2018 Construction Outlook Survey Results
Kansas Results

Total Responses: 19. Responses varied for some questions. Percentages are based on responses to each question and may not sum to 100 due to rounding.

1. What best describes your firm:

- General contractor/construction manager: 42%
- Specialty or subcontractor: 42%
- Supplier/service provider: 11%
- Architect/engineer/designer: 0%
- Owner/developer: 0%
- Other: 5%

2. Does your firm employ union workers, or is your firm primarily open shop?

- We employ union workers for all of our projects: 0%
- We employ union workers for most of our projects: 16%
- We are primarily an open shop contractor, but occasionally employ union workers: 16%
- We are exclusively open shop: 68%

3. Estimate the total dollar amount of work your firm performed in 2017.

- $10 million or less: 32%
- $10.1 million-$50 million: 26%
- $50.1 million-$100 million: 21%
- $100.1 million-$500 million: 11%
- Over $500 million: 11%

4. How many total employees does your firm employ at all of its locations?

- 1-19: 5%
- 20-99: 47%
- 100-499: 37%
- 500 or more: 11%
5. Compared to 2017, do you expect the available dollar volume of projects you compete for in 2018 to be:

<table>
<thead>
<tr>
<th>Market</th>
<th>Higher</th>
<th>Lower</th>
<th>Same</th>
<th>Net*</th>
</tr>
</thead>
<tbody>
<tr>
<td>All projects</td>
<td>80%</td>
<td>0%</td>
<td>20%</td>
<td>80%</td>
</tr>
<tr>
<td>Private Office</td>
<td>65%</td>
<td>0%</td>
<td>35%</td>
<td>65%</td>
</tr>
<tr>
<td>Retail, Warehouse, Lodging</td>
<td>60%</td>
<td>0%</td>
<td>40%</td>
<td>60%</td>
</tr>
<tr>
<td>Hospital</td>
<td>59%</td>
<td>6%</td>
<td>35%</td>
<td>53%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>44%</td>
<td>6%</td>
<td>50%</td>
<td>38%</td>
</tr>
<tr>
<td>Power</td>
<td>36%</td>
<td>9%</td>
<td>55%</td>
<td>27%</td>
</tr>
<tr>
<td>K-12 School</td>
<td>50%</td>
<td>25%</td>
<td>25%</td>
<td>50%</td>
</tr>
<tr>
<td>Transportation (e.g., transit, rail, airport)</td>
<td>33%</td>
<td>8%</td>
<td>58%</td>
<td>25%</td>
</tr>
<tr>
<td>Multifamily Residential</td>
<td>36%</td>
<td>14%</td>
<td>50%</td>
<td>21%</td>
</tr>
<tr>
<td>Public Building</td>
<td>31%</td>
<td>13%</td>
<td>56%</td>
<td>19%</td>
</tr>
<tr>
<td>Federal (e.g., VA, GSA, USACE, NAVFAC)</td>
<td>20%</td>
<td>7%</td>
<td>73%</td>
<td>13%</td>
</tr>
<tr>
<td>Water/Sewer</td>
<td>25%</td>
<td>17%</td>
<td>58%</td>
<td>8%</td>
</tr>
<tr>
<td>Higher Education</td>
<td>13%</td>
<td>25%</td>
<td>63%</td>
<td>-13%</td>
</tr>
<tr>
<td>Highway</td>
<td>8%</td>
<td>25%</td>
<td>67%</td>
<td>-17%</td>
</tr>
</tbody>
</table>

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

6. What numerical change do you expect in your headcount in 2018?

- More than 25: 11%
- 11-25: 33%
- 1-10: 56%
- No change: 0%
- Decrease: 0%

7. What percentage change do you expect in your headcount in 2018?

- More than 25: 0%
- 11-25: 33%
- 1-10: 67%
- No change: 0%
- Decrease: 0%

8. How would you describe your firm’s current conditions for filling key salaried positions (project manager/supervisor, estimator, etc.) and hourly craft positions (carpenter, laborer, equipment operator, etc.)? My firm is:

- having a hard time filling both salaried and craft worker positions: 56%
- having a hard time filling some salaried positions, but no trouble filling craft worker positions: 0%
- having a hard time filling some craft worker positions, but no trouble filling salaried positions: 22%
- having no trouble filling any positions: 11%
- not doing any hiring: 0%
9. Do you expect any changes in the availability of salaried/hourly craft construction professionals over the coming 12 months? Finding and hiring qualified construction professionals will:

- continue to be easy: 11%
- become easier: 0%
- become harder: 22%
- continue to be hard: 56%
- unsure: 11%

10. Did your firm increase pay or benefits in 2017 to retain or recruit salaried/hourly craft professionals?

- Increased base pay: 72%
- Paid more overtime: 17%
- Provided incentives/bonuses: 33%
- Increased contributions and/or improve employee benefits: 33%
- No, but we are considering increases in pay and/or benefits in the near future: 6%
- No, and we are not considering increases in pay and/or benefits: 6%
- Unsure: 11%
- We did not seek to hire any salaried/hourly craft professionals in 2017: 6%

11. Compared to 2017, how will your firm’s 2018 investment in training and development change?

- Increase: 67%
- Decrease: 0%
- Stay the same: 33%
- Unsure: 0%
12. Which of the following issues is the biggest concern to your firm out of the following list?

