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

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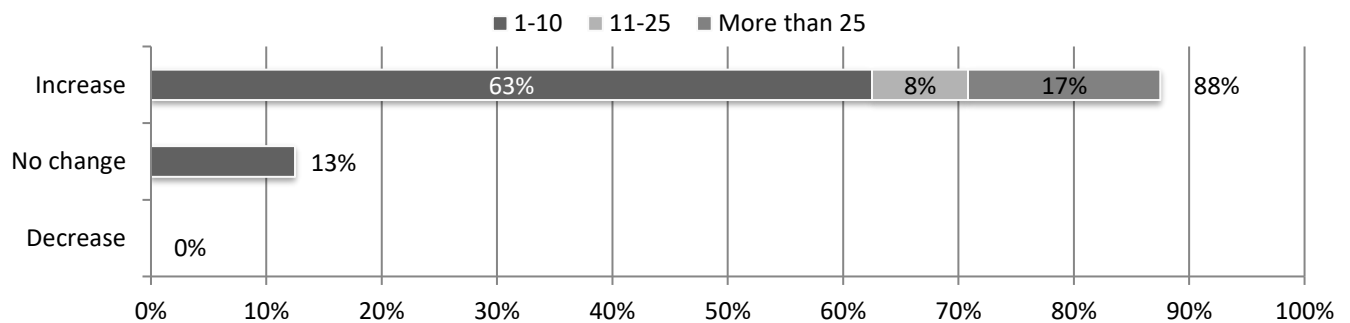# 2019 Construction Outlook Survey Results
Ohio Results

Total Responses: 27. 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 2018, do you expect the available dollar volume of projects you compete for in 2019 to be (answer for all market areas in which your business operates):
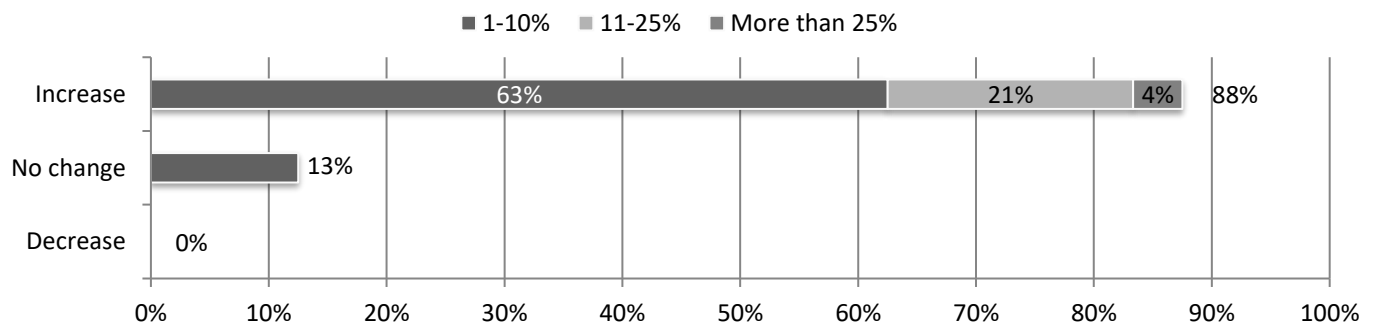
Market	Higher	Lower	Same	Net*
Water/Sewer	54%	8%	38%	46%
Private Office	45%	9%	45%	36%
K-12 School	46%	15%	38%	31%
Public Building	27%	0%	73%	27%
Federal (e.g., VA, GSA, USACE, NAVFAC)	36%	9%	55%	27%
Manufacturing	40%	13%	47%	27%
Hospital	35%	12%	53%	24%
Higher Education	25%	8%	67%	17%
Power	25%	13%	63%	13%
Multifamily Residential	25%	17%	58%	8%
Transportation (e.g., transit, rail, airport)	20%	13%	67%	7%
Retail, Warehouse, Lodging	33%	33%	33%	0%
Highway	28%	33%	39%	-6%
Other	0%	50%	50%	-50%

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

2. What <u>numerical</u> change do you expect in your headcount in 2019?

■ 1-10   ■ 11-25   ■ More than 25

- Increase: 63% | 8% | 17% — 88%
- No change: 13%
- Decrease: 0%

3. What <u>percentage</u> change do you expect in your headcount in 2019?

■ 1-10%   ■ 11-25%   ■ More than 25%

- Increase: 63% | 21% | 4% — 88%
- No change: 13%
- Decrease: 0%

4. How would you describe your current situation in filling salaried and hourly craft positions?

Response	Percentage
We are having a hard time filling some or all positions	88%
We are having no difficulty filling any positions	0%
We have no openings for positions	13%
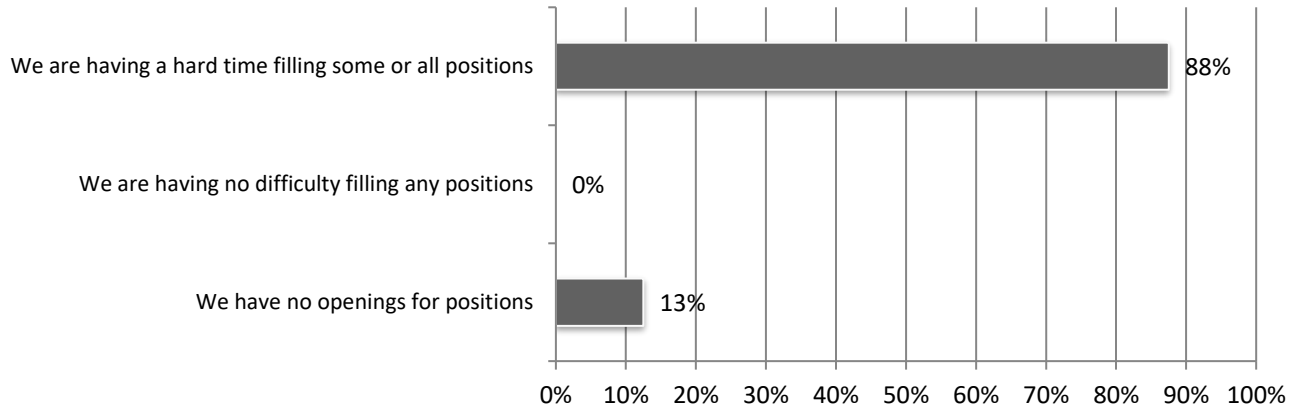
5. Do you expect any changes in the availability of hourly craft or salaried personnel over the coming 12 months?

