THE LEADING BUSINESS MAGAZINE FOR CONTRACTORS

CONSTRUCTIONBUSINESSOWNER.COM

# CONSTRUCTION BUSINESS OWNER

SEPTEMBER 2026

## RESTORING ACCESS TO DENALI

**Granite Construction's Innovative Bridge Project Overcomes Alaska's Moving Landscape**

**IN THE OFFICE**
Managing risk in a dynamic building code environment

**IN THE FIELD**
Targeting rental overspend in construction


Progressive Casualty Insurance Co. & affiliates.
Run Payroll
ASSIGN JOB
UPDATE PERMITS
RESTOCK PVC
ORDER TAPE
PLUMBING
Post on Social
Finish Taxes
Schedule Jobs
Send Invoice
STAND UP TO YOUR MONSTER TO-DO LIST?
SAVE MONEY?
Small business owners' to-do lists can add up. So see if you can save money on a commercial auto quote at **ProgressiveCommercial.com.**
PROGRESSIVE COMMERCIAL
Get a quote online in as little as 8 minutes

# ANA

# STOP RUNNING GENERATORS LIKE NOTHING HAS CHANGED.


**ADAPTS TO VARIABLE LOADS**

**LESS GENERATOR RUNTIME**

**REDUCED FUEL USE**

**ADAPTIVE POWER**

FLEXBoost™ combines familiar generator operation with integrated hybrid technology to support changing loads, reduce unnecessary runtime, and deliver smarter power performance across construction environments.

**EXPLORE FLEXBOOST™**

**MEGAN BEAM**

Editor-in-Chief
Megan Beam

For more than 90 years, a single road has carried visitors into the heart of Denali National Park. But even before that, the ground there was shifting.

The place is enormous, remote and largely uninterested in accommodating us. For decades, along one particularly troublesome stretch of the park's only road, the Pretty Rocks Landslide has been quietly rearranging the landscape.

Crews could, for the most part, keep up with it. They'd repair the road, regrade it and come back when the earth moved again. Then, in 2021, Pretty Rocks stopped being quite so cooperative. What had once been measured in inches of movement per year accelerated to inches per day — and eventually, inches per hour. It forced road closure and created a rather extraordinary problem you can read about in our cover story (starting on page 6).

Of course, it doesn't always take something as dramatic as moving earth to make us reconsider how to approach what's in front of us. Sometimes it's a detail we overlooked — one that becomes obvious as soon as someone else points it out.

After our July/August issue went out, some of you pointed out something we should have caught ourselves: The workers pictured on our cover appeared to be working at height without appropriate fall protection. It was an especially unfortunate oversight for an issue that included our annual safety series — and a missed opportunity to reinforce the care for worker safety we hope to reflect in these pages.

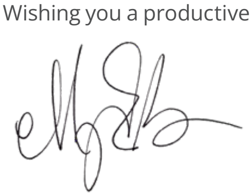
We changed the cover image in our digital edition, and I'm grateful to the readers who cared enough to say something. Because credibility is built, at least in part, by paying attention when the environment shifts or when feedback says you have missed something important.

Our features this month are about technology, and so much of the tech use reshaping construction is about helping everyone (from the jobsite to the office) pay closer attention. We make the best decisions we can with the dataset we have. Then the conditions change, and maybe we learn something we didn't know before. What we do with new information or perspective is still up to us.

Sometimes this can mean rethinking how to cross a portion of earth that refuses to stay still. Sometimes it means changing a magazine cover. Both require being willing to notice when something isn't right — and caring enough to respond.

As always, we are grateful for your readership and support.

Wishing you a productive autumn,




**CONSTRUCTION BUSINESS OWNER**

**EDITORIAL**
Editor-in-Chief
Megan Beam
mbeam@cahabamedia.com · 205-314-8264

Senior Managing Editor
Carmen Capoccia
ccapoccia@cahabamedia.com · 205-961-3391

**CREATIVE SERVICES**
Art Director
Andi Shepard

Digital Production Designer
Matt Hodges

Web Developer
Greg Caudle

**PRODUCTION**
Client Services Coordinator
Sonya Crocker
scrocker@cahabamedia.com

**CIRCULATION**
Subscription Management
customercare@cahabamedia.com

**ADVERTISING**
Senior Account Executive
Van Imbragulio
vimbragulio@cahabamedia.com · 205-314-8263

Account Executive
Jonathan Noble
jnoble@cahabamedia.com · 205-314-8268

CAHABA MEDIA GROUP

Publisher
Matthew G. Conroy
VP of Finance
Brandon Whittemore
Director of Content
Elizabeth Manning
Director of Operations
Laurie Tisdale
Director of Sales
Stacy Marshall

P.O. Box 530067, Birmingham, AL 35253

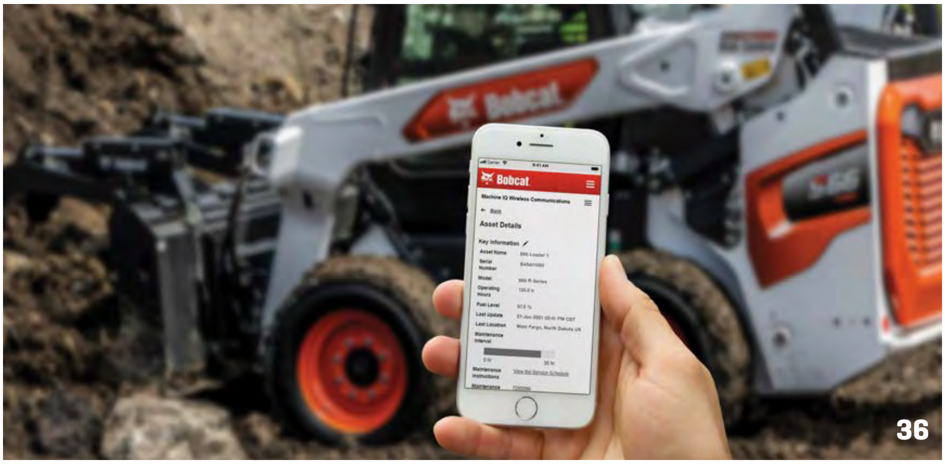




Construction Business Owner (ISSN 1551-3246) is published by Cahaba Media Group, PO Box 530067, Birmingham, AL 35253. Periodicals postage paid at Birmingham, AL and additional mailing offices. Subscriptions: Free of charge to qualified construction business owners. Publisher reserves the right to determine qualifications. Annual subscriptions: U.S. and possessions $48, all other countries $125 U.S. funds (via air mail). Single copies: U.S. and possessions $5, all other countries $15 U.S. funds (via air mail). Call 800-256-2785 inside or outside the U.S. Postmaster: Send changes of address and form 3579 to Construction Business Owner, PO Box 271, Lincolnshire, IL 60069-9835.



VOLUME 23 ISSUE 7




## IN EVERY ISSUE



## THE BUSINESS COUNCIL




## IN THE OFFICE




## FEATURE SERIES

### TECHNOLOGY



## IN THE FIELD





## ON THE COVER

Photo Credit: Granite Construction

Photo Credits: Bobcat, Adobe Stock

## PARTNERSHIPS

**Komatsu & AIM Intelligent Machines Enter Partnership**

Komatsu Ltd. and its subsidiary, EARTHBRAIN Ltd., have entered into a strategic partnership with AIM Intelligent Machines (AIM), a developer of autonomous operation technology for bulldozers and hydraulic excavators. The partnership aims to deliver autonomous construction solutions for the Japanese and U.S. markets. Komatsu and EARTHBRAIN provide Smart Construction, a digital construction management solution that helps optimize jobsites by connecting construction planning, digitally enabled equipment, jobsite management and remote operation. AIM is a provider of autonomy technology powered by physical AI and has already commercially deployed autonomous fleets of bulldozers and hydraulic excavators. The solution offered through this partnership integrates Smart Construction-generated construction plans and target terrain data with AIM's physical AI platform to enable autonomous operation. Bulldozers and hydraulic excavators can understand project objectives, autonomously determine construction methods and travel routes, and execute construction tasks independently. The solution enables customers to manage every stage of the construction process — from planning and autonomous operation to progress visualization and performance data utilization — through a single digital workflow, while automating and optimizing the entire construction process. AIM's tech can be retrofitted to existing bulldozers and hydraulic excavators, allowing customers to gradually introduce autonomous construction using their current fleets without waiting to replace equipment with new machines. Going forward, the three companies will continue to integrate their technologies and expertise while progressively enhancing the integration between Smart Construction and AIM's physical AI platform. Visit komatsu.com.

## NEW HIRES

### Edric C. Funk

The Toro Company

The Toro Company's board of directors elected President and Chief Operating Officer Edric C. Funk to the position of president and CEO, effective Nov 1. He will also join the board of directors. Funk will succeed Richard M. Olson, who will transition to the role of executive chairman of the board following more than four decades with the company, most recently as CEO since 2016. Since joining The Toro Company in 1996 as a design engineer, Funk has developed a deep understanding of its industries and customers through leadership roles spanning engineering, marketing, global product management and technology innovation. He led the company's Center for Technology, Research and Innovation in 2017, became general manager of the Sitework Systems business in 2020, and later served as group vice president of Golf, Grounds and Irrigation. Visit thetorocompany.com.

### Christine Graeff

ANF

ANF, a full-service construction and development firm, promoted Christine Graeff to vice president of project development, expanding her leadership role as the company continues to strengthen the way projects are planned, developed and delivered across South Florida. In her new role, Graeff will guide the early life cycle of ANF's projects, creating stronger alignment among operations, business development, preconstruction, planning and scheduling. Drawing on her experience in project management, operations, finance and business systems, she will help formalize a more strategic approach to project development. She has spent the past 15 years advancing through a range of leadership roles at ANF. She joined as a project engineer, working primarily on education and healthcare projects. She later held roles in accounting, purchasing and operations, where, as director of operations, she led the development of business systems and the implementation of new technology. Visit anfgroup.com.

### Giuliano Parodi

TVH

Giuliano Parodi has been appointed as TVH's new CEO, effective Sept. 1. With nearly 25 years of experience in the industrial equipment and automotive sectors, Parodi will lead TVH into its next chapter of global growth. Parodi joins TVH from Yanmar, a manufacturer of industrial equipment, where he most recently served as group chief strategy officer and member of the board of directors. In this role, he played a key part in shaping the group's strategic direction and overseeing its regional operations outside Japan. Earlier in his career, he held senior leadership roles at Bobcat Company (Doosan Group) and Fiat Group. He has successfully led international growth, business transformation and operational scaling, with a strong focus on aftermarket, customer solutions and value creation. Visit tvh.com.

### Andrew Nelch

Tarlton

Tarlton, St. Louis' largest women-owned general contracting and construction management firm, has promoted Andrew Nelch, LEED AP, to vice president. Nelch most recently served as project director. He began his career as a project engineer at Tarlton in 2006 and subsequently moved through the operational ranks to serve as senior project engineer, project manager and senior project manager. Nelch has worked on a number of significant projects at Tarlton, including the Center for Nursing and Health Sciences at St. Louis Community College at Forest Park, renovations to Bryan Hall and Simon Hall on the Washington University campus, and the Tower Tee recreation complex revitalization. His work also includes projects for Bayer, Pfizer Inc., the U.S. General Services Administration and Wells Fargo. Visit tarltoncorp.com.

# ASK THE EXPERTS

Insights from industry aces & answers to construction's biggest questions

## Do you use AI for work? If so, has it helped?

" We're using AI to streamline traditionally time-intensive processes like contract review, where it can flag inconsistencies, identify risk exposure and accelerate turnaround without sacrificing accuracy. This in turn allows our builders to focus on the work that truly benefits from their expertise and judgment. AI is also enhancing the submittal process by organizing documentation, tracking approvals and helping reduce delays that can impact project timelines.

Beyond administrative efficiencies, AI is delivering measurable value in the field. Skanska is currently using Dusty Robotics' FieldPrinter on the upper floors of its Lee Health Fort Myers project. By automating the printing of drywall, mechanical, electrical, plumbing and other trade layouts directly from the coordinated building information modeling (BIM) model, the technology helps keep all teams aligned and ensures that mechanical, electrical and plumbing (MEP) systems, medical equipment and structural components are installed in accordance with design intent.

It also supports compliance with strict healthcare regulations by keeping layouts aligned with ongoing design updates.

At the same time, Skanska is piloting Buildots at the Lee Health Fort Myers project, using 360-degree camera captures and AI to track progress against both the schedule and the BIM model. This provides objective, real-time insights that help identify potential schedule risks earlier, improve coordination across stakeholders and support the complex sequencing required for critical healthcare environments.

Ultimately, AI is enabling construction teams to make faster, more informed decisions, reduce risk and deliver higher-quality outcomes across increasingly complex projects. "

- **Tracy Hunt,** Executive Vice President & General Manager Skanska USA Building's operations in Florida

Photo Credit Visual Generation- adobestock.com

# RESTORING ACCESS TO DENALI

## Granite's innovative bridge project overcomes Alaska's moving landscape

BY MEGAN BEAM

Photo Credit: Granite Construction

The Pretty Rocks Landslide has been measurably active since the 1960s, if not long before. And for the last decade, it has been moving with markedly increasing speeds, making conventional roadway reconstruction impossible and threatening one of the nation's most treasured destinations. When it cut off access to nearly half of Denali National Park in 2021, the challenge was more than simply repairing a damaged road.

For Granite Construction, the solution was the Polychrome Area Improvements Project, a federally funded effort to restore safe, reliable access along Denali Park Road by constructing a 475-foot bridge that completely spans the active landslide. Working alongside the Federal Highway Administration and the National Park Service, Granite is delivering a permanent infrastructure solution designed for one of the most geologically complex construction sites in the U.S.

"The project centers on constructing a single-span steel truss bridge across the Pretty Rocks Landslide — an actively moving section of terrain that has made a significant portion of the park inaccessible since 2021," said Todd Keller, vice president of business development for Granite. "Its primary mission is to reconnect visitors to the western half of the park while delivering a long-term, resilient transportation solution that performs reliably in one of the most remote and environmentally sensitive locations in the country."