- Worker shortages: 60%
- Increased competition for projects: 40%
- Growth in federal regulations: 29%
- Subcontractor defaults: 29%
- Worker quality: 9%
- Growth in state and local regulations: 0%
- Internal company process inefficiencies: 0%
- Lack of infrastructure investments: 0%
- Lack of public non-infrastructure work: 0%
- Not enough private sector work: 0%
- Relations with external process inefficiencies (such as collaboration with owners, subs and/or vendors): 0%
- Rising direct labor costs (pay, benefits, employer taxes): 0%
- Rising indirect labor costs (recruitment, training): 0%
- Rising materials costs: 0%
- Rising subcontractor costs: 0%
- Safety: 0%

13. What challenges, if any, do you see regarding the safety and health of your firm's workers?

- Inexperienced skilled labor/workforce shortage: 44% Major, 11% Minor, 44% No challenge
- Lack of cooperation from federal agencies or regulators: 72% Major, 11% Minor, 17% No challenge
- Low quality of available safety and health training: 61% Major, 39% Minor, 0% No challenge
- Poor subcontractor safety and health performance: 56% Major, 22% Minor, 22% No challenge
14. What change do you expect in 2018 in the number of your firm’s projects that involve Building Information Modeling (BIM)?

- Increase: 35%
- Stay the same (+/-10%): 47%
- Decrease: 0%
- We do not expect to use BIM on any projects in 2018: 6%
- Unsure: 12%

15. What is your firm using BIM for?

- Constructability input into the design process: 71%
- Visually communicate project scope to clients: 57%
- Clash detection: 50%
- Scheduling and workforce planning: 36%
- 3D model-based takeoff for cost estimating: 29%
- Design of 3D model: 21%
- Safety (identify safety issues, safety by design, safety training, etc.): 0%

16. Does your firm utilize lean construction principles on its projects and/or in its operation?

- Yes: 50%
- No: 44%
- Unsure: 6%

17. Does your firm use any of the following collaborative project delivery methods?

- Design-build: 65%
- Design-assist: 53%
- Integrated project delivery (IPD): 29%
- Public-private partnerships: 18%
- None: 18%
- Unsure: 6%
18. Does your firm use any of the following to collaborate with project partners?

- File-sharing sites such as Dropbox: 88%
- BIM: 65%
- Online project collaboration software: 47%
- Home-grown project website: 24%
- None: 0%
- Unsure: 6%

19. What business of IT functions does your firm outsource or plan to outsource to a technology provider?

- Accounts payable automation: Currently outsource 0%  Plan to outsource 0%
- Accounts receivable payment automation: Currently outsource 0%  Plan to outsource 0%
- Inventory: Currently outsource 0%  Plan to outsource 0%
- Lien waiver processing: Currently outsource 0%  Plan to outsource 0%
- Payroll: Currently outsource 0%  Plan to outsource 0%
- Prequalification: Currently outsource 7%  Plan to outsource 7%
- Subcontractor insurance processing: Currently outsource 7%  Plan to outsource 21%
- Backup and disaster recovery: Currently outsource 14%  Plan to outsource 50%
- Desktop (light maintenance): Currently outsource 36%  Plan to outsource 50%
- Network management: Currently outsource 0%  Plan to outsource 50%
- Voice over IP (phone service over the internet): Currently outsource 7%  Plan to outsource 36%
- Our firm doesn't currently outsource or plan to outsource: Currently outsource 14%  Plan to outsource 14%

- [Chart showing the percentage of firms currently outsourcing and planning to outsource various IT functions.]

- [Note: The chart is a bar graph with percentages indicated for each category. The categories include Accounts payable automation, Accounts receivable payment automation, Inventory, Lien waiver processing, Payroll, Prequalification, Subcontractor insurance processing, Backup and disaster recovery, Desktop (light maintenance), Network management, Voice over IP (phone service over the internet), and Our firm doesn't currently outsource or plan to outsource. The percentages range from 0% to 50% for each category, with specific values indicated for each bar.]

- [Legend: Currently outsource  Plan to outsource]
20. Approximately what percent of your firm’s gross annual revenue is spent on IT?