Response	Percentage
It will continue to be hard to hire	38%
It will become harder to hire	38%
No change	21%
It will become easier to hire	4%
It will continue to be easy to hire	0%
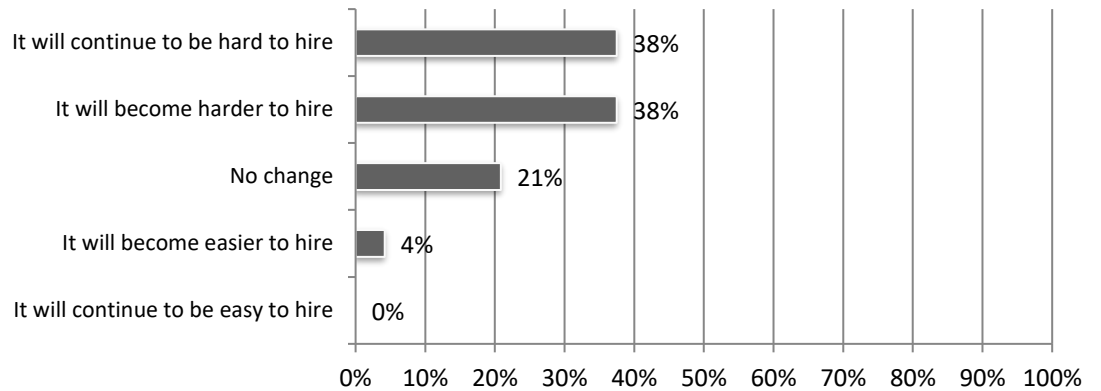
6. Did your firm increase pay or benefits for salaried or hourly craft personnel in 2018 because of difficulty filling positions? (mark all that apply)

Response	Percentage
Yes, our firm increased base pay rates	48%
Yes, our firm provided incentives/bonuses	37%
Yes, our firm increased our portion of benefit contributions and/or improved employee benefits	11%
No, but we are considering increases in pay and/or benefits in the near future	19%
No, and we are not considering increases in pay and/or benefits	4%
Don't know	4%
We did not seek to fill any positions	0%

7. If your firm is experiencing staffing challenges, how would you describe the impact on your projects? (mark all that apply)

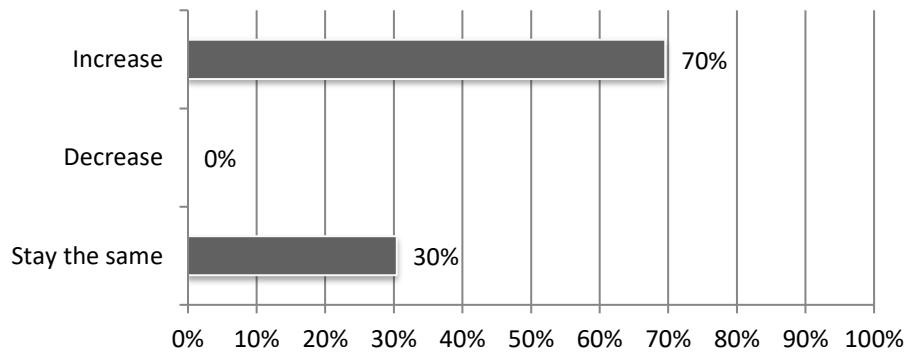|	
Costs have been higher than we anticipated	30%
Projects have taken longer than we anticipated	37%
We have put higher prices into our bids or contracts	37%
We have put longer completion times into our bids or contracts	22%
No impact/Stay the same	19%
Completion times or costs have been lower than we anticipated	4%
Don't know	0%
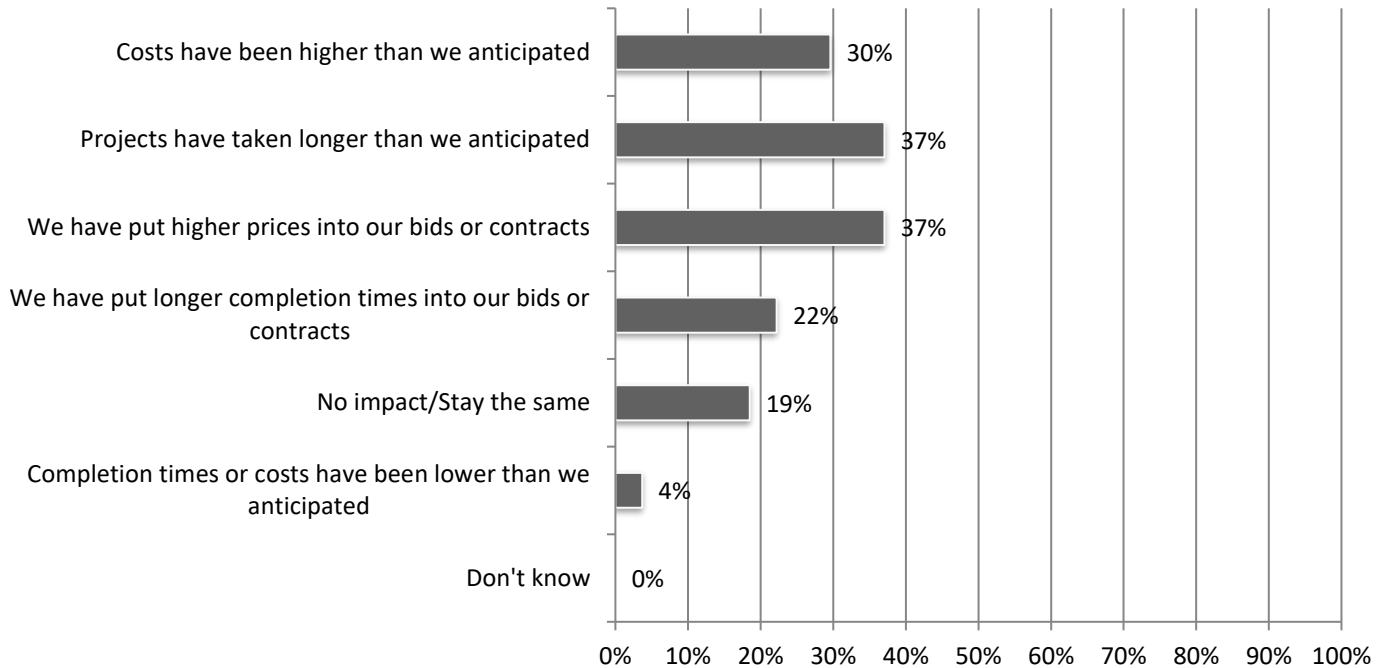
8. Has your firm adopted or increased use of the following to replace workers or skills? (mark all that apply)