The project aligns closely with Granite's mission of delivering infrastructure solutions that support resilient communities. In this case, that mission extends beyond transportation. Restoring access will reopen some of Denali's most iconic destinations to visitors while supporting tourism, improving safety and providing a durable replacement for a roadway that had become increasingly difficult to maintain.

### Engineering Around a Problem That Won't Stop Moving

From the beginning, the project team recognized that success would depend on designing for the landscape rather than trying to control it.

Instead of rebuilding the roadway across unstable ground, engineers developed a bridge that spans the landslide, transferring structural loads to stable ground beyond the moving terrain. Ground improvement measures — including micropiles, anchors and specialized stabilization systems — provide additional support where needed, while thermosyphons help preserve permafrost conditions that contribute to long-term ground stability.

"The bridge was designed to span the unstable area entirely, avoiding reliance on shifting ground," Keller said. "Rather than treating these challenges as obstacles, the team approached them as design drivers, resulting in a solution tailored specifically to the site conditions."

The project team's objectives extended beyond restoring traffic. They sought to create infrastructure capable of withstanding changing environmental conditions while minimizing impacts within the federally protected national park. Equally important was demonstrating how collaborative project delivery could improve decision-making on highly complex infrastructure work.

### Collaboration Changed the Delivery Strategy

One of the project's defining decisions came before construction even began.

"Given the remote location, unknown geotechnical situation and constrained terrain, it was clear bid-build presented too much risk to a contractor," Keller explained. "Granite presented the idea of moving forward with the construction manager/general contractor (CM/GC) method, which the owner agreed to."

This delivery model brought Granite into the design process early, allowing the contractor, owner and design team to collaboratively refine engineering solutions, manage risks and optimize construction sequencing before work began.

That early collaboration proved invaluable throughout the project, particularly as the team balanced constructability, environmental stewardship and the realities of working in one of North America's most isolated construction environments.

### Building in Alaska's Wilderness

Constructing major infrastructure inside Denali National Park presented logistical challenges that few highway projects encounter.

In remote projects like this, logistics become as important as engineering. Every construction activity had to be planned around transportation limitations, weather conditions and environmental protections, with little margin for unexpected delays during Alaska's short construction window.

"The team established worker camps, staged materials carefully and sequenced work to align with limited seasonal access and transportation constraints," Keller said.

### Digital Technology Guides Precision Construction

Digital modeling became especially important during planning for the bridge launch, one of the most technically demanding phases of construction.

Rather than erecting the bridge directly over the landslide, crews assembled the steel truss on one side of the crossing before incrementally launching it into position using a specially designed "launch nose." Once the launch nose reached the opposite side, the main truss followed, sliding across the gap in a carefully controlled operation.

"The teams built up to the launch over the course of two work seasons," Keller said. "The launch itself, sending a 475-foot-long truss across hundreds of feet of empty air, demanded incredible planning."

Detailed digital simulations allowed engineers to model every stage of the launch before construction began."It required close coordination across designers, engineers and field crews, supported by detailed digital modeling to simulate each stage of the process," Keller said.

"The alignment of planning and execution in such a remote environment reflects the strength of the team's collaboration and shared commitment to delivering a successful outcome."

### Sustainability Through Long-Term Resilience

While the Polychrome Area Improvements Project was not designed around a formal sustainability certification, environmental stewardship influenced nearly every project decision.

Construction activities were carefully planned to minimize disturbance within the protected park, while efficient material staging reduced unnecessary transportation impacts. The result is infrastructure designed not only to perform for decades but also to reduce future maintenance needs and repeated disturbances within the surrounding landscape.

### Restoring More Than a Road

Once access is restored, visitors will once again be able to reach the western portion of Denali National Park, areas that have remained inaccessible since the landslide disrupted travel five years ago.

Improved access also supports the regional economy, where tourism remains a critical driver for local communities and businesses. At the same time, replacing an increasingly unstable roadway with a permanent bridge improves safety for both park visitors and maintenance personnel while reducing the need for ongoing emergency repairs.

### Lessons for Future Infrastructure

For Keller, one of the project's greatest successes lies in the lessons it offers the broader construction industry. "Early collaboration is critical," he said. "Engaging contractors during design leads to more constructable and resilient solutions. Collaborative contracting methods like CM/GC provide opportunities for innovation that go beyond traditional delivery methods."

He also pointed to digital technology as an increasingly important project delivery tool. "Modeling and simulation can significantly improve planning for complex construction activities. Projects in dynamic environments must be designed and executed with flexibility in mind. Especially in the context of a constrained work season in a place like Alaska, this kind of adaptability is a huge advantage."

Granite expects the project to reinforce several long-term priorities, including expanded use of collaborative delivery models, increased investment in digital modeling and continued focus on resilient infrastructure solutions.

The Polychrome Area Improvements Project demonstrates how innovation, thoughtful planning and strong partnerships can solve extreme challenges. By designing around an evolving landscape, Granite is restoring more than a roadway — it's reconnecting a national park while setting a new benchmark for infrastructure built to thrive in extreme conditions.

Megan Beam is editor-in-chief of Construction Business Owner Magazine & Digital Media.

# The Gift No One Asks For

The power of feedback & why we don't lean into this process as much as we should

GREGG M. SCHOPPMAN is a partner with FMI Corporation, management consultants and investment bankers for the construction industry. Schoppman specializes in the areas of productivity and project management. He also leads FMI's project management consulting practice. Prior to joining FMI, Schoppman served as a senior project manager for a general contracting firm in central Florida. He has completed complex construction projects in the medical, pharmaceutical, office, heavy civil, industrial, manufacturing and multifamily markets. He holds a bachelor's degree and master's degree in civil engineering, as well as a Master of Business Administration. Schoppman has expertise in numerous contract delivery methods, as well as knowledge of many geographical markets. Contact Schoppman by email at gregg.schoppman@fmicorp.com. Visit fmicorp.com.

Feedback. The gift that hits like a year-old holiday fruitcake but builds leaders proactively with a careful balance of positive and critical development growth "serum." Sometimes it hits hard, because it isn't what we want to hear but what we need to hear. Sometimes it is because the people we rely on for feedback take the proverbial high road, failing to take the critical — and sometimes uncomfortable — step of initiating the process. Consider the following exchange:

**CEO**: I am so tired of hearing about [INSERT RECIPIENT HERE]. They have had five years to get their act together, and they still do [INSERT BAD BEHAVIOR HERE]. How do they not know what they are doing is wrong?

**Advisor:** I couldn't agree more. What did they say when you gave them this feedback?

**CEO:** Well, they had performance reviews. I'm sure it came up then.

**Advisor:** So, you don't know if it came up? I also don't think this was something that needed to wait until a formal performance review. What was their response?

**CEO:** You know, they should just know that it is bad to do that …

**Advisor:** So, you had a performance review, and you said nothing. OK, what about the big bonuses you gave out this year? Did they get a big check, or did you dock the check?

**CEO:** Well, everyone got a big bonus check. I mean, we collectively had a great year.

**Advisor:** So, did you talk with them offline and tell them how bad this was?

**CEO:** I really need to. It is just so important. Maybe we'll send out a global email to all the managers to get them focused on not doing this anymore.

So, rather than proactively deal with bad behavior, the solution is to provide global feedback to an audience who likely will be perplexed, or even perturbed, that they are being called out for a bad behavior that only one person has exhibited. Sounds like an effective management solution.

*Check:* Feedback process avoided! At least everyone got a big bonus, including the main culprit of bad behavior.

*Checkmate:* Everyone loses in the end.

It is an important note that feedback shouldn't be reserved for these awkward encounters. It is likely that teams are doing amazing things every day, but because positive things are expected ("Isn't that what they get a paycheck for?"), catching people doing things right isn't nearly as nearly as natural. It seems as if acknowledging good behavior and performance is reserved for curing cancer or achieving world peace.

A feedback-rich culture cannot be created overnight. There is a significant amount of trust that comes with the process. For instance, feedback cannot be perceived as a case of "gotcha" or even the linchpin that is applied in cases of compensation. There should be connective tissue on rewards and recognition, but if the only time an individual hears feedback (particularly of the negative variety) is during yearly bonus dispensation, leaders risk undermining the process and breeding internal resentment.

Additionally, if someone only hears positive feedback all year, they might be shocked when they are hit in the wallet for some perceived behavioral knock. Feedback is a process, and it's one of the most important tools in the talent development cycle.

Photo Credit: Mediteraneo- adobestock.com

### Plus & Delta Balance Frequently

Nobody can live on a diet of straight sugar (contrary to my five-year-old's belief). Similarly, daily flogging may create an amazing callus, but negativism breeds contempt, cynicism and more negativism. There has to be a balance to the feedback, and it has to be regular.

Once-a-year performance reviews are simply not enough. Additionally, that frequency creates a tense environment that often looks like this: "Remember seven months ago when you didn't turn in your work-in-progress report on time? Well, get better for next year." This does not mean an organization should have formal weekly performance reviews, but it is critical to create a vehicle that makes receiving plus (positive) and delta (needs improvement) feedback normal.

### Culture First & Vulnerability

There is a knee-jerk reaction that occurs with a feedback process. Let's do a test. What is your reaction when you hear this statement: "Can I give you some feedback?"

If your skin crawls and you begin to retch, you might have proved a point. Nowhere in the question were the words, "Can I share something particularly revolting about you and make you uncomfortable?" However, the culture may not be in the right place if there is a visceral reaction to any feedback.

Put another way, baby steps. The best way to do this is to begin with yourself or the leadership team. Make yourself vulnerable so the rest of the organization can welcome this process and grow.

Consider the following exchange: "I think two areas where I excel are A and B, while the two areas I struggle with are C and D. Now, can you share two areas where I perform well and two where I can improve?"

Giving your team permission to share plus/delta feedback with their leader speaks volumes. Additionally, there are likely to be a few blind spots uncovered, especially if your team leans into this process and shares a nugget like, "I would agree with you're A and B, but I think your C is one of your strong suits. However, I would add E and F to things you can work on."

### Stick to the Facts

There are definitely individuals who really lean into feedback. If you have ever said, "I am a tell-it-like-it-is person. I don't pull any punches," then you are likely who I'm talking about.

However, with this candor comes a need to be humane. There are always things we can improve upon, but hearing something like, "You really suck at finance" is hardly contextual — or even something that will help improve performance. Consider changing up the message slightly: "You are great at planning, but your financial management skills are impacting the accuracy of our WIP process." While "sucking" at finance might be true, it isn't actionable.

One of the most important pieces of feedback when discussing feedback is to be genuine. Consider the most meaningful piece of plus/delta feedback you have received in your career. Even if it was more delta-oriented, it more than likely helped shape your career today.

Avoidance of any feedback process will only create developmental issues within your team. As your team sees you lean into feedback because you care about not just their performance but their long-term development, belief in the process takes hold without cynicism.

# Interstates: Walking the Talk of Whole-Person Well-Being

Exploring a design-build electrical contractor's approach to employee wellness

CAL BEYER, CWP, is senior director of SAFE Workplaces for SAFE Project. Beyer is a longtime national advocate for workplace mental health, substance misuse, suicide prevention, and opioid risk reduction and overdose prevention. This grew out of his work on human capital risk management and worker well-being. SAFE Project is a national 501(c)(3) nonprofit committed to overcoming the addiction epidemic in the U.S. Established in 2017 by Admiral James and Mary Winnefeld after the tragic loss of their 19-year-old son Jonathan due to an opioid overdose, SAFE Project aims to save lives impacted by substance use and mental health challenges through overdose prevention and response, education on stigma, and development of prevention and recovery programs. SAFE Project also provides tailored guidance and programming for workplaces and organizations; within college and university campuses; for veterans, service members and their families; and within communities. Since 2016, Beyer has served as a member of the editorial advisory board for Construction Business Owner. Reach Beyer at cal@safeproject.us or 651-307-7883. Visit safeproject.us.

When I first met leaders from Interstates nearly 20 years ago at a Construction Financial Management Association (CFMA) meeting, what stood out wasn't the size of the company or the complexity of its projects — it was the way the leaders talked about people.

There was no corporate bravado. No polished talking points. Just a quiet, consistent focus on employees as human beings first.

Founded in 1953, Interstates (Sioux Center, Iowa) is a national design-build electrical contractor with 1,900 employees. Interstates delivers turnkey solutions on complex factory automation projects in industrial and manufacturing markets. Projects are concentrated in specialized food and beverage, agricultural grain and feed processing facilities, energy and chemical treatment plants, and data centers.

Interstates has been actively involved in the Associated Builders and Contractors (ABC) and the Construction Users Round Table (CURT). The company has been a long-term member of the Human Resource Construction Council (HRCC), comprising approximately 60 merit shop employers. HRCC focuses on expanding knowledge, skills and abilities through mutual problem-solving and best practices sharing among talent acquisition, workforce development and other human resource professionals.

## Employee-Centric Culture

What sets Interstates apart is the intentionality and focus of its employee-centric culture. I first met current CEO Scott Peterson at a CFMA chapter meeting in 2005. What stayed with me was not just the company's reputation or technical expertise, but the humility and servant leadership its leaders consistently demonstrated — qualities that continue to define Interstates' culture today.

I remain impressed with the company's commitment to achieving balance and harmony between employees' work and personal lives. Long before conversations around burnout became mainstream in construction, Interstates leaders noticed something troubling: Employees were fatigued.

Instead of treating long hours as a badge of honor, the company began tracking weekly workloads and looking for signs that teams were stretched too thin. Weekly variance reports of outliers are not for punitive purposes but to ensure all project teams have all necessary support needed to achieve success. Interstates reports this innovative practice contributes to reduced stress, improved safety, quality and productivity performance, and higher employee retention.

## Excellence in Leadership

When I met Interstates, the company was far ahead in its in-house excellence in leadership (EIL) development program. Starting in the early 2000s, EIL is offered twice a year to cohorts of approximately 18 leaders representing a cross-section of the company. Since inception, approximately 40 cohorts of leaders have completed

EIL, which is viewed as a driving force in sustaining the company's culture.

Danielle Crough joined Interstates in 2016 as director of leadership and organizational development, and she transitioned to vice president of people and culture in 2019. Crough asserts that EIL "reflects the people-centered approach Interstates has spent decades building."

