0%
We provided health insurance in 2016, but do not plan to do so in 2017	0%
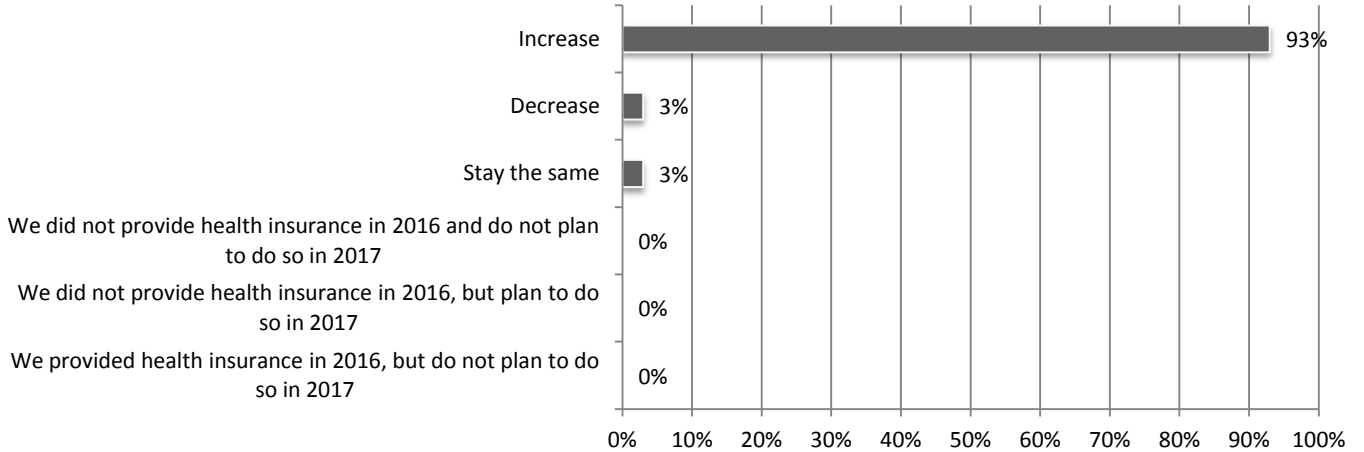
13. Do you expect the amount of projects involving Building Information Modeling (BIM) will increase, decrease or stay the same for you in 2017?
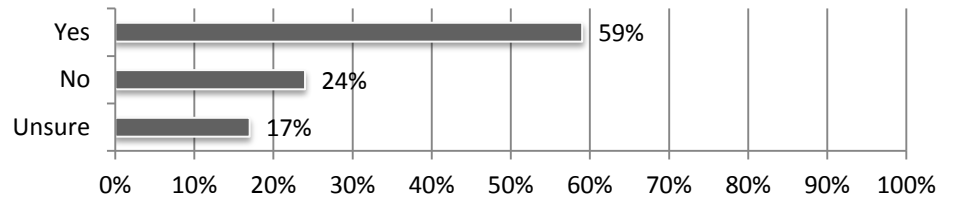
Response	Percentage
Increase more than 26%	3%
Increase 11-25%	27%
Increase 10% or less	10%
Stay the same	27%
Decrease	0%
We do not expect to use BIM on any projects in 2017	10%
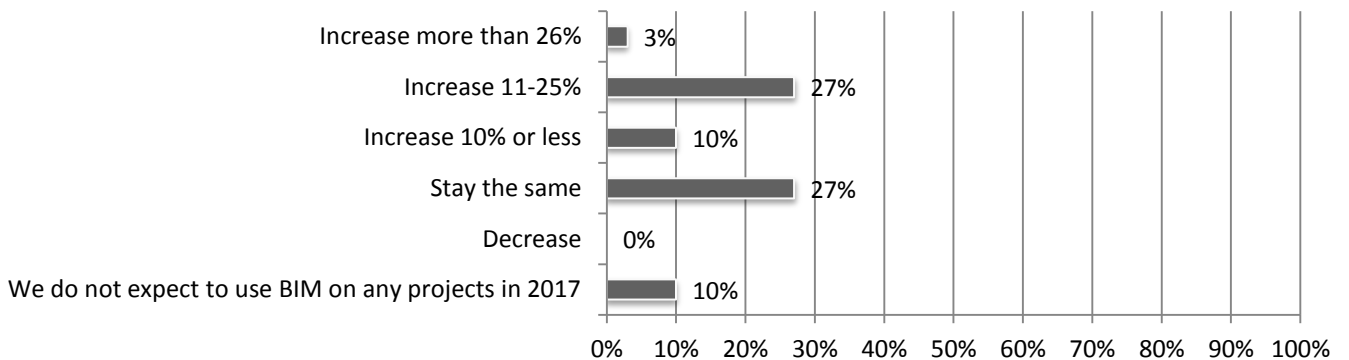
14. Do you believe that your firm utilizes lean construction principles on its projects and/or in its operation?