Methods to reduce onsite worktime (e.g., lean construction, virtual construction such as BIM, offsite fabrication)	33%
Labor-saving equipment (e.g., drones, robots, 3-D printers, laser-or GPS-guided equipment)	44%
Added specialists (e.g., architects, BIM or lean construction personnel, drone or other equipment operators, data or IT personnel)	15%
No changes	22%
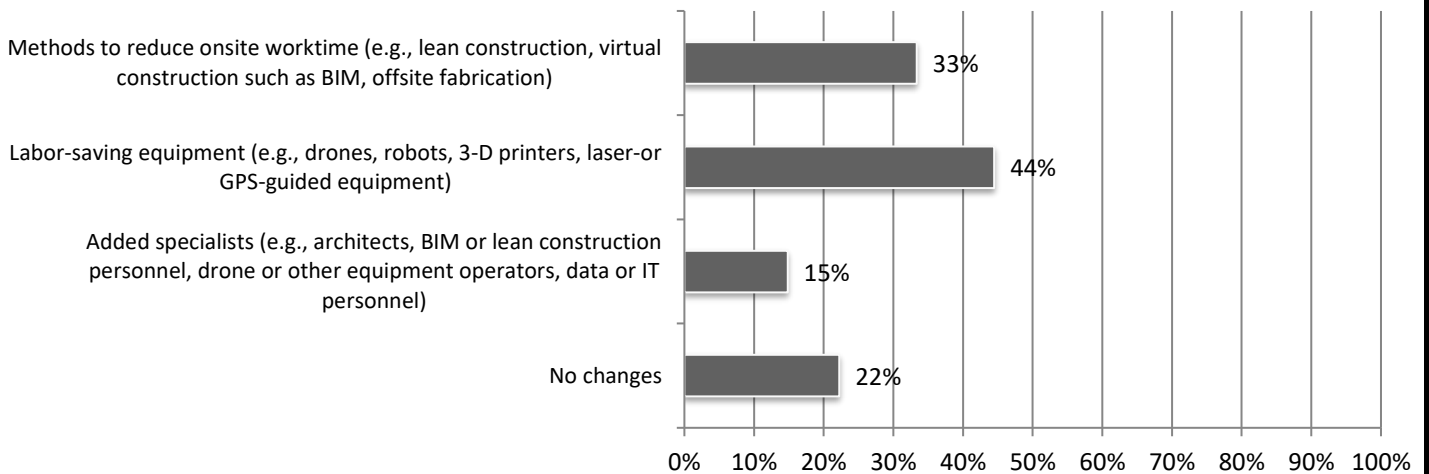
9. Compared to 2018, how will your firm's 2019 investment in training and development change?

Increase	70%
Decrease	0%
Stay the same	30%

10. Which of the following issues is the biggest concern to your firm?

Issue	%
Increased competition for projects	22%
Safety	17%
Lack of infrastructure investments	17%
Worker shortages	11%
Rising direct labor costs (pay, benefits, employer taxes)	11%
Growth in federal regulations	6%
Rising subcontractor costs	6%
Rising materials costs	6%
Relations with external process inefficiencies (such as collaboration with owners, subs and/or vendors)	6%
Worker quality	0%
Growth in state and local regulations	0%
Subcontractor defaults	0%
Not enough private sector work	0%
Internal company process inefficiencies	0%
Lack of public non-infrastructure work	0%
Rising indirect labor costs (recruitment, training)	0%

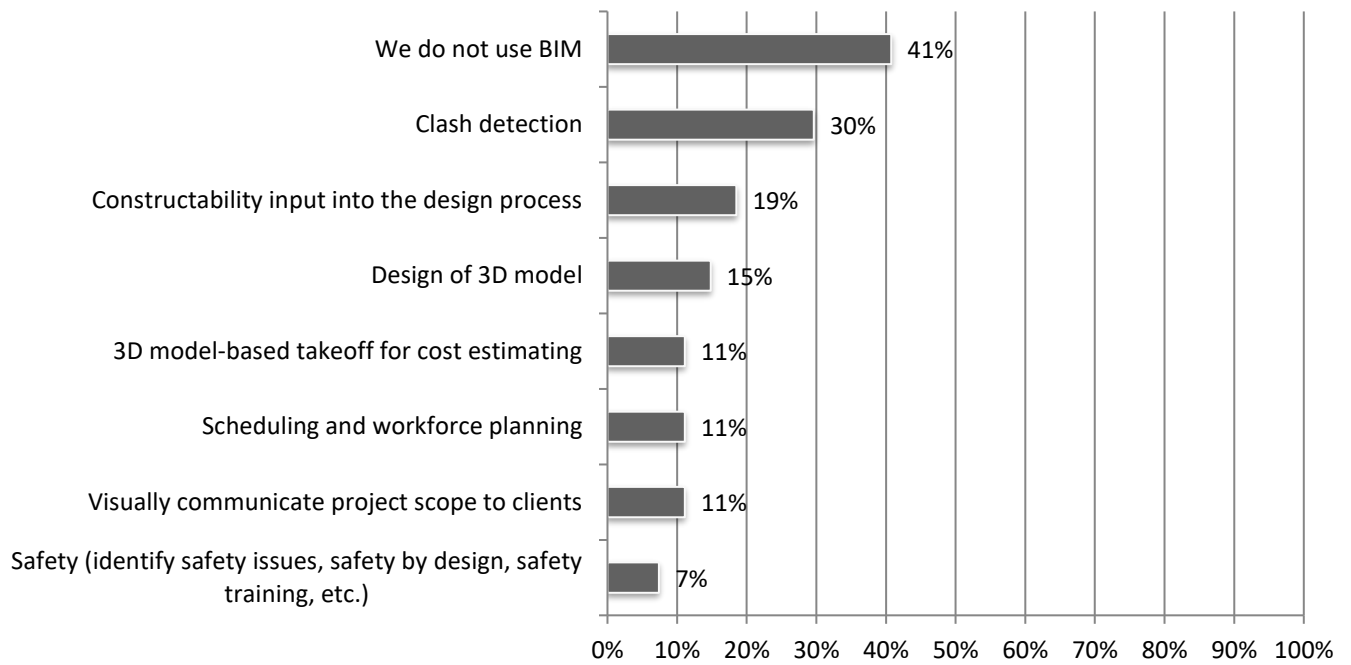**11. What challenges, if any, do you see regarding the safety and health of your firm's workers? (mark all that apply)**