EIL is structured as "three multiday sessions over the course of three months, with a focus on building capability at three levels: leading self, leading teams and leading within the broader organization," Crough explained. "That progression," she said, "helps participants move beyond simply understanding leadership concepts and begin applying them in practical, real-world contexts."

"What makes the program especially impactful," according to Crough, "is not just the curriculum itself, but the way it is delivered. Rather than relying on outside facilitators, the sessions are led by current Interstates leaders and grounded in the company's long-standing commitment to servant leadership."

"Participants consistently highlight the impact of this approach," Crough said. "Seeing leaders invest time to teach, while openly discussing topics like personal growth, mental well-being and sustainable leadership practices, reinforces that leadership at Interstates is not just about results. It's about developing people and leading with authenticity."

### Shift to Whole-Person Well-Being

Under Crough's leadership, the company adopted a whole-person well-being model and developed a custom employee benefit program to meet a wide spectrum of needs for individual employees.

In many organizations, HR overly relies on rigid, black-and-white policies, whereas Interstates recognizes that employee centric solutions that promote well-being are in the "gray zone" where judgment, discretion and flexibility coexist. Of many experiences, I chose three examples of how Crough and Interstates navigate the gray zone to offer support:

- Recognizing the limitations of traditional two- or three-day standard bereavement leaves and instituting greater flexibility based on individual circumstances faced by employees experiencing a loss.
- Treating employees with respect and dignity if an employee fails a required drug test, as well as providing the opportunity to seek help and receive support from the company through the process of treatment and recovery.
- Contacting an employee's designated emergency contact and flying them to a nearby airport to offer support to an employee who had recently relocated for work and was showing signs of distress.

Interstates has also found intentional ways to build connections into everyday workplace culture. "By teaching leaders and peers to understand team members as individuals, this is one way Interstates intentionally builds connections into its culture," Crough shared.

The company's "Ask Me About My F.O.R.D." initiative is a simple but effective conversation framework designed to help employees move beyond surface-level interactions. Each letter in "ford" represents a conversation starter centered on family, occupation, recreation and dreams. Rather than treating connection as something that happens organically or only outside of work, Interstates actively encourages employees to learn more about one another in meaningful ways. The initiative has become one of the company's most enduring well-being efforts, helping strengthen relationships across workplaces and jobsites alike.

### Holistic Recovery in the Workplace

Interstates has adopted many of the best practices advocated by SAFE Project for proactive mental health and well-being support. The company has been intentional about promoting greater usage of the employee assistance program (EAP) for workers and family members. A comprehensive intranet well-being hub provides easy and confidential access to resources. This includes an annual allowance of 90 days of free financial management coaching for all employees and families.

In recent years, Interstates has increased focus on substance use prevention, treatment and recovery support. The company focuses on the availability of help and support. Company leaders teach "holistically healthy" practices sharing their own lived experiences of challenges with mental health and substance use.

Robust digital resources are shared on substance use prevention through the EAP for workers and family members. This includes information about 12-step and non-12 step recovery programs. Importantly, employees have access to flexible policies to pursue treatment and recovery services.

Interstates signed SAFE Project's #NoShame Pledge. The pledge and information on opioid safety practices were incorporated into the annual field leadership training in spring of 2026. Next steps will include sharing safety provided information on alternatives to opioids for pain management for medical and surgical procedures for both workers compensation and health benefits coverage. The company is also considering stocking naloxone in workplaces and at worksites to promptly respond to emergency overdose scenarios.

At Interstates, well-being shows up in everyday conversations, leadership decisions and moments when employees quietly step in to support one another.

In an industry often defined by production schedules and deadlines, that kind of culture doesn't happen accidentally. It's built intentionally, one interaction at a time.

# Blueprints & Bonuses: Executive Compensation in Private Construction Firms

Digging into the 2026 C-suite pay structure

Kevin Kuschel is a managing director at CBIZ specializing in executive and director compensation analysis and design, particularly in diverse industries. His expertise extends to strategic handling of complex scenarios including IPOs, mergers and litigation support. Kuschel is a Certified Compensation Professional (CCP), Certified Executive Compensation Professional (CECP) and Senior Professional Human Resources (SPHR), and he is actively involved in WorldatWork and the Houston Compensation and Benefits Association. He has contributed to numerous industry publications, highlighting his thought leadership in executive compensation challenges and strategies. Visit cbiz.com.

The compensation architecture for senior executives in private U.S. construction companies has undergone a meaningful recalibration over the past three years. From family-owned regional contractors to private equity (PE)-sponsored engineering platforms, firms have navigated an extraordinary post-pandemic expansion, rapid cost escalation, shifting capital markets and evolving project demand.

Between 2023 and 2025, executive compensation in construction experienced one of the strongest growth cycles in more than two decades. As the industry now moves through 2026, pay practices are normalizing but not retrenching. Instead, private firms are striking a careful balance: preserving competitiveness in a structurally tight leadership market while introducing more disciplined performance alignment across salary, bonus and long-term incentives (LTI).

Understanding the direction of compensation trends in 2026 requires viewing executive pay through three lenses: macro industry performance, labor market dynamics and the evolution of capital structure within privately held firms.

## Industry Performance: From Acceleration to Moderation

The 2023 construction environment was defined by momentum. Infrastructure spending accelerated, manufacturing reshoring intensified and backlog expansion drove record project pipelines. Early-year financing conditions, combined with federal infrastructure stimulus, sustained activity levels across heavy civil, industrial and energy-adjacent projects.

By 2024, however, the normalization of interest rates and tighter credit conditions tempered certain segments. Residential construction slowed under higher mortgage costs. Office and traditional commercial real estate development remained cautious. Meanwhile, infrastructure, advanced manufacturing facilities, semiconductor fabrication plants and mission-critical data centers continued to show resilience.

Growth moderated but did not reverse. Spending expansion decelerated from boom-level acceleration to increases in the mid-single digits. This shift from expansionary surge to managed growth is central to understanding executive pay adjustments in 2026.

## Workforce Pressures & Leadership Scarcity

Labor conditions across 2023-25 illustrate the tension beneath the surface. Construction employment initially outpaced broader workforce growth as firms hired staff to support backlog expansion. By 2025, hiring velocity slowed materially.

Importantly, reductions in hiring did not translate into elevated layoffs, particularly at senior levels. Executive turnover remained restrained, as firms were unwilling to risk leadership instability during a transitional economic period.

This dynamic reinforced a structural reality: Experienced construction executives remain scarce. Deep operational

knowledge, particularly in heavy civil, industrial engineering, procurement and construction (EPC), and large-scale project management, cannot be rapidly developed or easily replaced. Even as overall hiring moderated, competition for proven C-suite talent persisted.

That scarcity continues to exert upward pressure on executive compensation, even in a cooling macro environment.

## 2023–25: Peak Growth & Gradual Normalization

Executive pay in private construction firms expanded aggressively during the post-pandemic rebound. Total direct compensation (TDC) increases in 2023 reached levels not seen in decades, reflecting both base salary adjustments and outsized incentive payouts tied to record backlogs and profitability.

By 2024 and 2025, growth rates moderated but remained elevated relative to long-term historical norms. Mid-single-digit total compensation increases became common, exceeding cross-industry executive pay trends in many sectors.

The pattern can be summarized as follows:

- *2023: Acceleration phase* — Strong base increases and elevated bonuses
- *2024: Moderation phase* — Slightly lower raises, sustained incentive focus
- *2025: Stabilization phase* — Continued growth, but closer to normalized ranges

Rather than retrenching, the industry moved from a surge to equilibrium.

## Base Salary Trends: Steady but Disciplined Growth

Base salary movement entering 2026 reflected the continuing stabilization. While the extraordinary 6%+ merit cycles of 2021-23 have subsided, construction executive base pay is still growing at a healthy pace.

For 2026, most private construction firms are budgeting:

- 4% to 5% base salary increases for C-suite roles
- Higher adjustments (6% to 8%) for leadership positions in high-demand subsectors or growth geographies
- Structural salary range adjustments of approximately 2% to 3% to maintain parity with inflation.

In high-demand areas such as infrastructure, energy-transition projects, semiconductor facilities and data center construction, executive search timelines remain extended. The lengthened recruitment cycle is translating into upward salary pressure at the top of the market.

Geography also matters. Regions with strong public infrastructure investment or industrial build-outs, particularly in the Southeast and Texas, continue to see compensation increases above the national construction average.

Overall, 2026 base pay growth is expected to remain disciplined but competitive and firmly in mid-single-digit territory.

## Annual Incentives: The Core Performance Lever

Short-term incentive plans (STIPs) remain the dominant compensation vehicle for private construction executives. Unlike many public-company incentive programs that rely heavily on market valuations, construction incentive frameworks are operationally grounded.

Common performance metrics include:

- Gross margin performance
- Earnings before interest, taxes, depreciation and amortization (EBITDA) or operating income
- Project schedule adherence
- Safety performance (total recordable incident rate, experience modification rate metrics)
- Cash flow and working capital efficiency
- Backlog growth

During peak growth years, bonus payouts were substantial, reflecting strong financial performance and execution. As growth moderated in 2024-25, payout variability increased, reinforcing the alignment between pay and performance.

Looking into 2026:

- Bonus funding levels are expected to remain robust where backlogs support revenue visibility.
- There may be greater use of threshold-to-maximum payout curves tied to margin quality, not just top-line growth.
- The use of retention or sign-on incentives will likely be expanded for key hires.

For top-performing executives, total cash compensation (salary plus bonus) may continue to exceed base salary by 20% to 30% or more, particularly in infrastructure and industrial segments. Variable compensation is increasingly the strategic differentiator between employers.

## LTI: The Structural Shift in Private Construction

The most significant structural evolution in private construction compensation has occurred in the design of LTI.

Historically, privately held contractors relied heavily on cash compensation, informal profit sharing or selective equity participation for founders. That paradigm is changing rapidly.

Today, a substantial majority of private firms offer formal LTI programs for senior leadership. These include:

- Private equity or stock appreciation rights
- Profits interests (for LLC structures)
- Multiyear cash plans tied to cumulative EBITDA or enterprise value
- ESOP participation
- Direct equity grants in PE-backed firms

PE sponsorship has accelerated this shift. Sponsor-backed platforms routinely incorporate equity participation for

CEOs and divisional leaders to align management with exit valuation objectives.

For 2026, the LTI trajectory is clear: Broader participation across the C-suite, increased use of multiyear performance measurement periods, stronger linkage to enterprise value growth and return metrics, and enhanced communication around long-term value creation.

The purpose is twofold: retention and alignment. Construction executives are increasingly being compensated for annual delivery and sustained value creation.

## Subsector Differentiation

Compensation movement is not uniform across the construction landscape.

### *Infrastructure & Industrial Construction*

These segments remain the most aggressive in executive pay growth. Federal infrastructure funding, manufacturing reshoring, energy transition projects and mission-critical facilities continue to drive backlog strength.

Executives with domain expertise in heavy civil, transportation systems, water infrastructure, data centers and advanced manufacturing facilities command premium compensation — often materially above traditional commercial builders.

### *Residential & Traditional Commercial*

Residential builders and commercial-focused contractors experienced more pronounced cyclical moderation. Higher interest rates and financing constraints dampened project volume in certain markets. Executive pay growth in these segments has generally aligned more closely with national averages (3% to 4%), absent regional strength or niche specialization.

The divergence underscores a broader point: compensation follows capital flow. Where investment concentrates, executive pay accelerates.

## 2026: Competitive but Measured

The compensation outlook for 2026 can best be described as competitive discipline.

### *Continued Mid-Single-Digit Base Growth*

Salary increases will remain steady rather than speculative. Firms recognize the need to reward loyalty and maintain market competitiveness without recreating the surge dynamics of 2023.

### *Projected 2026 Base Salary Increase Ranges*

| Subsector | Expected Increase Range |
|---|---|
| Infrastructure / Heavy Civil | 6%–8% |
| Industrial / Manufacturing EPC | 5%–7% |
| Energy & Mission-Critical Builds | 5%–7% |
| Commercial Construction | 3%–4% |
| Residential Construction | 3%–4% |

### *Strong Emphasis on Incentive Pay*

Bonus opportunities will remain meaningful, particularly where margin discipline and project execution drive value. Firms are relying on variable pay as the primary alignment mechanism.

### *Expansion of Long-Term Alignment Vehicles*

More private contractors are formalizing multiyear value creation plans. Equity-like participation, deferred compensation and enterprise-value-linked incentives will become standard practice at scale.

## Responsiveness to Market Signals

Private firms retain flexibility. Compensation decisions can adjust midcycle if backlogs, financing conditions or regional demand shift. This nimbleness differentiates private construction companies from their public counterparts.

Importantly, executive compensation in construction continues to outpace many other industries on a percentage-growth basis. The structural shortage of seasoned operational leadership remains, supporting continued pay strength for those in leadership roles.

## From Surge to Strategy

Private U.S. construction firms entered 2026 from a position of relative stability. The extraordinary compensation acceleration of the immediate post-pandemic years has eased, but the baseline for executive pay has permanently reset upward.

Base salaries continue to climb. Incentive compensation remains central to performance alignment and LTI design is evolving rapidly, especially in firms seeking succession continuity or anticipating liquidity events.

These compensation trends are not isolated and mirror the broader industry narrative. Construction remains capital-intensive, execution-driven and leadership-dependent. When project pipelines strengthen, executive rewards follow. When markets moderate, compensation recalibrates but does not collapse.

For private construction executives, 2026 represents a year of structured opportunity characterized by competitive pay, meaningful performance upside, and increasing participation in long-term value creation.

For firms, the message is equally clear. Executive compensation is no longer simply about retention, it is a strategic lever tied directly to capital allocation, project execution and enterprise growth.

In an industry that builds the physical framework of the economy, the compensation framework is becoming just as thoughtful in its engineering.


# Construction Safety Cannot End at the Jobsite

Why suicide prevention belongs in every contractor's culture

BY JASON RAGSDALE

After more than three decades in and around construction, I have seen how hard it can be for workers to admit they need help. Long hours, physical work, chronic pain and a culture that prizes toughness can all wear on workers over time. When someone is struggling with mental health, the effects do not stay neatly outside the jobsite. They can influence judgment, communication, decision-making and the ability to stay engaged at work.