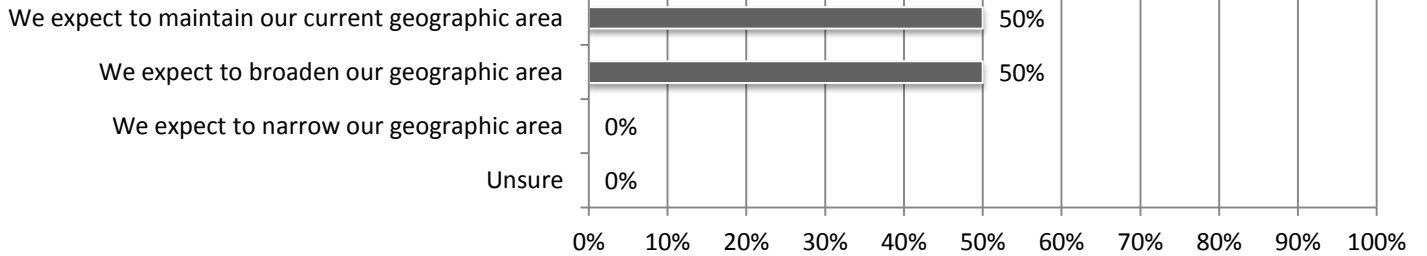| Response	Percentage
Yes	70%
No	17%
Unsure	13%
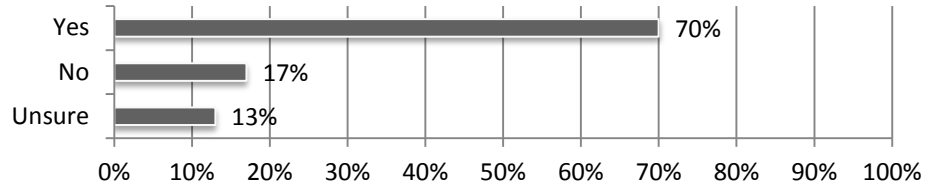
15. Do you expect your firm will work on a project using modular construction and/or off-site construction/prefabrication in 2017?
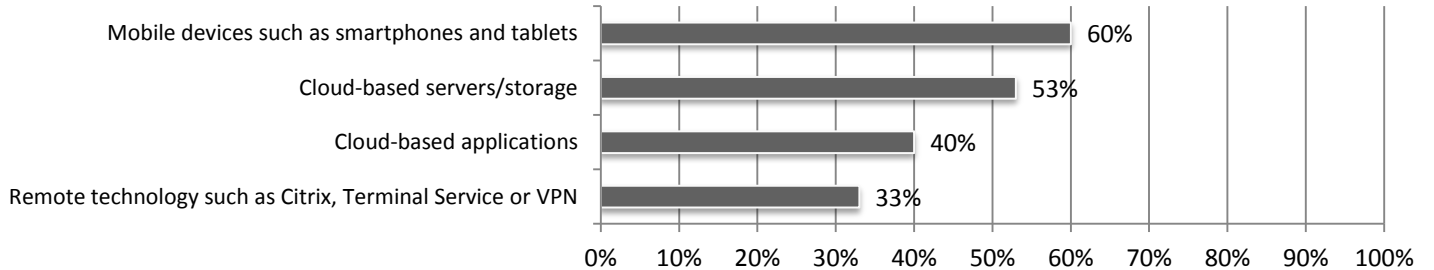
Response	Percentage
Yes	33%
No	40%
Unsure	27%
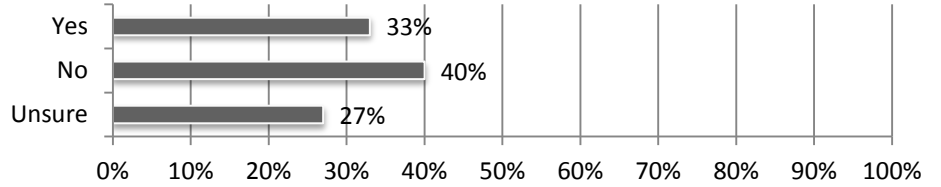
16. Does your company plan to purchase or lease new fleet vehicles this year?