| Challenge	%
Inexperienced skilled labor/workforce shortage	56%
Lack of cooperation from government agencies or regulators	19%
Low quality of available safety and health training	4%
Poor subcontractor safety and health performance	19%
Other	0%

12. What change do you expect in 2019 in the number of your firm's projects that involve Building Information Modeling (BIM)?

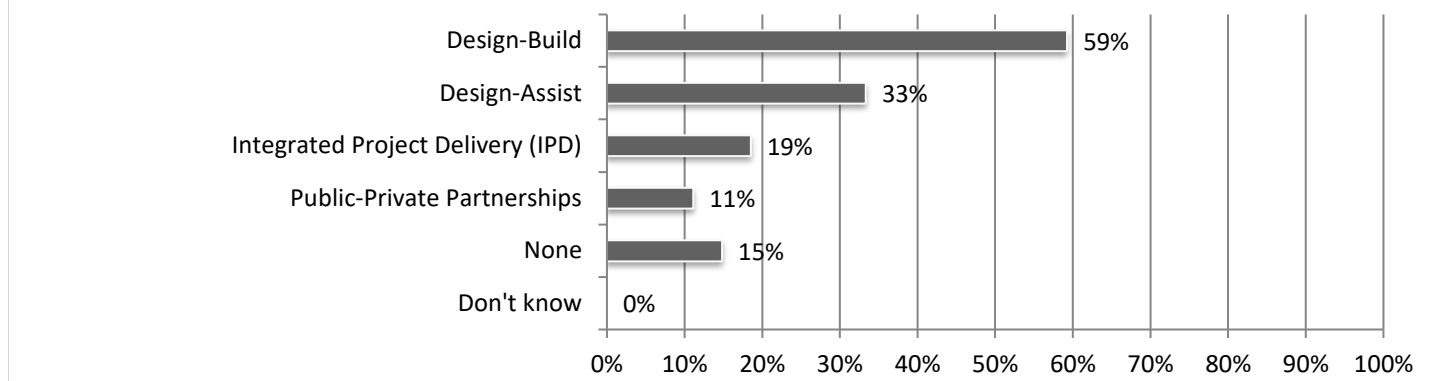Legend: ■ 11-50% ■ more than 50%

Response	Value
Increase	5%
Stay the same (+/-10%)	55%
Decrease	0%
We don't expect to use BIM on any projects in 2019	30%
Don't know	15%
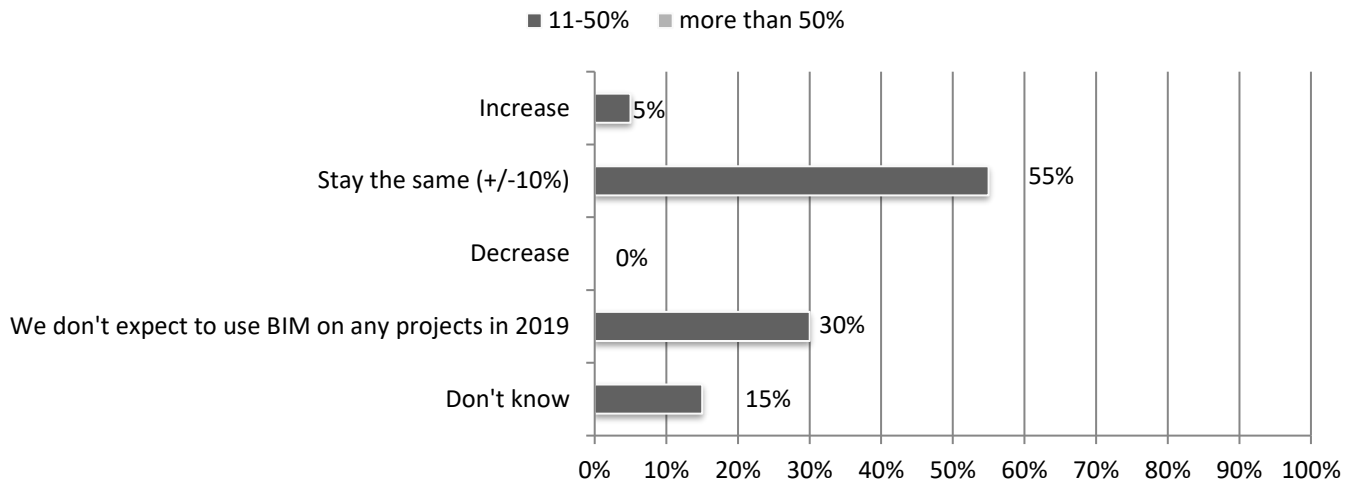
13. What is your firm using BIM for? (mark all that apply)

Response	Value
We do not use BIM	41%
Clash detection	30%
Constructability input into the design process	19%
Design of 3D model	15%
3D model-based takeoff for cost estimating	11%
Scheduling and workforce planning	11%
Visually communicate project scope to clients	11%
Safety (identify safety issues, safety by design, safety training, etc.)	7%