That is why mental health cannot be treated as separate from safety in construction. If we want safer companies, mental health must be part of the safety system. At the most serious end of the scale is death by suicide, an issue the construction industry can no longer afford to treat as separate from safety.

In 2023, nearly 1,000 construction workers died on the job, while more than 5,000 died by suicide. Those losses did not happen in the same way, but they belong in the same conversation if the goal is to protect workers from preventable harm.

To understand why this issue is so urgent, it's important to understand why construction workers face a higher level of risk in the first place.

## Construction's Elevated Risk

Construction has always demanded toughness. The work is often high stress and high demand. The industry is also predominantly male — about 90% — and many workers come from backgrounds such as the military, where asking for help may feel uncomfortable.

There are other factors, too. Chronic pain is common in construction, and pain management can sometimes create additional challenges around dependency, isolation and depression. Add in family pressures, financial strain, seasonal uncertainty or substance use, and a worker who looks fine on the surface may be dealing with far more than anyone realizes.

When someone is struggling, it can show up in ways that look like distraction, conflict or declining performance before anyone recognizes the deeper issue. Foremen and frontline leaders are often in the best position to notice those changes first, because they see the crew every day.

## What Leadership Should Do Differently

For contractors, the answer is not to turn frontline leaders into clinicians, but instead to equip them to recognize warning signs, start respectful conversations and connect workers to help early.

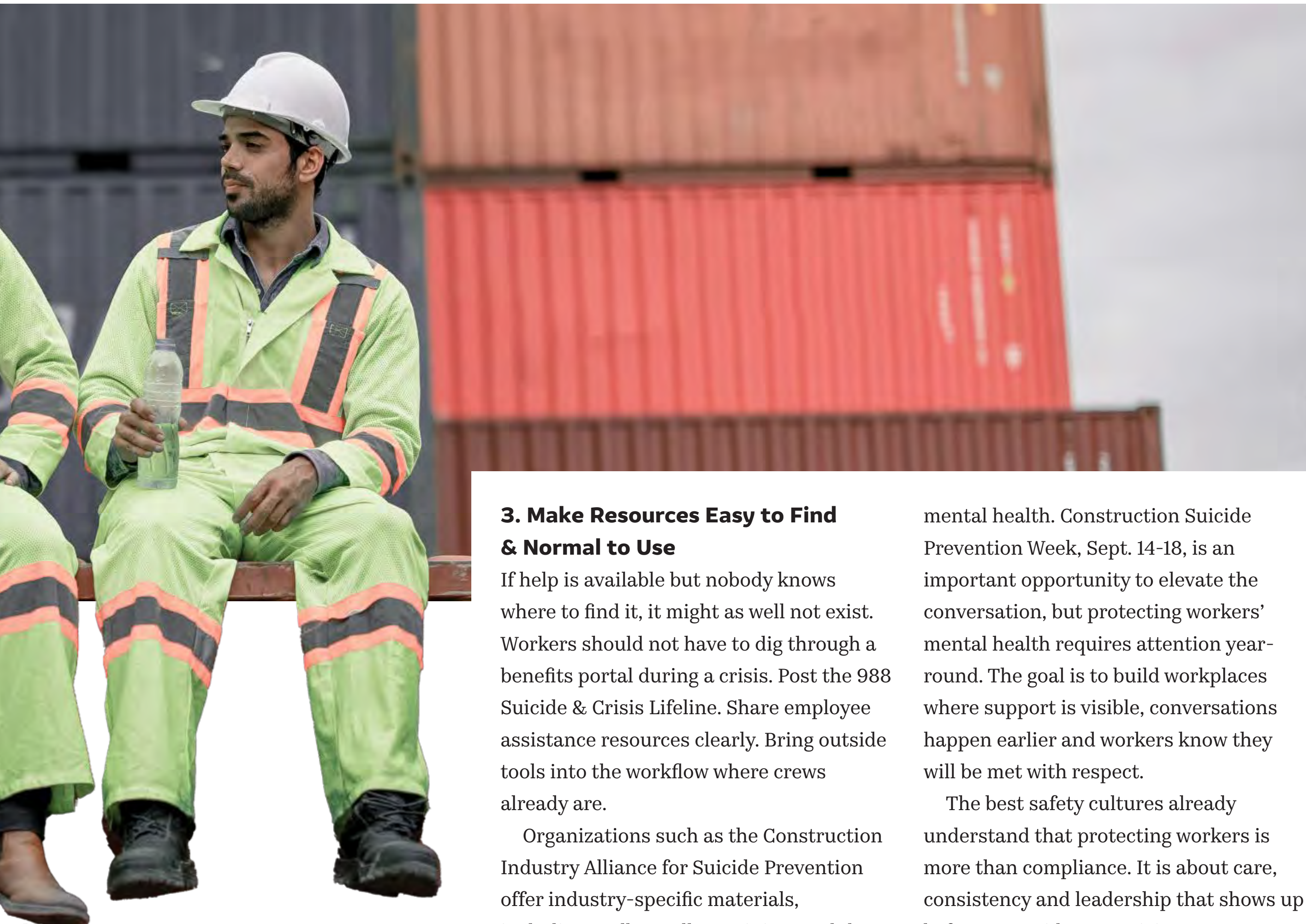
That starts with culture. Most companies have safety as a core value, but do they have mental health programming or access to help? Mental health efforts are more effective when they are built into a company's values, not treated as a once-a-year campaign. Employees can tell the difference between a brief annual message and one reinforced through orientation, training, daily huddles and year-round communication.

Here are four practical ways contractors can strengthen that culture.

### 1. Train Frontline Leaders to Notice Changes

Project leaders, foremen and superintendents do not need perfect words. They need enough awareness to recognize when something feels off. Sudden absenteeism, unusual irritability, changes in appearance, isolation, missed routines or a drop in

Photo Credit: SpaceOak- adobestock.com



focus may all warrant a conversation.

A simple check-in can matter: "You don't seem like yourself lately. Are you OK?"

That is not invasive. It is leadership.

### 2. Replace Discipline-First Reactions With Curiosity

In construction, it is easy to interpret struggle as laziness, carelessness or lack of commitment, but not every behavior problem starts as a behavior problem. Sometimes the worker who is late, distracted or short-tempered is carrying something deeper that is affecting how they show up.

That doesn't mean leaders should lower their standards. Instead, try to pause long enough to understand what may be driving the change before jumping straight to discipline.

### 3. Make Resources Easy to Find & Normal to Use

If help is available but nobody knows where to find it, it might as well not exist. Workers should not have to dig through a benefits portal during a crisis. Post the 988 Suicide & Crisis Lifeline. Share employee assistance resources clearly. Bring outside tools into the workflow where crews already are.

Organizations such as the Construction Industry Alliance for Suicide Prevention offer industry-specific materials, including toolbox talks, training modules and practical guidance for starting conversations. Those resources can help companies move from good intentions to consistent action.

### 4. Change Your Thinking & Your Language

Culture is shaped by everyday words. Dismissing someone as "crazy," joking about suicide or treating mental health concerns as weakness reinforces the silence that keeps people from speaking up. Respectful language will not solve the problem on its own, but it helps create a workplace where asking for help feels easier.

### A Stronger Definition of Safety

Construction companies have made real progress in talking more openly about mental health. Construction Suicide Prevention Week, Sept. 14-18, is an important opportunity to elevate the conversation, but protecting workers' mental health requires attention year-round. The goal is to build workplaces where support is visible, conversations happen earlier and workers know they will be met with respect.

The best safety cultures already understand that protecting workers is more than compliance. It is about care, consistency and leadership that shows up before an accident or crisis.

If we want every worker to go home safely, we must expand what "safely" means. It should mean more than avoiding a fall or a vehicle crash. It should also mean making sure the people who build our communities know they are valued and not alone.


Jason Ragsdale, CSP, CIC, CHST, leads risk management technical specialization for Nationwide. He has over 25 years of experience in the construction and insurance industries as a safety professional. He's also worked directly on large construction sites as a general contractor. Visit nationwide.com.

# Fractional Tech Leadership

## The fastest path for construction firms to harness AI, automation & contech without the overhead

**By Paul Theisen**

For midmarket construction firms looking to scale, traditional full-time C-suite hiring is a high-risk gamble that often defaults to throwing bodies at technology problems. To modernize successfully, firms need a strategic leader who can leverage AI, automation and construction technology (contech) without massive, permanent overhead.

By bringing experience density and true operational ownership to the executive table, a fractional executive stabilizes core processes before making heavy investments in advanced automation. Rather than chasing passing tech trends, they map high-friction workflows, navigate cultural adoption and protect tight margins from costly implementation mistakes.

### Why a Full-Time C-Suite Hire Is a High-Risk Gamble

Traditional full-time C-suite hiring is built on traditional thinking, and that is exactly the problem. Hiring a full-time executive the old way places a large, fixed, permanent bet on one person and one playbook. If that playbook is the conventional one, it almost always defaults to the same move: When the work piles up, add people.

The real opportunity is decoupling output from hours, which will come from a leader who knows how to use AI and technology to reduce the company's dependency on headcount — not to eliminate roles, but rather to rightsize them. For generations, value in this industry has been tied to time: hours for dollars, days for pay. AI changes that equation. It can absorb the heavy administrative lifts so your people spend their time on the judgment work only people can do.

That is a different kind of C-suite conversation, and a traditional hire may not be equipped to have it. AI is not a strategy by itself; it is an amplifier of leadership quality and operating discipline. A scaling firm needs a leader who understands both sides of that equation, the technology and the people, and knows how to balance them.

### Implementing AI Without Upsetting Operations

The step most companies skip is the most important one: Before touching a single tool, map the process.

Requirements must come before solutions, and automation should follow the process, never the other way around. To get this right, understanding the workflow end-to-end is critical. Start with how much effort each stage requires, where the handoffs happen, and where friction lives.

In the owner-architect-contractor (OAC) workflow, information is frequently lost, duplicated or delayed. An AI-powered project workspace solves this by acting as an always-on team member, creating a single shared pool of specifications, contracts and updates across the supply chain. Ultimately, AI does more than answer questions — it moves work.

For example, instead of a project engineer spending hours writing meeting minutes and chasing down requests for information (RFI) context, a trained knowledge base delivers drafts in minutes. The human stays in the loop to review, eliminating the administrative drag. Multiplied across a portfolio, this automation drives immediate field visibility, faster executive reporting and earlier risk flags.

The discipline is to take AI to the workflow, not force the workflow to chase AI. It's the reason implementation done this way invites adoption. It doesn't upset daily operations; it streamlines them.

### Stabilize & Standardize Before Automating

A fractional executive begins with a 360-degree listening tour to map operational friction before prescribing fixes. They sit with the people who do the work, find where friction lives and map what is broken before prescribing a fix.

That diagnosis must be tied to business outcomes from the start, because technology rarely fixes broken management — it usually exposes it. If reporting is late, naming conventions are inconsistent and workarounds are normal, AI will not magically create operating discipline; it will just scale the confusion faster. Good technology cannot do the job of good management.

### Enterprise-Grade Leadership Within Budget

A full-time, executive-level, technology hire is beyond the mid-six figures in total compensation, which, for most midmarket firms, is a nonstarter.

The company stands still — or worse, falls behind — when it goes without the right leader or settles for someone less experienced who fits the budget.

The fractional model rightsizes the scope and the hours to what the company can afford, with all the strategic thinking, implementation experience and executive presence of someone who has done this before at scale. The key is understanding that this model doesn't buy hours: it buys judgment.

Photo Credit: Peera-adobestock.com

## Culture Drives Adoption

Everybody likes to talk about implementation, but almost nobody talks about adoption. Implementation is money the organization spends. Adoption, done right, is money the organization makes. A system that gets installed but not used has failed, no matter how good the demo was, which is why culture plays such an important role.

Identifying champions to carry a change forward can help adoption significantly. When credible people get behind something, others follow.

Another key to adoption is overcommunication: People need to hear a message repeatedly, in different settings, before it registers and sticks. Combine the right messengers with overcommunication and you have an approach that works.

## The 6-Point Executive Self-Check

The self-check is meant to be fast and honest — and illuminate gaps. Simply ask whether each statement below is true:

1. Our teams trust our systems.
2. We have minimal duplicate entry and workaround processes.
3. Leadership sees issues early enough to act.
4. Our cyberposture would survive a bad day.
5. We have clear ownership of technology strategy.
6. We know exactly where AI can help us.

The self-check looks like an IT scorecard, but every honest "no" is really pointing at margin, speed or risk. Fix the ownership and the workflow underneath it, and the "IT problem" becomes what it should have been all along: a competitive advantage.

## Costly Mistakes a Battle-Tested Executive Prevents

Hindsight is only valuable if someone is willing to share it honestly. A battle-tested executive has made the mistakes or watched others make them, and that pattern recognition is worth more than any vendor demo. These recurring, costly tech implementation mistakes are common and avoidable:

- *Misjudging absorption capacity* — Layering major software rollouts onto a business already running in controlled chaos sets the initiative up to fail. Because long-term adoption is the real finish line, timelines must be mapped to the field's actual bandwidth to protect daily profitability.
- *Shortsighted implementation* — Solving an immediate problem without a five- to 10-year vision frequently turns expensive capital into a sunk cost within two years. A fractional chief information officer (CIO) protects the budget by ensuring technology will still make operational sense when the firm doubles in size.
- *Ungoverned AI* — Treating AI strictly as an IT initiative leads to risky "shadow AI," where sensitive contract, claim and job data flow through unapproved public tools. Establishing clear guardrails and mandatory human review ensures operational speed does not transform into avoidable risk.

## Rightsized Leadership Capacity Over IT Consulting

IT consultants are transactional: They diagnose, hand you a road map and move on. A fractional technology leader becomes a partner the moment they embed directly into your executive table, occupying a real seat on your org chart, and staying through to realize successful outcomes you've defined together.

That continuity transforms a temporary fix into a long-term strategic advantage. You aren't buying a one-time deliverable; you are gaining an executive with the enterprise-grade pattern recognition needed to spot operational icebergs before they cost you money.

## The One Mindset Shift

If there is one mindset shift to take away, it is this: Experience is transferable, so stop paying to learn the hard way.