Response	Percentage
Yes	59%
No	24%
Unsure	17%

17. How do you expect your geographic market area will change in 2017?

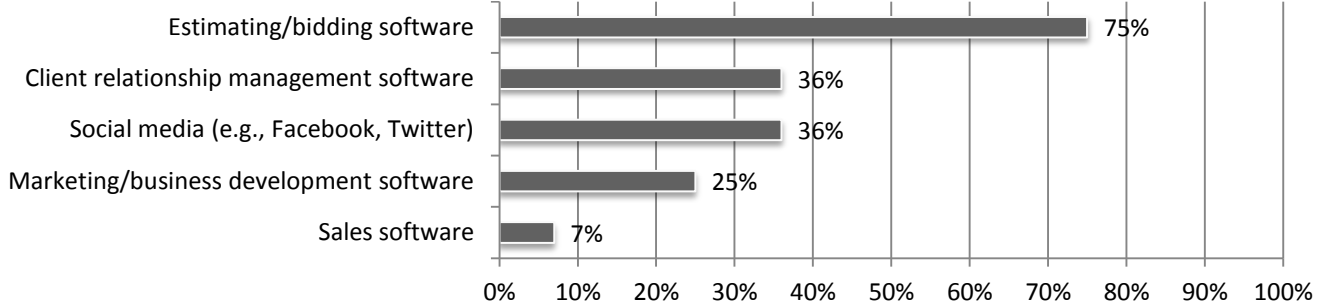| Response	Percentage
We expect to maintain our current geographic area	50%
We expect to broaden our geographic area	50%
We expect to narrow our geographic area	0%
Unsure	0%

18. What technology do you use or will you implement to see or manage projects outside your traditional market area?

Response	Percentage
Mobile devices such as smartphones and tablets	60%
Cloud-based servers/storage	53%
Cloud-based applications	40%
Remote technology such as Citrix, Terminal Service or VPN	33%

19. Do you use any of the following to collaborate with project partners?

Response	Percentage
Email	93%
File sharing sites such as Dropbox	79%
Building Information Modeling	50%
Online project collaboration software	50%
Home-grown project website	18%
None or do not collaborate	7%
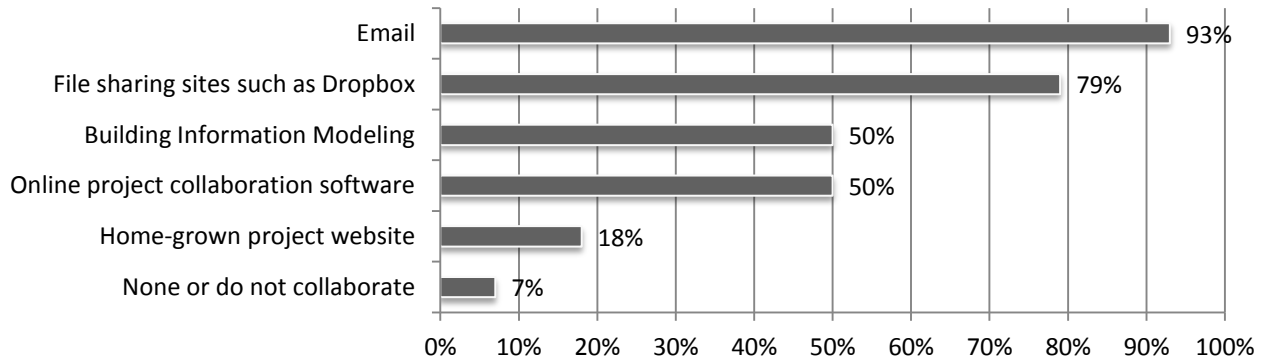
20. What information technology (IT), if any, do you use to obtain work?