14. Does your firm utilize lean construction principles on its projects and/or in its operation?
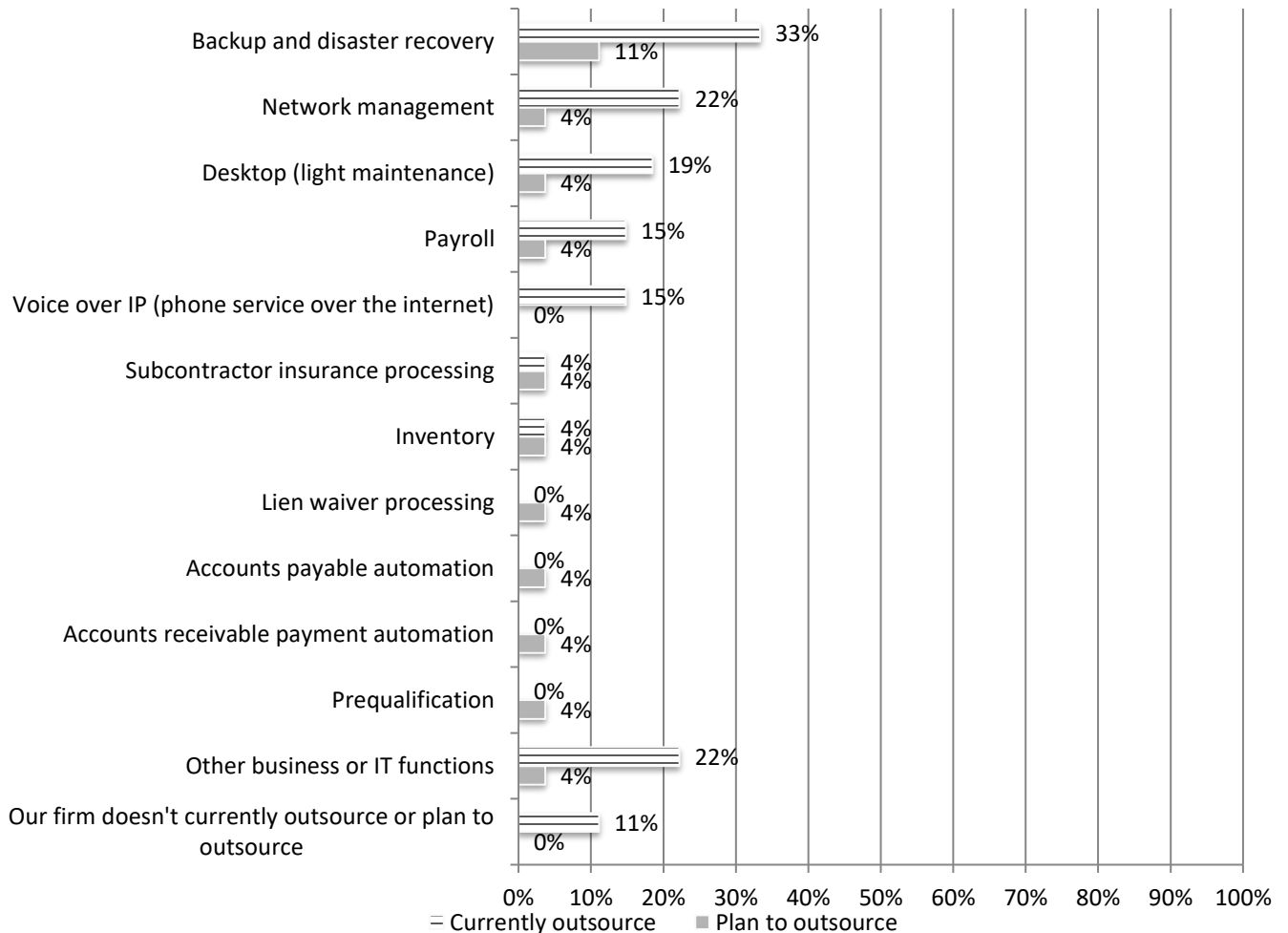
Response	Value
Yes	35%
No	65%
Don't know	0%
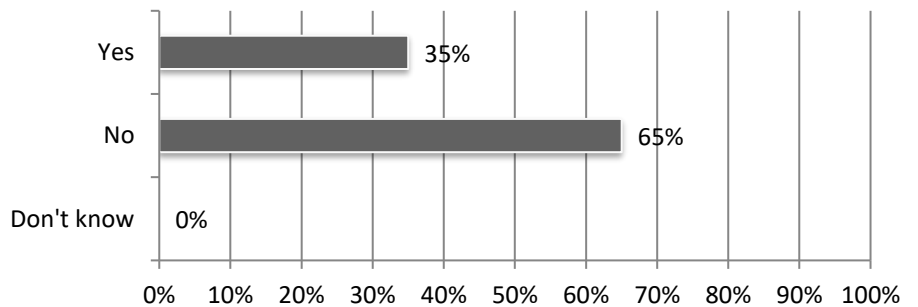
**15. Does your firm use any of the following collaborative project delivery methods? (mark all that apply)**

Method	Percentage
Design-Build	59%
Design-Assist	33%
Integrated Project Delivery (IPD)	19%
Public-Private Partnerships	11%
None	15%
Don't know	0%

16. Does your firm use any of the following to collaborate with project partners? (mark all that apply)

Option	Percentage
File-sharing sites such as Dropbox	52%
Online project collaboration software	37%
BIM	30%
Home-grown project web site	15%
None	15%
Don't know	4%
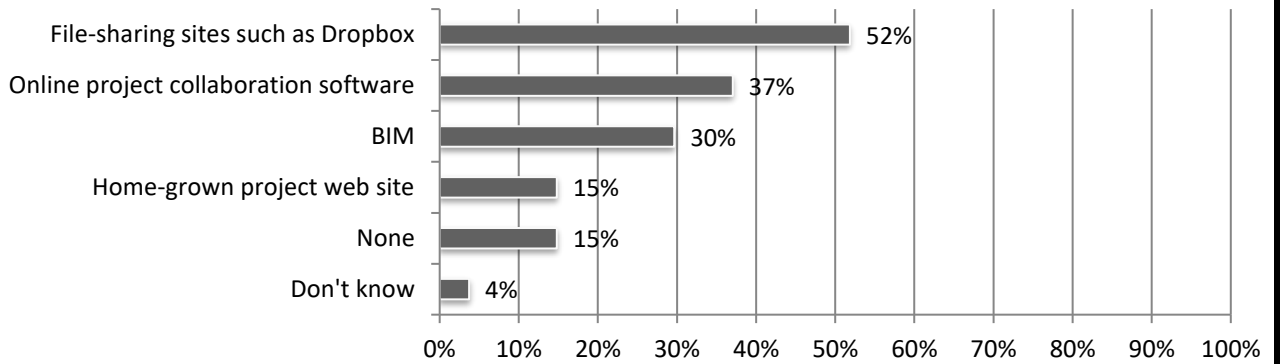
17. What business of IT functions does your firm outsource or plan to outsource to a technology provider? (mark all that apply)

