ARCORO®

Building the Team

Recruitment and Workforce Management
Trends in Construction

The Context in Construction

The construction industry continues to struggle finding and keeping both skilled and unskilled workers, with 94% of companies experiencing hiring challenges across both salaried and craft positions. This shortage has a significant economic impact, leading to project delays for over half of companies. These statistics highlight the urgent need for better recruitment, retention and workforce management strategies.

Let's take a look at some of techniques companies are using to recruit and retain workers in a tight market based on research by Arcoro.

Expanding the talent pool

The construction workforce is becoming more broad, with many companies actively recruiting from new talent pools. Survey results indicate that companies are broadening their hiring efforts to include:

New Graduates (85%)

Minorities (81%)

Veterans (80%)

Women (79%)

Career changers (51%)

Formerly incarcerated individuals (35%)

By embracing diverse talent pools, companies can help address skill shortages and bring in fresh perspectives.

Company Culture as a Recruiting Tool

A strong, well-promoted culture can be a key competitive advantage in today's tight labor market.

Companies that emphasize culture tend to attract and retain more employees:

Over 50% of companies report having a well-defined and actively promoted culture.
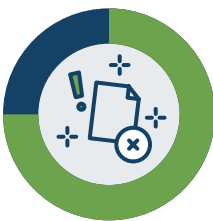
Only 20% do not actively promote their company culture, representing a missed opportunity to stand out in a competitive hiring landscape.

Training and Upskilling: Room for Improvement

Upskilling is essential to ensure that employees stay competent and engaged, yet 24% of companies have no formal upskilling program in place. Those that do prioritize training commonly use performance management (45%), partnerships with external training organizations (34%) and career pathing (32%).

Notably, 75% of companies are still relying on manual processes for training delivery and tracking.

Leveraging technology could help streamline these processes, reducing time and error, and improving training outcomes.

Data Analytics: Untapped Potential

Data can help companies make smarter hiring, staffing and safety decisions, yet just under half aren't levering this important tool. Ten percent would use the data if they had access to it.

49% of companies do not currently use business intelligence for workforce planning.

Those not leveraging data insights may be missing out on significant performance and productivity gains.

Next Steps for the Industry

To effectively address workforce challenges, companies need to integrate both short- and long-term strategies.

Here's where our research demonstrated that more focus is needed. Companies need to continue to::

- **Expand recruiting horizons:** Continue building a diverse workforce by recruiting from new pools.
- **Leverage culture:** Define and promote company culture to attract the right talent.
- **Invest in training:** Prioritize upskilling by implementing technology to manage and deliver training programs.
- **Enhance feedback mechanisms:** Use digital tools to streamline feedback and performance reviews, ensuring employees frequently receive constructive input.
- **Embrace data-driven decision-making:** Begin using data analytics to inform workforce strategy, track HR metrics and make informed decisions.

The construction industry is making strides in addressing its workforce challenges

But it faces hurdles including slow adoption of HR technology, an undersized focus on training and lagging use of data and analytics for workforce management. By leveraging HR technology for recruitment, training and data-driven insights, companies can continue to build the strong, skilled workforce needed to meet demands today and into the future.

Arcoro delivers HR & people management solutions to help construction companies hire, manage and grow their workforces. For more information visit arcoro.com