Category	Percentage
Estimating/bidding software	75%
Client relationship management software	36%
Social media (e.g., Facebook, Twitter)	36%
Marketing/business development software	25%
Sales software	7%

21. What is the size of your in-house IT staff?

Category	Percentage
1 person	21%
2-5 people	29%
6-10 people	4%
More than 11 people	0%
No in-house staff	43%
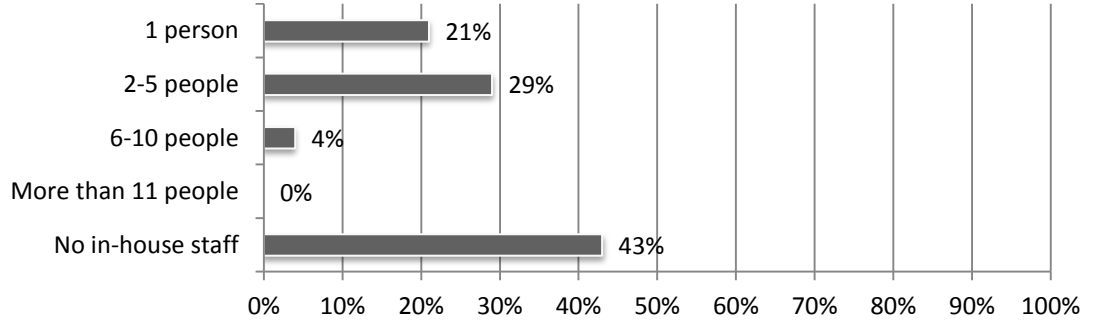
22. Do you use an outsourced service for IT?

Category	Percentage
Yes	57%
No	39%
No, but plan to do so in 2017	4%
Unsure	0%
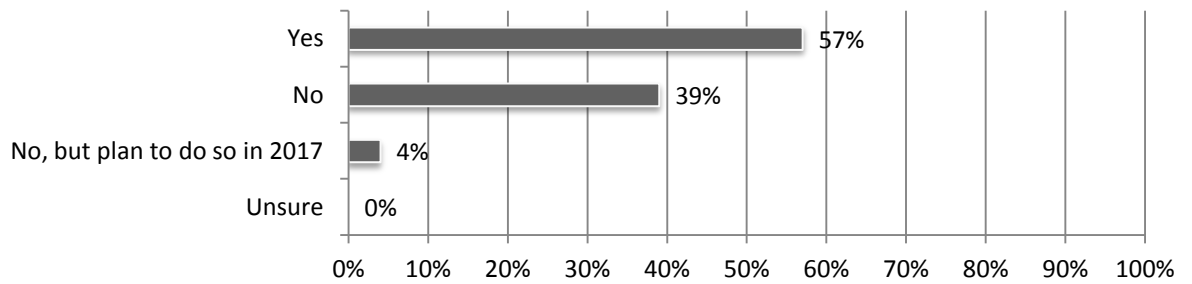
23. Approximately what percent of your gross annual revenue do you spend on IT?

Category	Percentage
Less than 1%	46%
1 to 1.9%	11%
2 to 2.9%	4%
3% or more	22%
Unsure	18%
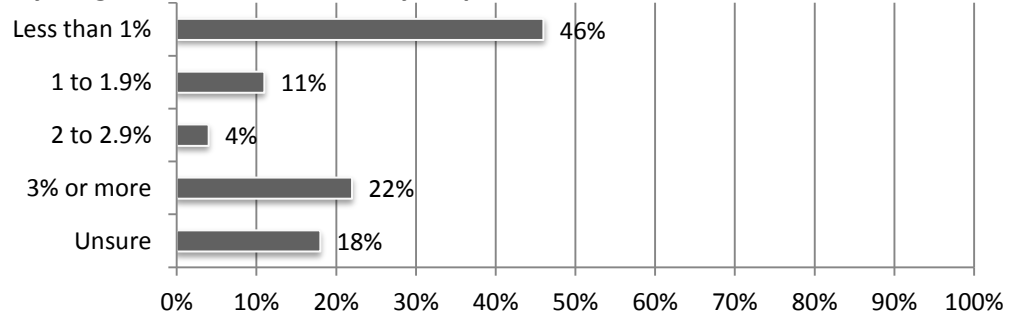
24. Compared to 2016, how will your 2017 investment in IT change?