Function	Currently outsource	Plan to outsource
Backup and disaster recovery	33%	11%
Network management	22%	4%
Desktop (light maintenance)	19%	4%
Payroll	15%	4%
Voice over IP (phone service over the internet)	15%	0%
Subcontractor insurance processing	4%	4%
Inventory	4%	4%
Lien waiver processing	0%	4%
Accounts payable automation	0%	4%
Accounts receivable payment automation	0%	4%
Prequalification	0%	4%
Other business or IT functions	22%	4%
Our firm doesn't currently outsource or plan to outsource	11%	0%

18. Approximately what percent of your firm's gross annual revenue is spent on IT?

Category	Value
Less than 1%	53%
1 to 1.9%	37%
2 to 2.9%	11%
3% or more	0%
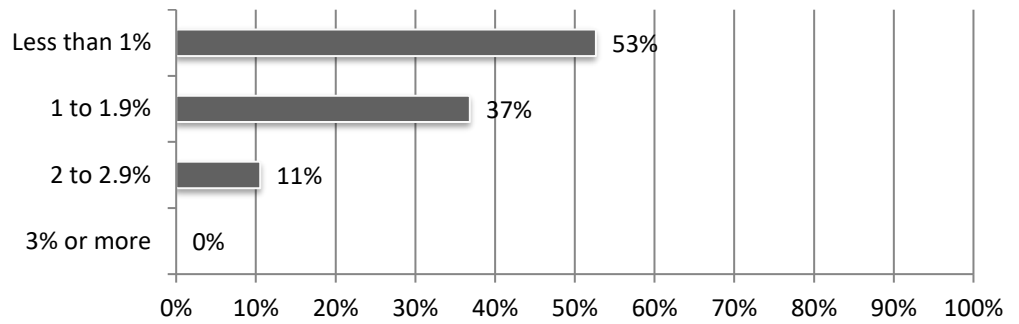
19. Compared to 2018, how will your firm's 2018 investment in IT change?

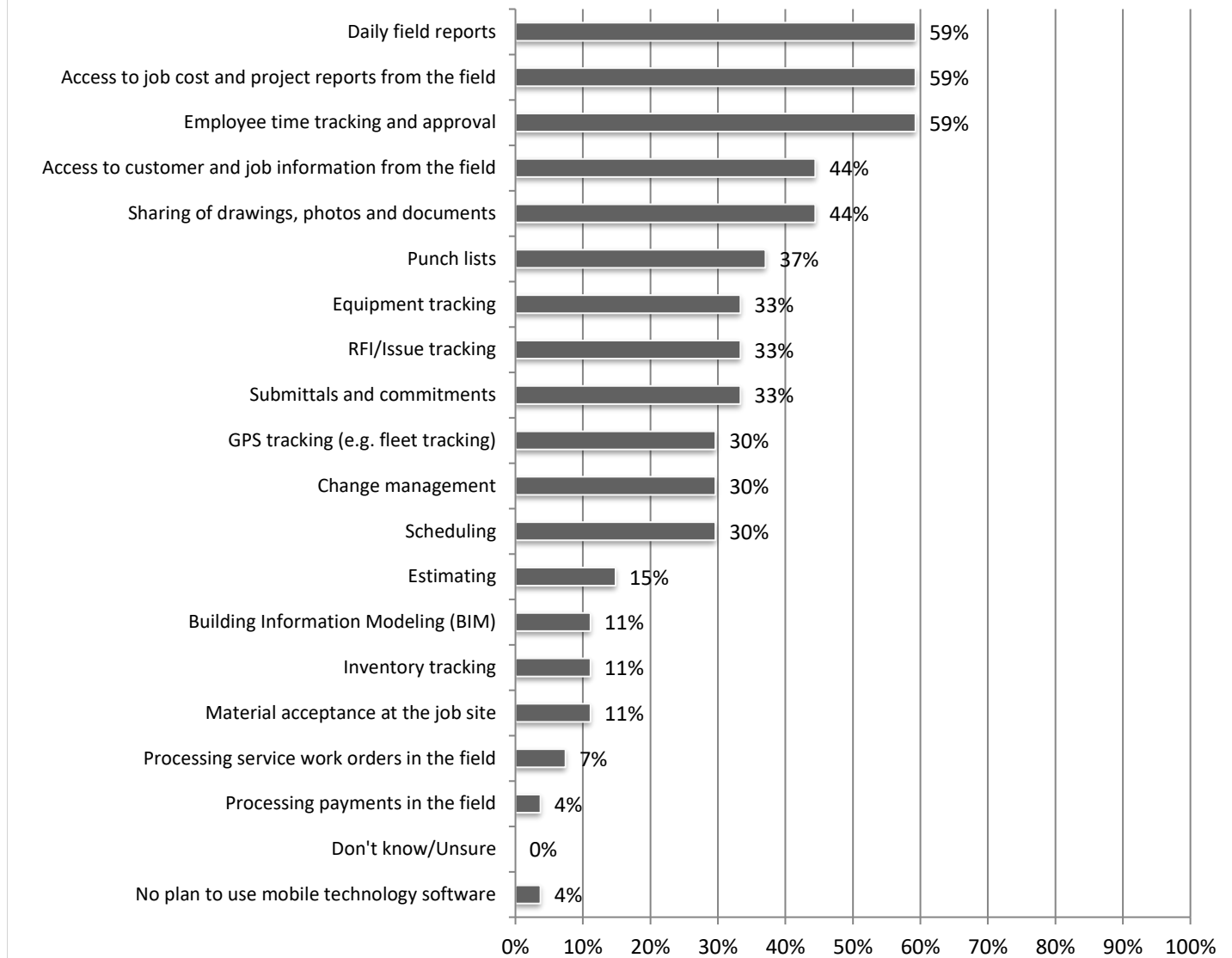| Category	Value
Increase	38%
Decrease	10%
Stay the same	33%
Don't know	19%
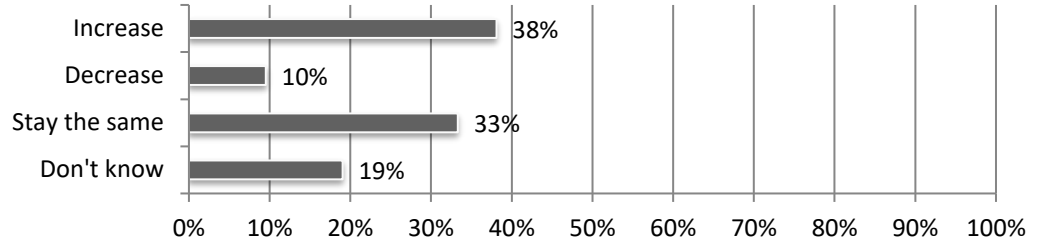
20. Compared to 2018, how will your firm's 2019 investment in the following technologies change? (mark all that apply)