Every construction owner who has tried to navigate a major technology change without the right leadership has paid a tax for it: The failed rollout, the vendor who overpromised, the initiative that solved this year's problem and created next year's headache. Those are the hours and dollars spent finding out the hard way what someone else already knew.

Why pay for that education yourself when you can bring in someone who has already been through it? A seasoned fractional leader has sat at executive tables in your industry and has already paid that tuition, so you don't have to.

Paul Theisen is TAG CXO's founder and CEO. Theisen brings three decades of executive experience helping organizations navigate strategy, technology and operations across industrial markets, serving asset-heavy enterprises in construction, manufacturing, energy and utilities. He connects companies with proven fractional executives who deliver clarity, bridge leadership gaps and drive meaningful, accelerated results. Theisen will publish his first book with Forbes Books in April 2027. Visit tagcxo.com.

# The Trust Factor: How In-Person Moments Drive Discovery & Win Business in the Trades

Smaller firms can cultivate a face-to-face advantage

BY ERIN SHEA

In construction and manual trades industries, work is often won long before a contract is signed. Discovery of a business might start with a referral, a yard sign, a wrapped truck or an online search. But hiring decisions are still rooted in something more tangible: trust. And trust is reinforced in person.

Even in a digital-first world, face-to-face engagement remains critical. In-person events can outperform digital channels in generating high-quality leads and driving conversions. In industries where reputation and reliability directly impact revenue, that real-world interaction carries significant weight.

“Events” does not only mean large trade shows, but also smaller community events that raise awareness and foster customer relationships. This could include hosting renovation workshops, leading safety trainings, holding open houses, sponsoring community events or attending local networking gatherings. These moments build familiarity, which reduces risk for potential clients.

In this case, presentation isn’t about looking “corporate.” It’s about signaling reliability, organization and pride in your craft, qualities customers are actively looking for when hiring someone to work on their home or property.

## Why In-Person Still Wins

In industries like plumbing, HVAC, roofing, electrical and general contracting, the stakes are high. Customers are inviting you into their homes and trusting you with major investments. Websites and Instagram feeds can spark interest, but they don’t replace the reassurance that comes from shaking someone’s hand and seeing how they present themselves.

In-person events accelerate that trust-building process. Hosting an event, no matter the size, positions entrepreneurs as leaders. It signals that the company is not just accepting jobs but educating, advising and guiding the community.

A workshop on preparing your home for summer, for example, allows an HVAC company to demonstrate expertise in real time. A contractor hosting an open house with flyers at a completed renovation gives prospective clients the chance to see craftsmanship up close. A landscaping company offering a seasonal planting demo positions itself as a local authority. Small businesses understand that professionalism is communicated long before you start talking business.

Preparation is visible. Structured agendas, branded presentation materials and thoughtful signage signal that you value your audience’s time.

## The Subtle Signals Customers Notice

When someone walks into your event space or approaches your booth, they make quick judgments. Is this business organized? Established? Detail-oriented? Proud of its work? These impressions are shaped by small, visible cues, such as clear, well-designed signage, branded presentation folders or handouts, consistent logos and colors across materials, structured agendas or printed workshop outlines, and clean name badges and business cards. Together, these elements create an experience that feels intentional.

In construction and the trades, attention to detail is a core selling point. If your event materials look rushed or inconsistent, it can unintentionally raise questions about how you manage projects.

On the other hand, polished materials reinforce the message of organization, preparation and attention to detail. That perception directly impacts buying decisions.

## Professional Doesn’t Mean Expensive

Many small trade businesses operate with lean teams and tight margins. It’s understandable to assume that polished event materials are a luxury reserved for larger firms. However, the reality is that high-quality, customized print materials are more accessible than ever. Affordable

Photo Credit: David L/peopleimages.com- adobestock.com

signage, durable presentation folders and branded handouts allow even small crews to present themselves like established players in their market.

Independent contractors and small trade businesses frequently compete with regional or national companies that have larger marketing budgets. In-person events are one of the most cost-effective ways to level the playing field. When a homeowner finds a business card or a flyer in a folder with your logo on it, each touchpoint reinforces familiarity and reduces hesitation. The key is consistency.

When your booth looks polished, your materials are cohesive and your presentation feels structured, attendees aren't comparing company size but are instead evaluating credibility. A small team that presents itself confidently and consistently can feel just as established as a larger firm. Often, the added benefit of local ownership and personal service becomes a competitive advantage.

## Turning Events Into Long-Term Business

An event is more than a one-day opportunity. It's a chance to create materials that continue working for you after the chairs are folded and the booth is packed up.

For example, a printed checklist becomes a reference sheet pinned to a client's fridge, while a brochure at a home show may resurface months later when a renovation budget is finalized. Physical materials have staying power. Unlike digital ads that disappear with a scroll, print pieces linger in kitchens, offices and jobsite trailers.

For trade businesses in particular, tangible materials mirror the tangible nature of work. Marketing can reflect that same solidity.

## Practical Tips for the Next Event

For small business owners planning a workshop, open house or trade show appearance, consider these fundamentals:

- *Invest in clear signage* — Make it obvious what the business is and what it does from across the room.
- *Prepare structured handouts* — Checklists, timelines or FAQs provide value and reinforce expertise.
- *Use branded folders* — Organize estimates, warranties and information in a professional package.
- *Ensure consistency* — Align colors, fonts and logos across every material.
- *Think beyond the day* — Create materials that attendees keep and reference later.

These steps don't require a massive budget. They require intention.

## Trust Is Still Built in Person

While digital discovery is here to stay, in construction and the manual trades trust is still built through human connections. Professional-looking events communicate reliability, craftsmanship and respect for customers. In an industry where referrals and reputation drive growth, those signals matter.

The businesses that win are the ones that show up prepared. In a digital-first world, a visible, tangible and thoughtfully organized presentation has the ability to be the most powerful competitive edge.

Erin Shea is the senior director of North America marketing at VistaPrint. VistaPrint helps small business owners and entrepreneurs create custom designs and professional marketing. Visit vistaprint.com.

# Managing Risk in a Dynamic Building Code Environment

Streamline a complex compliance process

By Joe Shields & Derek Steffen

Most large construction projects span multiple years, which is often long enough to overlap at least one cycle of the International Code Council's (ICC) standard three-year update schedule. This is well understood among design professionals, who typically manage the exposure by locking in an applicable code version at permit issuance or some other defined contractual milestone.

If only it were that simple.

On any given project, multiple authorities having jurisdiction (AHJs) may apply the same underlying code differently, with no guarantee that a third-party compliance tool will reflect what a local inspector will actually enforce. New technology is adding another layer of complexity. Today, there are digital platforms that continually update and publish code content, as well as AI-assisted tools that can interpret code requirements and run compliance checks instantaneously. Both developments give design professionals more to work with and more to be accountable for.

The responsibility for interpreting the building code, tracking how requirements evolve over the life of a project and documenting the basis for every compliance decision remains with the design professional. Understanding where the compliance landscape is shifting, and why, is the first step toward managing the risks it creates.

## A Move Toward Dynamic Codes

Digital platforms now aggregate federal, state and local code requirements into a single searchable database, streamlining the process by which design professionals cross-reference separate printed volumes or jurisdiction-specific files. Meanwhile, AI-assisted tools can interpret code requirements on demand and flag potential noncompliance, shifting the process away from manually reading and applying each provision toward a more automated review workflow.

These tools offer genuine efficiency gains. However, they also introduce a compliance risk if different team members, or the same team members at different points in a project, work from subtly different interpretations of the same code.

That risk is compounded when design professionals rely on AI tools to interpret code. If a designer uses AI to query a requirement rather than reading the code directly, and that AI is either trained on an older version of the code or introduces its own interpretive error, the designer may not know they've been relying on incorrect information until permit review or inspection.

Tools can speed up code research by helping users identify relevant provisions and address specific questions, but they cannot sign off on a design or confirm compliance with an AHJ's requirements. That judgment requires human review and application of professional judgment.

The stakes of getting that judgment wrong are significant. Building codes are rarely as clear-cut as they appear. An architect or engineer may read a requirement, make a sensible professional judgment and design accordingly. But sound judgment alone is not always enough. If a dispute ends up in litigation, the question could be not whether the designer's interpretation was defensible, but whether the court or jury finds the argument more convincing than the claimant's.

In a civil lawsuit, the claimant generally only needs to show that their version of events is more likely than not. This is often described as the 51% threshold. In a litigation environment where plaintiff counsel have grown increasingly adept at exploiting interpretive ambiguity, particularly in the Americans with Disabilities Act (ADA) and the Fair Housing Act (FHA) accessibility claims, the gap between a defensible design decision and a successful lawsuit is often narrower than design professionals expect.

## When Compliance Gaps Surface — & What They Cost

A building project's design phase can run anywhere from several months to a few years. In most jurisdictions, the building code is set at the time of the permit issuance and remains in effect for the duration of the project.

Photo Credit: Mohiuddin123- adobestock.com

Once construction is underway, project teams are not typically expected to revise plans every time a code changes. However, that does not remove their broader duty to exercise professional judgment or to consider the best interests of the project and public safety. In practice, teams may still need to pause when a code change occurs midproject and assess whether the update is significant enough to incorporate anyway.

The cost implications of compliance gaps depend heavily on when an issue surfaces. There are three distinct stages at which compliance gaps are typically caught, each with escalating consequences:

1. ***During the design*** — This is the lowest-cost stage to identify a compliance gap, but only if the design team is actively monitoring for code amendments. Changes flagged early can still be resolved in the design documents, with limited downstream impact on project schedule or budget, assuming partial construction has not commenced in a fast-track mode where early construction is noncompliant with a recent code change.
2. ***At permit issuance*** — If a code amendment was missed during design, the AHJ may be the first to flag it. By this point, the design is further along, and changes can ripple across disciplines, creating schedule and cost impacts that may have been avoided with earlier visibility.
3. ***During construction or final inspection*** — This is the highest-stakes scenario, as rework may require removing or rebuilding work in place, creating significant financial exposure.

As digital platforms update code content more frequently and AI tools introduce new layers of interpretive variability, the window for catching issues at the lowest-cost stage is under pressure. The later a compliance issue is caught, the more expensive it becomes and the more likely it is that an update was missed rather than misapplied.

## Managing the Risk

Given the complexity of the compliance environment today, the most effective risk management strategies focus on rigorous quality assurance and quality control (QA/QC) processes. The following practices can help design professionals form a defensible position.

*Agree on the code baseline at the outset.*

The contract should state which edition of the code applies to the project. It should also make clear that any later code changes or new interpretations requiring further work fall outside the original scope, and revisions to completed or in-progress construction documents may be provided as additional services. The owner and architect should have this conversation, with the owner signing off on any changes or additional services. That gives design professionals a clear reference point if requirements change once the project is underway.

*Conduct regular code reviews.*

At each major design phase, from schematic design through design development, construction documents and permit issuance, the project team should formally confirm which code version is being applied and whether any updates have occurred since the previous milestone. This helps identify changes proactively and enables all disciplines to work from the same baseline at every stage.

*Engage AHJs early & understand overlaps.*

Pre-application meetings with AHJs beginning in the design development phase can help project teams understand upcoming code requirements and gain clarity on how specific provisions are likely to be interpreted and applied locally. On projects subject to multiple AHJs — for example, a state health department and a local fire marshal operating under different code versions — teams should identify which authority applies the more stringent standard and design to that benchmark. The goal is either to achieve alignment across jurisdictions or to be prepared for the most conservative interpretation from the outset, rather than face conflicting requirements at different inspection stages.

*Consider retaining an accessibility code consultant with expertise in the applicable codes, particularly ADA & FHA.*

Accessibility compliance is a common area of risk given the number and complexity of applicable codes and advocacy groups seeking examples of violations, even if there is not an aggrieved party.

*Assign compliance decision-makers.*

When midcycle code changes arise, there should be a defined process for evaluating whether they should be incorporated and who makes that decision.

Typically, the design team and contractor provide technical input and explain the implications, and the owner makes the final determination. The decision of whether to incorporate changes must be documented and retained in the project file.

For example, if a change to the National Electrical Code is evaluated and the project owner decides not to implement it for specific reasons, those reasons need to be on record. If an incident occurs years later, the ability to demonstrate that the issue was raised, evaluated and decided upon by the appropriate party can determine whether a position holds up or fails under legal scrutiny.

*Document decisions in real time.*

Undocumented decisions can later be disputed. Clear written records of what was discussed and decided and who authorized action are important for claims defense. Requests for information (RFIs) provide a practical way to capture field decisions in real time. A verbal direction given on a site walk can be followed immediately with a request to document it in an RFI, creating a contemporaneous record that protects all parties. On large or complex projects, teams may generate dozens of RFIs daily. Adding compliance-related decisions to that workflow costs little and can provide significant protection

*Be careful with AI.*

Design professionals using new technologies to speed up interpretations and decision-making should still carry out due diligence and not rely solely on digital tools. Records should be kept of which code version was consulted at each project stage. As code platforms become more dynamic, it is increasingly important to demonstrate that the design complied with the code in effect at a specific point in time, both for permit defense and for allocating responsibility if requirements change.

Code compliance will always require professional due diligence and application of professional judgment. What is changing is the volume of information, the pace at which interpretations evolve and the sophistication of the litigation environment that may follow when something goes wrong. The design firms best positioned to manage that exposure are those that treat compliance not as a moment of approval but as a discipline maintained throughout a project's entire life cycle.

Joe Shields is assistant vice president, director of construction professional risk management for Berkley Construction Professional. Visit berkleycp.com.

Derek Steffen is assistant vice president, senior claims examiner, at Berkley Alliance Managers. Visit berkleyalliance.com. The views expressed in this article are those of the authors and do not necessarily reflect the views of their past or current employers.

# WHY CONSTRUCTION TECHNOLOGY FAILS — & What Successful Contractors Do Differently

How to successfully roll out new tech & earn employee buy-in

BY JOHN MEIBERS

Photo Credit: THANANIT- adobestock.com

I've seen it over and over in the field: Contractors invest in new technology systems, spend significant money on licenses or subscriptions, and expect immediate results. Weeks later, the software sits unused, dashboards remain empty and employees are frustrated.