- Less than 1%: 35%
- 1 to 1.9%: 24%
- 2 to 2.9%: 12%
- 3% or more: 12%

21. Compared to 2017, how will your firm’s 2018 investment in IT change?

- Increase: 44%
- Decrease: 0%
- Stay the same: 50%
- Unsure: 6%

22. Compared to 2017, how will your firm’s 2018 investment in the following technologies change?

<table>
<thead>
<tr>
<th>Technologies</th>
<th>Increase</th>
<th>Stay the same</th>
<th>Decrease</th>
<th>Unsure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounting software</td>
<td>19%</td>
<td>75%</td>
<td>0%</td>
<td>6%</td>
</tr>
<tr>
<td>Building Information Modeling</td>
<td>19%</td>
<td>56%</td>
<td>6%</td>
<td>19%</td>
</tr>
<tr>
<td>Client relationship management software</td>
<td>29%</td>
<td>47%</td>
<td>12%</td>
<td>12%</td>
</tr>
<tr>
<td>Document management software</td>
<td>29%</td>
<td>53%</td>
<td>6%</td>
<td>12%</td>
</tr>
<tr>
<td>Estimating software</td>
<td>31%</td>
<td>63%</td>
<td>0%</td>
<td>6%</td>
</tr>
<tr>
<td>Fleet tracking/management software</td>
<td>14%</td>
<td>50%</td>
<td>7%</td>
<td>29%</td>
</tr>
<tr>
<td>Human resources software</td>
<td>25%</td>
<td>63%</td>
<td>0%</td>
<td>13%</td>
</tr>
<tr>
<td>Payroll software</td>
<td>0%</td>
<td>88%</td>
<td>0%</td>
<td>12%</td>
</tr>
<tr>
<td>Prequalification software</td>
<td>0%</td>
<td>79%</td>
<td>0%</td>
<td>21%</td>
</tr>
<tr>
<td>Project collaboration software</td>
<td>19%</td>
<td>56%</td>
<td>0%</td>
<td>25%</td>
</tr>
<tr>
<td>Project management software</td>
<td>44%</td>
<td>44%</td>
<td>0%</td>
<td>13%</td>
</tr>
<tr>
<td>Scheduling software</td>
<td>44%</td>
<td>36%</td>
<td>0%</td>
<td>19%</td>
</tr>
<tr>
<td>Service management software</td>
<td>7%</td>
<td>67%</td>
<td>0%</td>
<td>27%</td>
</tr>
<tr>
<td>Subcontractor bid management/ITB software</td>
<td>7%</td>
<td>67%</td>
<td>0%</td>
<td>27%</td>
</tr>
</tbody>
</table>

23. How comfortable is your firm with moving its data to the cloud?

- Very comfortable: 18%
- Moderately comfortable: 41%
- Not comfortable: 35%
- No opinion: 6%
24. How does your firm plan to use mobile software technology?

- Employee time tracking and approval: 76%
- Access to customer and job information from the field: 71%
- Daily field reports: 71%
- Equipment tracking: 53%
- Punch lists: 47%
- Sharing of drawings, photos, and documents: 47%
- Access to job cost and project reports from the field: 41%
- RFI/issue tracking: 41%
- Building Information Modeling: 35%
- Change management: 35%
- Scheduling: 35%
- Submittals and commitments: 29%
- GPS tracking (e.g., fleet tracking): 18%
- Material acceptance at the job site: 18%
- Processing payments in the field: 18%
- Inventory tracking: 12%
- Processing service work orders in the field: 12%
- Estimating: 0%
- No plan to use mobile technology software: 0%

25. Which of the following cloud service models does your firm plan to use?

- Cloud hosting: we outsource our servers and networking components to a cloud service provider's data center: 29%
- Hybrid cloud: our software and data is on a private network but can be securely accessed with a web browser: 71%
- SaaS: we use software-as-a-service (SaaS) applications that are fully cloud-based: 7%
26. Does your firm currently have a mobile security plan in place?

- Yes: 35%
- No: 35%
- Unsure: 29%

27. Does your firm currently have a formal IT plan that support your business objectives?

- Yes: 76%
- No: 12%
- No, but plan to do so in 2018: 6%
- Unsure: 6%

28. What are your firm’s biggest IT challenges?

- Time needed to implement and train on new technology: 53%
- Communication between field and office: 41%
- Employee resistance to technology: 35%
- Keeping hardware current: 35%
- Keeping software current: 35%
- Connectivity to remote job sites: 29%
- Keeping company data secure from hackers: 29%
- Integration between software used inside of our company: 24%
- Integration with software used by project partners outside our company: 24%
- Outdated company software and systems: 18%
- Management resistance to technology: 12%
- None: 6%