Technologies	Increase	Stay the same	Decrease	Unsure
Accounting software	53%	42%	0%	5%
Document management software	50%	33%	0%	17%
Project management software	44%	44%	0%	11%
Estimating software	37%	58%	0%	5%
Scheduling software	35%	53%	0%	12%
Project collaboration software	31%	44%	0%	25%
Service management software	31%	38%	0%	31%
Fleet tracking/management software	28%	50%	0%	22%
Human resources (HR) software	24%	53%	0%	24%
Client relationship management (CRM) software	24%	41%	0%	35%
Payroll software	22%	72%	0%	6%
Prequalification software	18%	53%	0%	29%
Building Information Modeling (BIM)	13%	56%	0%	31%
Subcontractor bid management/ITB software	6%	69%	0%	25%

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

Category	Value
Very comfortable	48%
Moderately comfortable	33%
Not comfortable	14%
No opinion	5%

22. How does your firm plan to use mobile software technology? (mark all that apply)

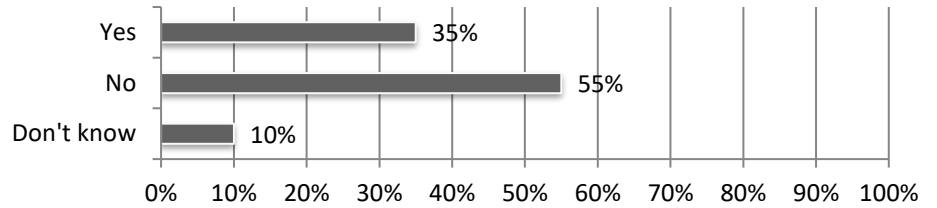| Category	Percentage
Daily field reports	59%
Access to job cost and project reports from the field	59%
Employee time tracking and approval	59%
Access to customer and job information from the field	44%
Sharing of drawings, photos and documents	44%
Punch lists	37%
Equipment tracking	33%
RFI/Issue tracking	33%
Submittals and commitments	33%
GPS tracking (e.g. fleet tracking)	30%
Change management	30%
Scheduling	30%
Estimating	15%
Building Information Modeling (BIM)	11%
Inventory tracking	11%
Material acceptance at the job site	11%
Processing service work orders in the field	7%
Processing payments in the field	4%
Don't know/Unsure	0%
No plan to use mobile technology software	4%

23. Which of the following cloud service models does your firm plan to use? (mark all that apply)

Category	Currently use	Plan to use
Cloud hosting: we outsource our servers and networking components to a cloud service provider's data center	30%	11%
Hybrid cloud: our software and data is on a private network but can be securely accessed with a web browser	19%	11%
SaaS: we use software-as-a-service (SaaS) applications that are fully cloud-based	7%	4%

= Currently use   ■ Plan to use
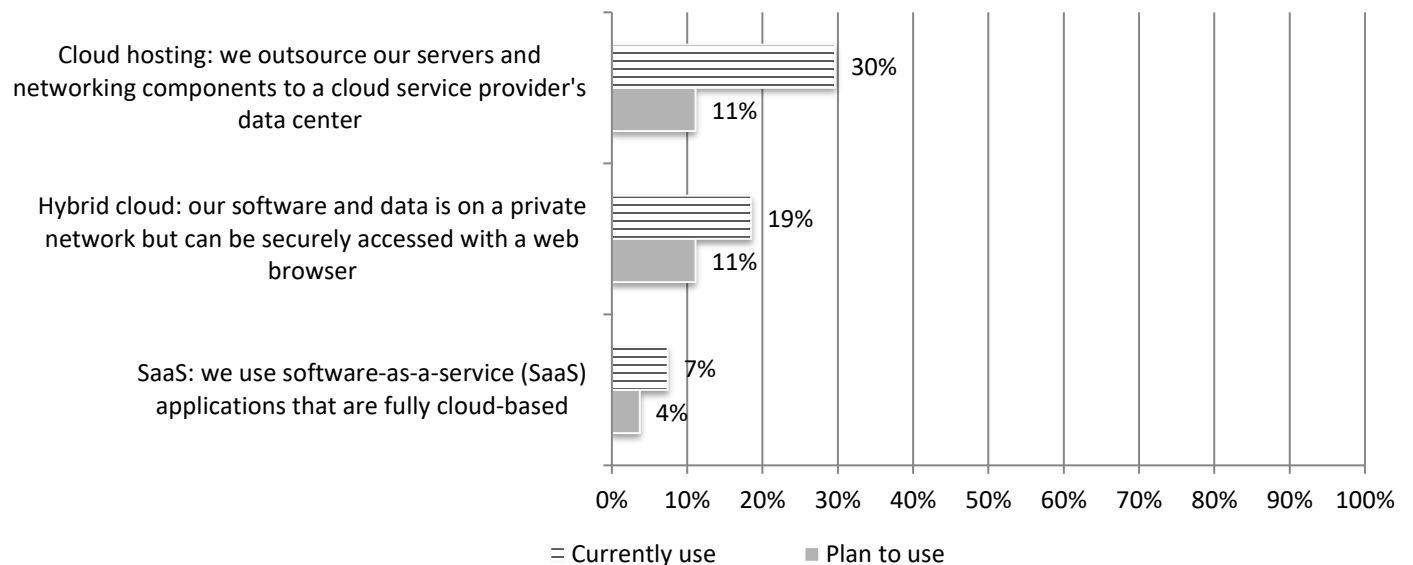
24. Does your firm currently have a mobile security plan in place?