Category	Percentage
Increase	61%
Decrease	0%
Stay the same	21%
Unsure	18%
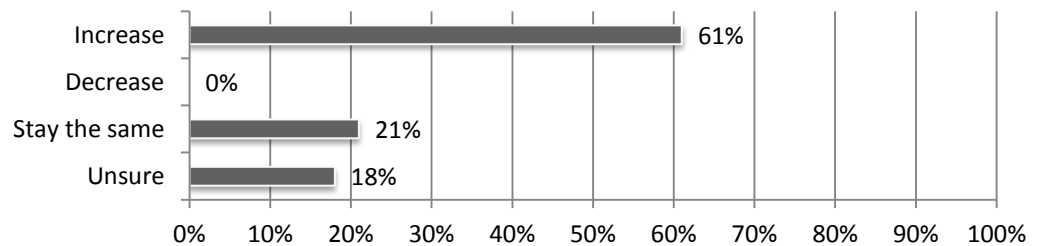
25. What software technology do you plan to invest in during 2017?

Software	Percentage
Accounting software	46%
Estimating software	43%
Document management software	32%
Project management software	32%
Client relationship management software	29%
Human resources software	25%
Fleet tracking/management software	18%
Project collaboration software	18%
Scheduling software	18%
Building Information Modeling	14%
Outsource payroll	7%
Prequalification software	7%
Subcontractor bid management/ITB software	7%
Service management software	4%
None	4%

26. How does your company plan to use mobile software technology?

Use	Percentage
Access to customer and job information from the field	64%
Sharing of drawings, photos, and documents	64%
Daily field reports	61%
Scheduling	54%
Access to job cost and project reports from the field	50%
Punch lists	50%
Equipment tracking	32%
Time capture and approval	32%
GPS tracking (e.g., fleet tracking)	29%
Building Information Modeling	25%
Processing service work orders in the field	14%
Inventory tracking	11%
Material acceptance at the job site	11%
Processing payments in the field	4%

27. How do you handle the use of mobile devices (e.g., tablets, smartphones) in your company?

Company supplies mobile devices to staff; no staff-supplied devices	50%
Employees use their own mobile devices; no company-supplied devices	4%
We do a combination of both	46%
Unsure	0%
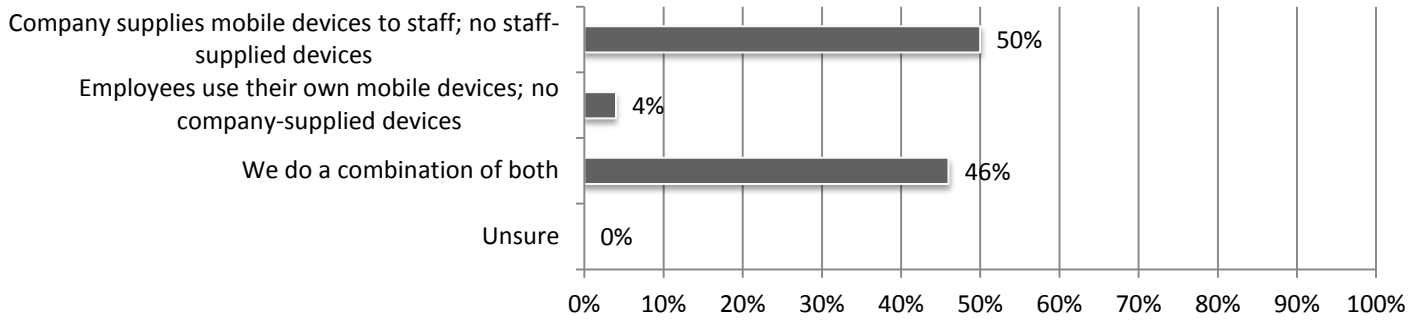
28. Do you currently have a mobile security policy in place?