The problem usually isn't the technology itself but how it's introduced, managed and supported on the jobsite. Adoption isn't automatic. Technology alone doesn't fix workflow problems, improve communication or boost productivity. Success depends on people, leadership and a thoughtful rollout plan.

## Resistance vs. Readiness

One of the biggest reasons technology fails in construction is resistance, but it's rarely stubbornness. Frequently, it's a lack of readiness. Too often, companies roll out a new system assuming everyone will figure it out, without considering whether crews actually have what they need to succeed. Readiness means:

- Understanding the team's workflow
- Ensuring access to the right hardware
- Helping staff see how the tool solves real problems instead of creating more work

Readiness gaps can cause adoption to backfire, including:

- *Overwhelmed staff* — Introducing a complex system without preparation frustrates crews and slows productivity.
- *Conflicting processes* — Forcing technology that doesn't align with existing workflows creates workarounds and errors.
- *Lack of buy-in* — If employees don't understand the purpose or benefits, they'll avoid using it.
- *Delayed ROI* — Adoption stalls, mistakes increase and the tool fails to deliver measurable business value.

*Example:* I've seen crews spend hours trying to force a complex scheduling app into their day-to-day. Frustration mounted and adoption stalled. Successful contractors involve the team early, gather feedback and tailor the rollout to actual workflows. Piloting on one project before a full rollout can build confidence and trust.

## Leadership's Role in Adoption

If leadership hasn't fully bought in, adoption won't happen. I've been on projects where executives announced a new system, handed out logins and then disappeared. Employees quickly concluded it wasn't important and ignored it.

*Example:* One superintendent refused to use a reporting tool because he hadn't seen his manager touch it. Once the project manager started logging daily updates and showing the crew how they helped catch scheduling conflicts, the team jumped on board almost immediately.

Key leadership takeaways:

- Use the tools yourself

- Explain the "why" behind them
- Connect technology to tangible business benefits like improving schedules, reducing rework or ensuring safety compliance

When crews see leaders engaged, adoption happens naturally. When leadership treats it like an option, resistance grows.

### Team Engagement Beyond Leadership

While leadership sets the direction and selects the technology, the people using it every day ultimately determine whether it succeeds. Crews, superintendents and foremen often have insights into workflows and challenges that executives may not see. Incorporating their feedback ensures the tool fits real-world needs and solves the problems it's intended to address.

Involving frontline users early and often builds buy-in, encourages peer-to-peer support and reduces resistance. When employees feel their voices are heard, they are more likely to engage consistently and help improve the technology rollout.

### Training as an Investment, Not a Cost

Skimp on training, and you'll see mistakes, frustration and unused software. Many contractors think of training as a cost to minimize, but effective training is one of the most critical investments you can make. Training should include the following components:

- Comprehensive and ongoing
- Clear onboarding for all users
- Follow-up sessions and refreshers
- Access to real-time support from a coach or champion

*Example:* A midsize general contractor rolled out a new time-tracking system with just a brief training session. It flopped. When they brought in a training coach, held small-group sessions and followed up weekly, the same software improved payroll accuracy and job costing across multiple projects.

Framing training as an investment signals to employees that the company values their success. Confident staff are more likely to adopt and consistently use technology.

### Why Simplicity & Support Matter More Than Features

It's tempting to chase platforms with endless features. But more functionality doesn't always mean more value. Complexity can overwhelm crews, slow adoption and increase errors. Successful contractors focus on:

- *Simplicity* — Intuitive solutions that solve real problems.
- *Support* — Responsive help desks, clear documentation or internal champions.

*Example*: A contractor invested in a feature-rich system but found their teams using only 10% of it (or nothing at all). When they switched to a simpler, supported solution, adoption skyrocketed and productivity improved.

Features that go unused add cost but no value. Simple, supported solutions that are actually used generate productivity, accuracy and real return on investment.

### Integration With Existing Workflows

Even the simplest, best-supported tool won't succeed if it doesn't fit into existing workflows. Technology should make daily tasks easier, not require crews to completely change how they work overnight. Successful tools adapt to real-world processes, whether it's time tracking, job-cost reporting or payroll management.

*Example*: One contractor implemented a digital time-entry and job-cost system that mirrored their previous paper-based processes. Crews could enter hours and labor directly against specific jobs, just as they were used to, while project managers could see real-time cost updates. Adoption was quick, errors dropped, and payroll and job reporting became far more accurate and efficient.

Piloting a new tool on one project and gathering feedback before a full rollout can ensure it truly supports your workflow and encourages adoption.

### ROI & Measurable Impact

Adoption isn't just about usage — it's about results that matter to the business. Tracking measurable outcomes helps leadership justify investments and motivates crews to use the system. Metrics to monitor include:

- Labor hours saved through streamlined processes
- Reduced rework from better project visibility
- Improved schedule adherence and on-time completions
- More accurate reporting for budgets and forecasting

Highlighting early wins — like catching a scheduling conflict or spotting budget overruns before they become costly — reinforces the value of technology and encourages continued engagement.

### Turning Tools Into Results

Tech doesn't succeed on its own: people make it work. Contractors who take the time to prepare their teams, lead by example, invest in training and prioritize usability see real results.

In the end, success isn't about the latest features. It's about creating a culture where technology becomes a trusted partner on every jobsite.

John Meibers is the vice president and general manager of Deltek ComputerEase, a provider of accounting, project management and field-to-office software for the construction industry. Prior to joining ComputerEase over 25 years ago, Meibers spent a decade working for a large mechanical contractor. Visit deltek.com.

# PRACTICAL BIM ADOPTION for Small & MIDSIZED CONSTRUCTION FIRMS

A tech strategy guide for contractors

BY JESUS SANCHEZ

Photo Credit: fghtregfj - magnific.com

The entire construction industry is undergoing a significant digital transformation. This is where building information modeling, or BIM, is gaining major attention. It helps in project planning, design and timely project delivery. In the past, the scenario was completely different. BIM was considered a solution limited only to large-scale construction enterprises. Today, even small and midsized firms are identifying their value. This is helping these firms achieve enhanced project coordination, reduce costly errors and improve efficiency.

Getting started with BIM no longer involves a major investment or hiring a specialist department. The right guidance and proper planning, with the help of professional BIM services, can help even a 10-person firm achieve real results. Working alongside an expert BIM team helps you skip assumptions and get started right from Day 1, winning projects faster.

### Understanding BIM Beyond 3D Modeling

Most smaller firms assume BIM to be associated only with 3D design visualization. In reality, BIM involves a collaborative approach that allows project stakeholders to create, manage and share structured digital transformation throughout the construction life cycle.

A BIM workflow generally includes:

- 3D detection
- Clash detection
- Quantity takeoffs
- Cost estimation
- Construction sequencing
- Facility management data
- Real-time collaboration

The greatest value of BIM is also highlighted in a MarketsandMarkets report, which highlighted that global BIM adoption is projected to touch $15.42 billion by 2030. The report further added that most construction firms are experiencing faster growth driven by real-time collaboration and improved project visualizations.

### Key Benefits of BIM for Small & Midsized Construction Firms

The benefits of BIM adoption are evident across small and midsized construction firms.

*Improved Project Coordination*

BIM assists in identifying design conflicts before construction begins. Mechanical, structural and architectural systems remain digitally coordinated, reducing on-site modifications. For smaller firms operating under budgetary constraints, collaborating with BIM experts can help avoid major coordination issues. This helps in enhancing project efficiency and profitability.

*Better Cost Control*

Precision-based quantity extraction and material estimation enhance budget accuracy and reduce waste. BIM also supports better forecasting of procurement, labor and project scheduling.

*Faster Decision-Making*

BIM supports cloud-based collaboration tools that streamline real-time project data accessibility. Teams have a better scope to review updates, resolve issues sooner and reduce delays caused by fragmented communication.

*Improved Design-Build Efficiency*

Another significant benefit of BIM is its ability to integrate design and construction teams in a unified workflow. This highlights the importance of BIM for design-build contractors to enhance coordination among construction teams. Furthermore, this helps in eradicating project risks while speeding up delivery timelines.

*Enhanced Client Confidence*

Clients also identify BIM's capabilities as a sign of professionalism and technical maturity. Even a slight BIM implementation strengthens credibility during presentations or bids.

**Common Barriers to BIM Adoption**

Although it has numerous benefits, BIM adoption also presents challenges for smaller construction firms.

*High Initial Investment*

For firms with limited digital infrastructure, hardware upgrades, training costs or software licenses appear too hard to manage.

*Resistance to Change*

Experienced project teams appear comfortable with conventional CAD workflows and refrain from adopting any unfamiliar systems.

*Lack of Internal Expertise*

Most smaller firms lack dedicated BIM managers or digital transformation experts.

*Fear of Workflow Disruption*

Numerous companies worry that implementation may slow down active projects or reduce productivity during transition periods. Although such concerns are valid, they are manageable through a phased implementation strategy.

## A Practical Approach to BIM Adoption

A complete overhaul on Day 1 is not a solution for a successful BIM implementation. Small and midsized firms benefit most from incremental adoption.

### *Start With Business Objectives*

Before choosing software, it is important for firms to set their business goals clearly. For example:

- Reduce requests for information (RFIs) by 20%
- Improve estimation accuracy
- Minimize coordination conflicts
- Win larger projects
- Improve schedule predictability

Technology should have the ability to support scalable operational outcomes instead of being a standalone initiative.

### *Begin With Pilot Projects*

Instead of rushing BIM implementation in your firm immediately, it is important to start with one manageable pilot project.

Ideal pilot projects typically include:

- Moderate complexity
- Collaborative stakeholders
- Schedule flexibility
- Supportive project teams

Pilot projects enable firms to test their workflows, identify skill gaps and set realistic BIM standards. This does not appear to be forcefully implemented and keeps running smoothly.

### *Focus on Core BIM Uses First*

Most firms fail when they attempt advanced BIM applications way too soon. A logical rollout should emphasize low-complexity applications, including:

- ***3D coordination*** — Basic model coordination offers immediate value. It helps to reduce clashes and enhance communication.
- ***Quantity takeoffs*** — Automated material extraction enhances the estimation of accuracy and efficiency.
- ***Construction documentation*** — Construction designs that are well-coordinated and centralized in nature. This works against uncertainties or inaccuracies in revision.

Improved functions such as online twins, 4D programming and integration of the facility management are later advancements in the BIM.

### *Choose Scalable BIM Tools*

The adoption of an enterprise-level BIM ecosystem is not what is typically demanded by small or midsized companies. Subscription-based or cloud-based solutions can reduce initial costs, besides being scalable with the growth of companies. Key considerations include:

- Ease of use
- Training availability
- Fit with the client's needs
- Interoperability with other software
- Scalability
- Technical support

The most developed BIM platform does not imply the best. The one that your team can adhere to and maintain in a realistic way is the best.

### *Invest in Training Strategically*

Technology is not the only key to BIM success. The most important factors are people and processes. Businesses should be keen on implementing the positions in training instead of trying to train everyone at the same level.

Examples include:

- Estimators trained in quantity extraction workflows
- Site teams trained to review and work with coordinated models
- Cloud-based project managers
- Designers who are creating BIM authoring skills

Models of training based on project development would deliver better results than those developed in a classroom using theories.

### *Establish BIM Standards Early*

Even the most basic workflows of BIM require consistency. Thus, companies ought to develop simple criteria on:

- File-naming conventions
- Model organization
- Version control
- Collaboration procedures
- Data-sharing protocols

Standardization will remove the element of guesswork and improve the scalability of a project as BIM will continue to be used more often.

### *Collaborate With External BIM Experts*

The vast majority of small and midsized companies can collaborate with:

- BIM consultants
- Outsourced modeling providers
- Technology implementation specialists
- Training organizations

BIM outsourcing increases adoption rates and minimizes costly errors during the early implementation phases.

### *Measuring BIM Success*

The implementation of BIM ought to be evaluated using scalable business performances rather than using one software.

Key performance indicators (KPIs) include:

- Minimization of change orders
- Fewer coordination clashes
- Lower project delivery time
- Reduced material waste
- Better success rates of bids
- Improved client satisfaction

Monitoring performance will help companies to explain why these types of investments and perfected workflows should be made regularly in the long run.

### The Future of BIM

The building sector at large is moving toward more digital integration through the use of technologies like:

- AI-assisted design
- Reality capture
- Digital twins
- Internet-of-Things-enabled buildings
- Predictive analytics
- Automated construction workflows

Companies that are implementing BIM are achieving a competitive advantage, scalability and operational resilience. Basically, BIM is becoming a major business need in the construction industry.

Instead of assuming BIM as a challenging technology investment, firms are approaching it as a long-term operational strategy. With rising expectations, construction firms are gradually building their digital capabilities to better adapt to fluctuating project demands. This supports better decision-making and achieves long-term, scalable growth.

Jesus Sanchez is the president of Modelo Tech Studio, an architectural BIM modeling expert offering high-quality 3D modeling, BIM and CAD services for architecture, engineering and construction professionals. He is an expert in delivering well-defined, effective and adaptable solutions that support design, coordination and construction workflows across varied project types and client requirements. Visit modelotechstudio.com.

# FOLLOWING THE RED THREAD: Seeing the Story Before It Shows Up in the Financials

How to truly understand & use data in your operations

BY TYLER VANWINKLE

Photo Credit: Treecha- adobestock.com

A superintendent once told me something that has stayed with me: "We knew there was a problem two weeks before it showed up in the report."

Production had started to slip on a heavy civil project. There wasn't a major equipment failure or a dramatic schedule disruption. Instead, truck cycle times were getting longer, one excavator was accumulating significantly more hours than expected, crews were spending more time waiting than working, and routine maintenance kept getting pushed another week down the road.

Individually, none of those issues seemed serious. Together, they were telling a story. The superintendent saw it. The foreman saw it. The crew felt it. But by the time those issues appeared in project reports and forecasting meetings, the contractor had already lost valuable time to respond.

I've seen many versions of this same story. The equipment changes, the project changes and the customer changes, but the pattern rarely does.

Today, contractors are collecting more information than ever through telematics, maintenance systems, production tracking, payroll and accounting platforms. Yet a widely cited FMI study found that poor communication and inaccessible project information contribute to nearly half of all construction rework, representing more than $31 billion in annual costs.