Yes	35%
No	55%
Don't know	10%

0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%

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

Yes	63%
No	26%
Not yet, but plan to in 2019	11%
Don't know	0%

0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%
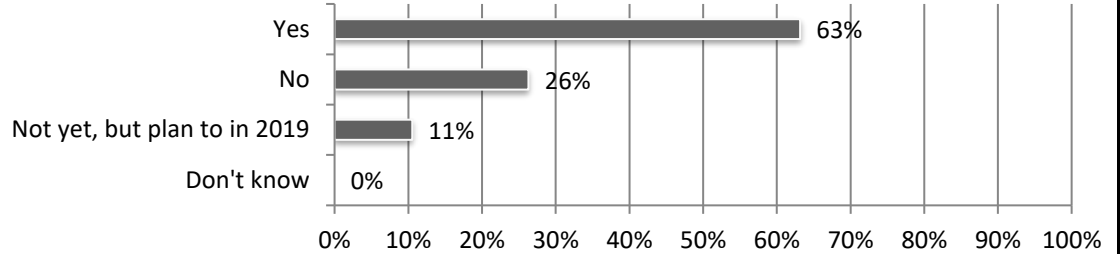
26. What are your firm's biggest IT challenges? (mark all that apply)

Time needed to implement and train on new technology	37%
Connectivity to remote job sites	33%
Communication between field and office	30%
Keeping hardware current	30%
Employee resistance to technology	22%
Keeping software current	22%
Keeping company data secure from hackers	19%
Integration between software used inside of our company	19%
Integration with software used by project partners outside our company	11%
Outdated company software and systems	4%
Management resistance to technology	0%
Other	0%
None	0%
Don't know	4%

0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%

27. What best describes your firm:

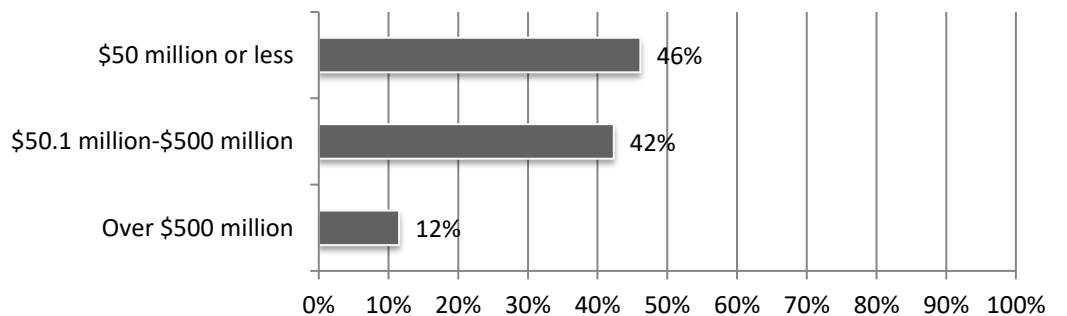| Category	Percentage
General contractor/construction manager	70%
Specialty or sub-contractor	19%
Supplier/service provider	11%
Architect/engineer/designer	0%
Other	0%

28. When you self-perform construction work, do you operate as a union contractor or an open-shop contractor?

Category	Percentage
We always operate as a union contractor	63%
We primarily operate as a union contractor but not always	4%
We primarily operate as an open-shop contractor but not always	4%
We always operate as an open-shop contractor	15%
We do not self-perform or directly hire craft personnel	15%
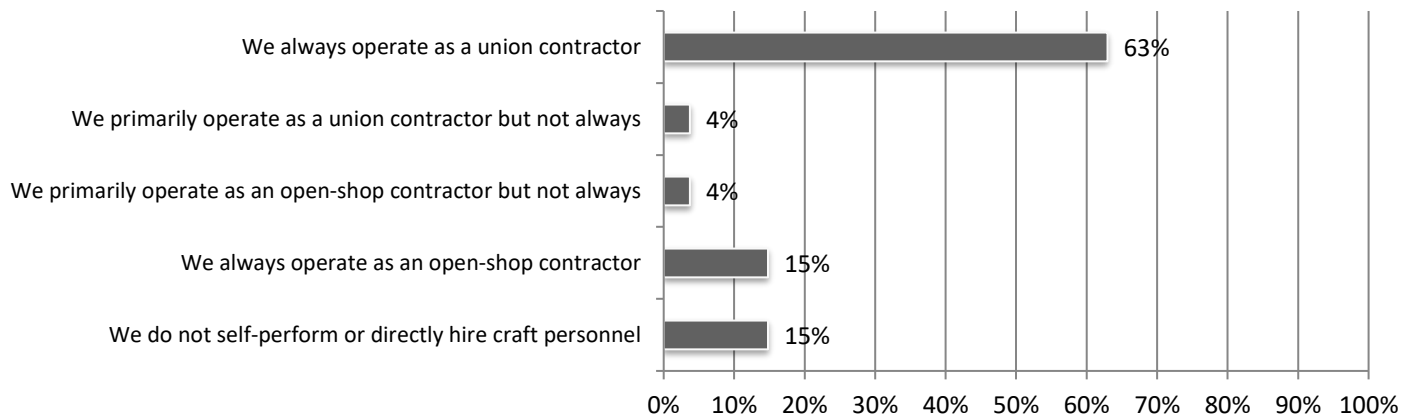
29. Estimate the total dollar amount of work your firm performed in 2018.

Category	Percentage
$50 million or less	46%
$50.1 million-$500 million	42%
Over $500 million	12%

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

Category	Percentage
1-19	7%
20-99	26%
100-499	59%
500 or more	7%