Yes	61%
No	32%
Unsure	7%
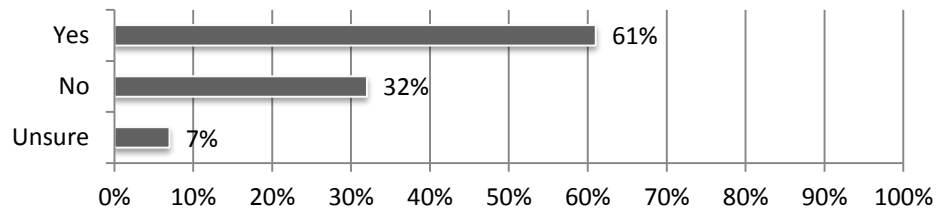
29. Do you currently have an overall IT security plan in place to protect against hacking?

Yes	79%
No	11%
Unsure	11%
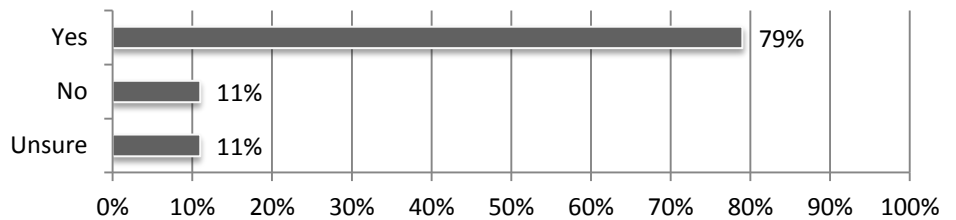
30. Do you have a formal IT plan that supports your business objectives?

Yes	50%
No	18%
No, but plan to do so in 2017	14%
Unsure	18%
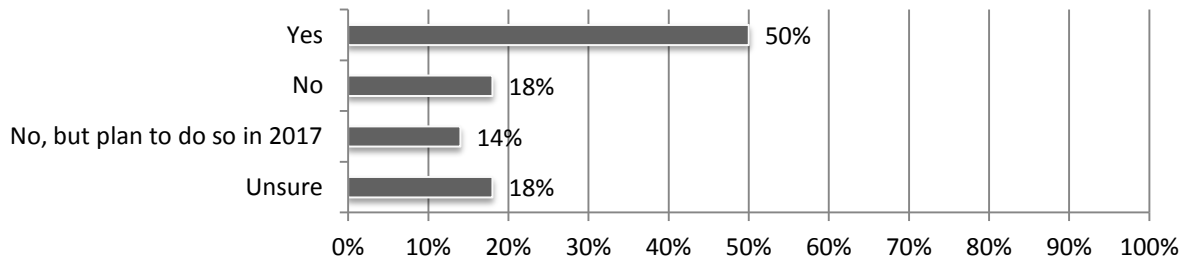
31. What is the main reason you use or plan to adopt cloud-based software?

Ability to access information anytime and from anywhere	64%
We do not use or plan to adopt cloud-based software	18%
Built-in security	4%
Faster implementation	4%
Redundancy and disaster recovery	4%
Reduced IT cost	0%
Other/unsure	7%
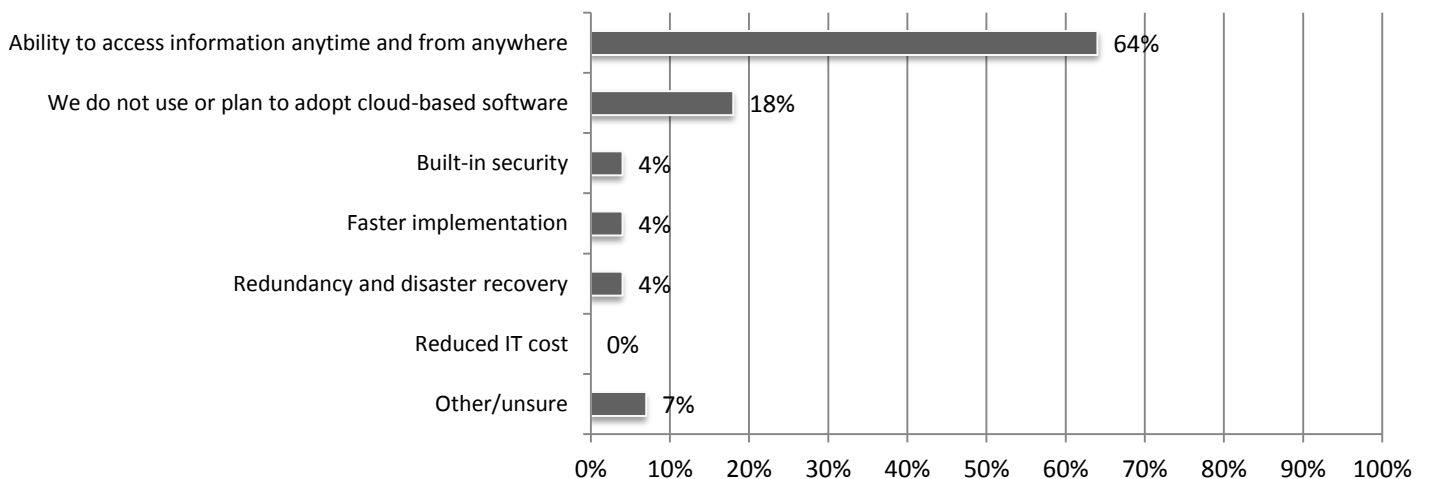
32. What are your biggest IT challenges?