The problem isn't a lack of information. It's making better business decisions with the information contractors already have. The contractors who consistently outperform their peers aren't collecting more data — they're better at connecting equipment, maintenance, production, labor and financial performance into one operational picture.

I call those connections the red thread: the operational story that runs from the jobsite to the financials and helps contractors understand not just what happened, but why it happened.

### Telematics Should Tell More Than a Fleet Story

Telematics has transformed equipment management. Fleet teams can monitor machine hours, idle time, utilization, fault codes, fuel consumption and maintenance schedules in near real time. But many contractors still treat telematics strictly as a fleet tool.

Not long ago, I was talking with a fleet manager who could tell me exactly how many hours every machine had accumulated and when each asset was due for service. Then I asked a different question: "How is all of that affecting the job?"

He knew his fleet inside and out. What was harder to answer was how equipment activity was influencing production, labor, schedules and, ultimately, profitability.

That's where the real red thread story begins.

If a machine suddenly accumulates 20% more hours than expected, it may mean more than additional fuel or maintenance costs. It could indicate production is falling behind, crews are working around unforeseen conditions, equipment demand is changing or job costs are beginning to drift from the estimate.

The machine isn't just reporting equipment activity. It's providing an early warning about project performance. When contractors connect that signal with production, labor, fleet maintenance and financial performance, they're following the red thread instead of looking at equipment in isolation.

### Maintenance Protects More Than Equipment

Preventive maintenance has always been about reducing breakdowns and extending equipment life. What many contractors underestimate is the business cost of downtime.

I remember talking with a contractor whose shop manager knew a critical machine needed service. The project team wanted one more week of production before taking it out of service, while the shop wanted to perform the maintenance before something failed. Both teams were trying to do the right thing, but they were looking at the same decision through different lenses.

A week later, the machine failed. The repair invoice told only part of the story. The bigger costs came from lost production, disrupted crews, schedule changes, overtime and the impact on project forecasts.

That's why the best contractors don't think of maintenance as simply a fleet responsibility. They recognize it as a business strategy that protects production, schedules and profitability.

### The Field Usually Knows First

One lesson I've learned repeatedly is that the field almost always recognizes problems before the office does.

A superintendent notices production slowing. A foreman sees quantities falling behind. Truck turnaround times increase. Crews begin waiting on equipment or materials. None of those issues may seem critical on their own. Left unchecked, however, they compound into schedule delays, higher costs and shrinking margins.

That challenge is even greater today. According to the Associated General Contractors of America's 2024 Workforce Survey, 94% of contractors report difficulty filling craft positions, while 54% say workforce shortages have delayed projects.

When labor is harder to find, every hour of lost productivity matters. The best contractors pay attention to leading indicators such as:

- Production quantities
- Labor productivity

- Truck cycle times
- Equipment utilization
- Maintenance trends
- Resource allocation

These aren't replacements for financial reporting. They're early signals that help project teams act before month-end reports reveal a problem.

### Connecting Operations to the Financials

Eventually, every operational decision shows up in the financials.

Equipment hours become equipment costs. Labor productivity becomes labor efficiency. Production affects earned revenue. Schedule changes influence forecasting.

Every owner, controller or chief financial officer has experienced the moment when a work-in-progress (WIP) report suddenly looks different than expected. The first question usually isn't, "What happened in accounting?" It's, "What changed in the field?" That's because WIP doesn't create the story — it reflects it.

The quality of a forecast depends on the quality of the operational information behind it. When field activity is captured accurately and shared quickly, financial reporting

**This is following the red thread in practice. When field, fleet, operations and finance all share the same picture of project performance, forecasts become more reliable, billing confidence improves and leadership can make better decisions sooner.**

becomes more than a snapshot of where the job has been. It becomes a tool for deciding where the project is heading.

This is following the red thread in practice. When field, fleet, operations and finance all share the same picture of project performance, forecasts become more reliable, billing confidence improves and leadership can make better decisions sooner.

### What High-Performing Contractors Do Differently

Over the years, I've noticed that the best contractors share several common habits:

- They treat telematics as an operational planning tool rather than simply a fleet tool.
- They view maintenance as an investment in production instead of a repair expense.
- They pay attention to leading indicators before they become cost overruns.
- They create stronger connections between the field, fleet, operations and accounting teams.

None of those practices require more data. They require better conversations.

### Seeing the Story Sooner

A telematics alert, a missed maintenance interval, a production slowdown or a forecasting variance may appear unrelated. In reality, they're often different chapters of the same story.

The best contractors I've worked with don't succeed because they have more software, more dashboards or more reports.

They succeed because they create alignment between the people running the equipment, the people managing the work and the people responsible for the financial health of the business. They understand the story their business is telling them.

Technology helps make those connections possible, but it's people who act on them. When everyone is working from the same story, better decisions happen faster.

That's the real red thread.

Tyler VanWinkle is CEO of Tractics, a construction management platform built for heavy civil contractors. With a career spanning over 20 years in technology, he helps contractors improve operational visibility across their field, fleet and financial workflows. He works closely with construction leaders throughout North America to identify practical ways to improve productivity, reduce risk and make more informed business decisions. Visit tractics.io.

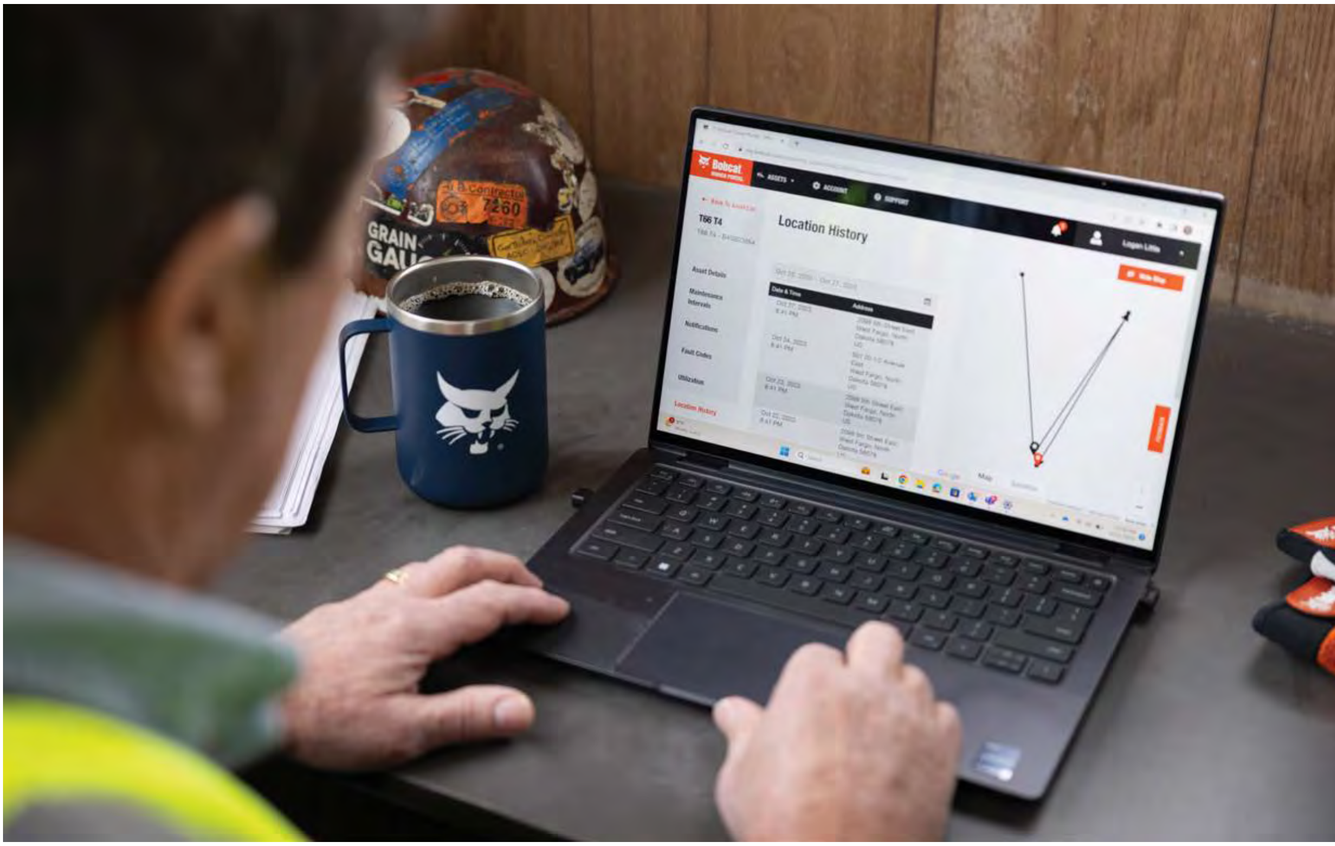



Photo Credits: Bobcat

# Compact Equipment Is Evolving as a Strategic Fleet Asset

## Evaluating equipment through the lens of workforce effectiveness, fleet performance & long-term business strategy

**BY RYAN SAUNDERS**

For construction business owners, equipment selection has become less about machine size and more about maximizing utilization, productivity and return on investment. The conversation increasingly starts with the people doing the work. Equipment that supports efficient workflows across changing project demands can create benefits that extend beyond a single jobsite.

Contractors continue to navigate higher equipment costs, labor constraints and increasingly complex projects. As a result, many are focusing on building fleets that support efficient workflows, stronger asset performance, productive resource allocation and long-term business objectives.

That shift has prompted construction businesses to look more closely at the connection between workforce effectiveness and fleet performance.

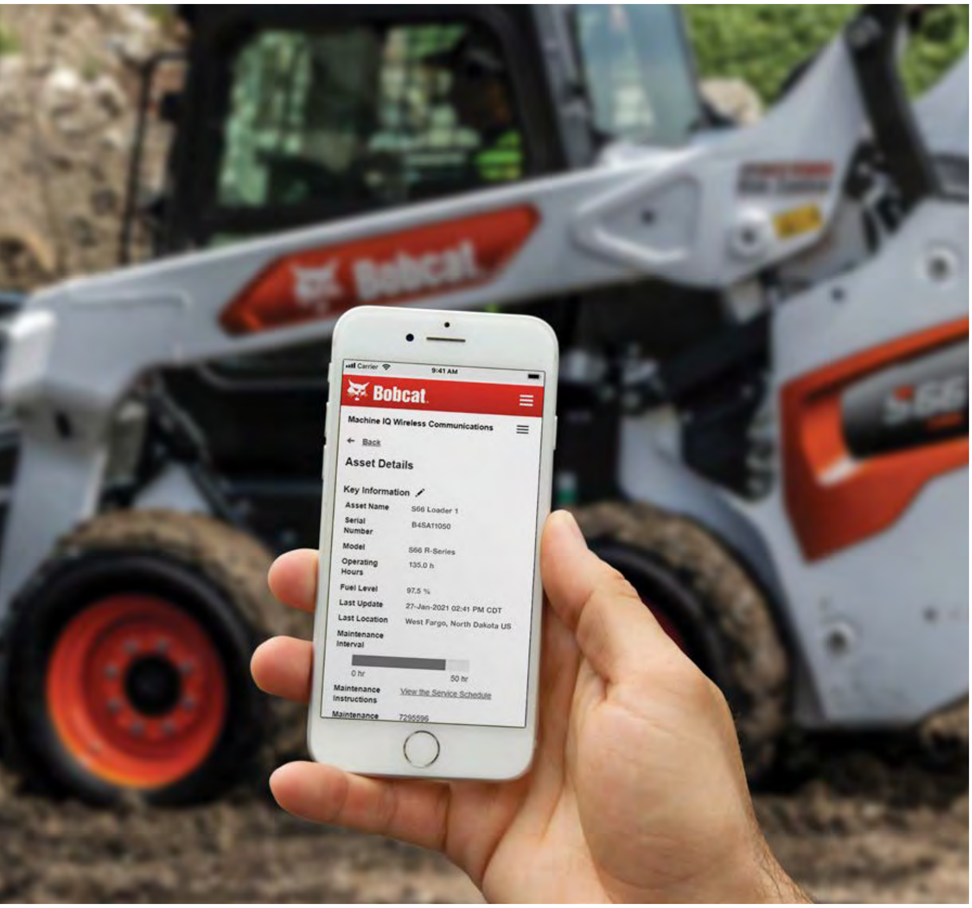
### Improving Fleet Efficiency Through Better Deployment

Advancements in hydraulic performance, lift capability, attachment integration and machine design have expanded the role compact equipment can play across construction applications. While larger machines remain essential for high-production work, many contractors are focusing less on individual machine capability and more on how assets work together across an operation.

Compact equipment can support material handling, site preparation, grading support and access-constrained work while larger production machines remain focused on higher-output tasks. This approach can help contractors keep projects moving by matching the right equipment to each phase of work, reducing idle time and improving overall asset utilization.

Improving fleet efficiency is not only about getting more work from existing equipment. It can also help contractors complete jobs more efficiently, minimize unnecessary operating costs and improve the return they see from their equipment investments. By understanding how and when machines are being used, contractors can make more informed decisions about fleet size, deployment and future equipment needs.

Fleet management technologies, telematics solutions and project planning tools can provide additional visibility into machine utilization, maintenance needs and jobsite requirements. These insights allow contractors to better forecast equipment needs, adjust resources as projects




change and maximize productivity across crews and locations.

Rather than evaluating equipment solely by peak capability, many contractors are evaluating how consistently assets contribute throughout multiple phases of a project. Equipment that remains productive across a broader range of responsibilities can strengthen overall fleet efficiency and support long-term business growth. Once deployment efficiency improves, the next question becomes how those same assets can support business growth.

## Expanding Opportunity Without Expanding Fleet Size

Attachment versatility has long expanded the capabilities of compact equipment. Increasingly, contractors are focused on how that versatility influences business growth, service diversification and capital allocation decisions.

A machine capable of supporting grading, material movement, trenching and site cleanup can help contractors pursue a wider range of work without immediately investing in dedicated equipment for every application.

The ability to support multiple applications can create additional options when allocating equipment resources, evaluating new services or entering adjacent markets. The ability to pursue those opportunities ultimately depends on workforce capacity and markets, making operator-focused equipment increasingly relevant to business strategy.