Challenge	Percentage
Integration between software used inside of our company	54%
Time to implement and train on new technology	54%
Connectivity to remote job sites	50%
Employee resistance to technology	39%
Communication between field and office	36%
Keeping company data secure from hackers	36%
Outdated company software and systems	25%
Integration with software used by business partners outside our company	18%
Management resistance to technology	7%
None	4%

33. Estimate the total dollar amount of work your firm performed in 2016.

Amount	Percentage
$10 million or less	43%
$10.1 million-$30 million	6%
$30.1 million-$50 million	14%
$50.1 million-$100 million	17%
$100.1 million-$500 million	17%
Over $500 million	3%
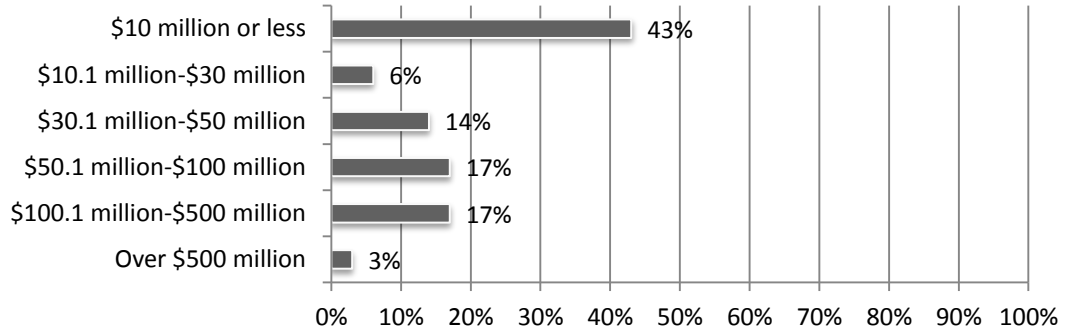
34. How many total employees does your organization employ at all of its locations?

Employees	Percentage
1-49	34%
50-249	34%
250-499	23%
500-999	0%
1,000 or more	9%
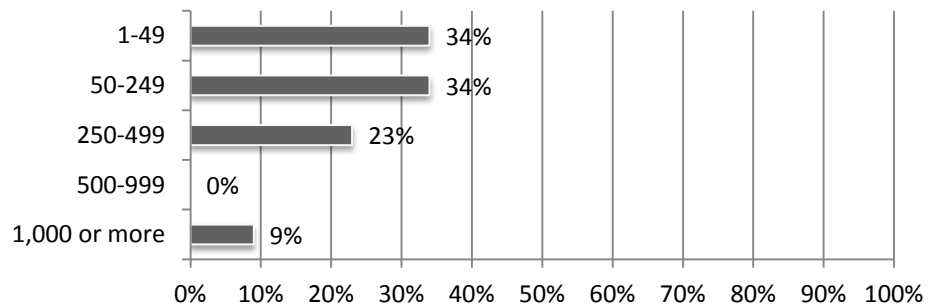
35. Do you employ union workers, or is your firm primarily open shop?

Response	Percentage
We employ union workers for all of our projects	6%
We employ union workers for most of our projects	3%
We are primarily an open shop contractor, but occasionally employ union workers	15%
We are exclusively open shop	76%