## Building Workforce Capacity Through Operator-Focused Design

Equipment evolution is increasingly influenced by the operator experience. Manufacturers continue to focus on jobsite visibility, ergonomics, controls and machine responsiveness designed to support a more consistent operating experience.

As labor challenges continue across the construction industry, operator effectiveness has become a business consideration rather than simply a design objective.

When equipment is intuitive to operate and supports strong jobsite awareness, operators can focus more attention on the task at hand rather than adapting to machine behavior. This does not replace the need for training, experience or professional judgment, but it can help support consistency across crews with varying levels of familiarity and experience. For contractors, that consistency can translate into improved productivity, fewer inefficiencies and better utilization of the equipment already in their fleet.

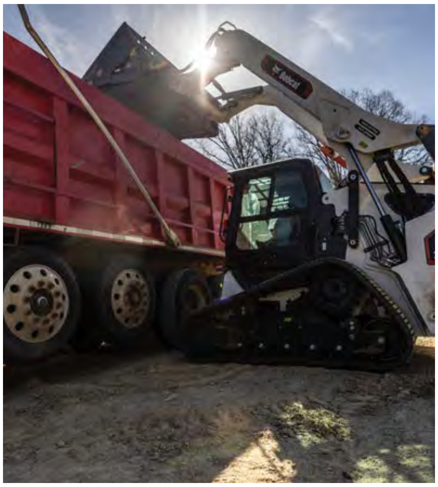
The broader business benefit is organizational capacity. Companies are increasingly looking for ways to support existing crews and maintain schedules despite workforce constraints. By helping operators work more efficiently and consistently, equipment designed around the user experience can help contractors complete projects on schedule, maximize equipment investments and strengthen overall business performance.

Understanding whether those assets are delivering value requires access to operational information.

## Using Data to Inform Business Decisions

Telematics, diagnostics and connected equipment continue to provide new insights into fleet activity. Connected equipment can provide greater awareness of equipment status, maintenance needs and fleet performance.

The most valuable insights often come from understanding which assets contribute the most productive hours, which are underutilized and how equipment is deployed across the



operation. Those insights can help inform decisions related to maintenance planning, fleet composition and future equipment purchases.

**Positioning the Business for Market Changes**

Construction projects continue to evolve, requiring contractors to operate across a variety of environments and project types. From residential developments and utility installations to renovations and site preparation work, operators often encounter changing site conditions and customer expectations.

Businesses with a clearer understanding of attachment and fleet performance are often better positioned to respond to those changes and evaluate new opportunities without significantly increasing fleet complexity.

This is not simply a matter of productivity. It is a matter of business agility. Supporting different types of work can help contractors broaden service offerings, pursue emerging opportunities and maintain flexibility as customer demands evolve.

**A Smarter Competitive Strategy**

Construction businesses continue to face pressure from rising costs, limited labor and growing customer expectations. Equipment decisions play an increasingly important role in how contractors respond to those challenges.

The strongest fleets are not necessarily defined by machine size or equipment quantity. They are built around aligning assets, people and business priorities.

In today's construction environment, competitive advantage increasingly comes from how effectively businesses align workforce effectiveness, fleet strategy and financial performance. Contractors that strengthen all three areas are often better positioned to adapt, pursue new opportunities and maintain long-term resilience as market conditions evolve.

Ryan Saunders is a senior marketing specialist for Bobcat Company. He is a creative marketing professional passionate about educating construction company owners and operators about solutions that create new opportunities for their businesses. Visit bobcat.com.

# Targeting Rental Overspend in Construction

Why it happens & how to stop it

By Jason Perez

Photo Credit: scharfsinn86-adobestock.com

Equipment rental is supposed to be the flexible, cost-smart alternative to ownership, especially when a job needs a specialized machine for a short window. And the statistics strongly suggest that the construction industry sees it the same way.

Consider this: The construction equipment rental market is poised for significant evolution, increasing from $161.34 billion in 2024 to $170.68 billion in 2025. For the U.S. alone, revenue reached $57.5 billion in 2025, with a forecast of $82.4 billion for 2033. The compound annual growth rate for 2026-33 is 4.7%, slightly lower than the world market but a respectable number, nonetheless.

Yet many contractors quietly bleed money through rental overspend: paying for equipment that isn't being used, isn't needed or should have been returned days (or weeks) ago. The problem often isn't the rental decision itself. It's the lack of visibility, process and coordination around the rental life cycle: request, delivery, utilization, off-rent, pickup and closeout. Rental overspend is hard to spot because it shows up in small, recurring leaks, such as an extra week here, a delivery charge there or a machine rented "just in case" but never used. Over time, those leaks add up to a profound erosion of margin, especially on projects where schedule shifts and change events are constant. Worse, many teams come to accept it as normal overhead.

However, it isn't inevitable, and it can be reduced substantially with better discipline and higher-quality data.

### Common Causes of Overspend

*1. Renting Something You Already Own — or Already Have on Another Job*

This is one of the most common (and most preventable) forms of overspend. It happens when crews and project teams don't have real-time visibility into what's available, where it is and whether it's idle or earmarked for another project.

Without a single, trusted view of the fleet (owned and rented), the path of least resistance is often "just rent it," even if the company already has the asset.

*2. Forgetting to Off-Rent When the Equipment Is No Longer Needed*

Rental clocks don't stop when production stops. Projects get delayed, tasks finish early or sequencing changes, and the equipment sits. If nobody triggers the off-rent process immediately, contractors pay for idle time. Many cost-control guides emphasize that renting longer than absolutely necessary is one of the biggest drivers of runaway rental costs.

*3. Poor Scheduling & 'Just-In-Case' Rentals*

Rental overspend thrives in planning gaps: equipment arrives too early, sits idle waiting on crews or materials, or stays on-site because the next phase is uncertain. Industry write-ups on rental mistakes consistently flag poor scheduling as a key contributor to idle rentals and unnecessary extensions.

*4. Hidden Fees & Contract Friction*

Even when daily/weekly/monthly rates look fine, the total cost can grow through delivery and pickup charges, minimum rental periods, cleaning fees, fuel policies, damage waivers, after-hours charges and extension terms. Rental cost pitfalls (including hidden fees, schedule and rental-term mismatches, and contract clauses that trigger extra cost) are a common theme in discussions about why rentals end up costing more than expected.

*5. Rate Shopping Doesn't Happen (or Happens Too Late)*

In many organizations, rental decisions

**The contractors who get control don’t eliminate rentals; they make rentals intentional. When you manage the rental life cycle as tightly as you manage the schedule, you stop paying for idle steel and start protecting margin where it matters most.**

are decentralized and made under time pressure. Foremen or project managers (PMs) call a familiar vendor, confirm availability and move on, often without competitive bids or standardized rate cards. That’s understandable operationally, but it creates pricing inconsistency and makes it hard to enforce cost discipline at scale.

*6. Disconnected Teams & Unclear Ownership of the Rental Life Cycle*

Overspend often isn’t a “bad PM” problem; it’s a workflow problem. Field teams care about uptime, equipment managers care about utilization, accounting cares about invoices and project controls cares about job cost. If no single role owns the end-to-end process, equipment lingers and invoices keep coming.

*7. No Utilization Data, So Decisions Are Driven by Habit*

Without objective usage hours, it’s easy to rent based on fear (“We might need it”) or tradition (“We always rent this”). Telematics and utilization tracking are frequently cited as ways to reduce unnecessary rentals and waste by showing what’s actually being used versus sitting idle.

*8. Contracted Rates Exceed the Negotiated ‘Not to Exceed’ Rate*

Many contractors negotiate rates per the type of equipment every year. However, once the negotiation is complete and rates established, contractors rarely follow up on contracts and invoices to ensure they actually pay the not to exceed (NTE) rates for the equipment they rent at the rate that they negotiated.

### Practical Fixes That Work

*Create a Single Source of Truth for Assets, Owned & Rented*

When teams can quickly locate what the company already has, they rent less by default. This is also where asset management platforms shine: They reduce the time it takes to answer basic questions (“Do we already have a lift? Where is it? Who has it?”) so teams make smarter decisions under pressure.

*Build Off-Rent Discipline Into the Job Rhythm*

Treat off-rent like a closeout milestone, not an afterthought. Simple tactics work: weekly rental reviews, automated reminders based on planned task completion and required pickup confirmation before invoices are approved. Rental cost control guidance consistently points back to minimizing “extra days” as a core lever.

*Schedule Rentals to the Work, Not the Calendar*

Tie delivery dates to realistic start dates and trade readiness, not optimistic forecasts. The same goes for returns: As soon as the task is complete, the default should be off-rent unless someone explicitly justifies keeping it. Poor scheduling is repeatedly highlighted as a driver of idle rentals and added cost.

*Use Data to Shift From Reactive to Strategic Equipment Decisions*

The more you can measure utilization, the easier it becomes to determine whether to buy versus rent versus redeploy. Industry sources point out that optimizing utilization and equipment selection can materially improve productivity and reduce operating costs. That kind of improvement doesn’t come from guesswork; it comes from visibility and repeatable processes.

*Standardize Vendors, Rate Cards & Approval Thresholds*

You don’t need bureaucracy, but you do need guardrails. Establish preferred vendors, negotiated rates for common categories and simple thresholds that trigger an approval step (e.g., anything over X days or Y total cost). This keeps flexibility while reducing maverick spend.

*Making Rentals Intentional*

Rental overspend is rarely caused by one big mistake. It’s usually dozens of small process gaps: unclear ownership, poor timing, lack of visibility and missing utilization data. The contractors who get control don’t eliminate rentals; they make rentals intentional. When you manage the rental life cycle as tightly as you manage the schedule, you stop paying for idle steel and start protecting margin where it matters most.

Jason Perez is the CEO of YARDZ, an asset-management platform. You can email him at jason@yardz.com or follow him on LinkedIn at linkedin.com/in/thejasonperez. Visit yardz.com.


CONSTRUCTION BUSINESS OWNER webinar

# CLOSING THE BOOKS FASTER ON EVERY JOB:

## HOW CONSTRUCTION CFOS ARE MODERNIZING JOB COST REPORTING

● ON DEMAND

### SPEAKERS

**Brad White**
*Owner & CEO*
VARC Solutions

**Matt Bright**
*Senior Product Specialist*
Intuit

Join VARC Solutions and Intuit Enterprise Suite for a practical webinar conversation on how construction CFOs can modernize job cost reporting, reduce manual close work and gain clearer visibility into project profitability.

This live webinar focuses on how construction businesses are moving beyond disconnected spreadsheets and delayed reporting cycles. We'll discuss common job costing challenges construction teams face — including cost overruns, untracked change orders, delayed visibility into profitability and the difficulty of aligning finance and operations around accurate project data.

You'll see how:

- Connecting job cost reporting can help teams better manage project estimates in real-time
- Tracking change orders to automatically update project estimates and project profitability
- Linking purchase orders and materials to the right project phases gives finance teams clearer visibility into upcoming costs, job profitability, cash flow, and how each phase impacts overall project margin

Sponsored by

VARC SOLUTIONS    INTUIT Enterprise Suite

REGISTER AT
CONSTRUCTIONBUSINESSOWNER.COM/WEBINARS

SCAN ME

# New Products to Watch

Selected by the editors of Construction Business Owner, these new-to-the-market products are just a few of our favorites recently released to the construction community. Stay tuned in every issue to find out what you need to know about the latest gear, solutions & industry-leading innovations.

1

## GRIPEDGE TOOLS

***1/4" Drive Standard Flex Head 7/16 Hex Low Profile Dual Action Driver Ratchet***

Released: 5/22/26

Availability: U.S., Canadian & European markets

**What's new?** In a confined space, every millimeter matters. This ratchet was built specifically for those moments. The proprietary pass-through retention cavity, when integrated with GripEdge Dual Action Drivers, enables an ultra-low-profile driver configuration by minimizing vertical stack height and maximizing tool-to-fastener clearance for precision assembly in low-clearance environments.

**Specs:** Compact 6.5-inch design forged from high-strength chrome molybdenum (Cr-Mo) steel; 72-tooth ratchet head with a 5-degree swing arc and integrated reversible switch; reduced head footprint for improved maneuverability and access in tight, low-clearance spaces; multi-angle pivoting ratchet head articulating from 0 to 180 degrees. Repair kit available.


2

## BROKK INC.

***Ecovolve EL500 mini loader***

Released: 5/6/26

Availability: North American market

**What's new?** Designed to meet the growing demand for emission-free construction and demolition jobsite solutions, the EL500 combines high-torque electric drive technology with compact maneuverability. The machine lowers operating and maintenance costs compared to diesel-powered equivalents due to needing no fuel, no oil changes and featuring fewer moving parts to maintain. Quick access panels make service requirements simple and fast.

**Specs:** The loader lifts up to 1,110 pounds with ease while a fully charged battery runs efficiently for a full shift, making it ideal for heavy daily use. Designed to avoid scratching or damaging finished surfaces, perfect for indoor use. Its low-noise operation gives users the ability to comply with noise restrictions and regional regulations. The 9.6 kWh AGM battery delivers consistent power, reducing running costs while keeping operation smooth.

3

## GEORGIA BOOT

***Carbon Flex 6" BOA Waterproof Carbon Toe Moc-Toe Work Boot***

Released: 3/1/26

Availability: U.S. market

**What's new?** Built for maximum comfort and traction, the Wedge silhouette is one of the most popular work boots in the Georgia Boot line. The new Carbon Flex Wedge is built for maximum stability on flat surfaces and features BOA Fit system for a secure and sturdy fit. The BOA Fit System optimizes fit and performance for long days on the jobsite.

**Specs:** The Georgia Boot Carbon Flex Wedge BOA delivers a secure, customized fit paired with the performance work environments demand. This full-grain leather boot is built with bond welt construction, the Georgia Waterproof System and a high-performance mesh lining for enhanced air circulation. A stretch gusset makes it easy to pull on, while the BOA Fit System delivers a microadjustable, precision fit, engineered to perform in the toughest conditions.

4

## COBRA ELECTRONICS

***Performa 600 Digital & Performa 850 Digital***

Released: 5/14/26

Availability: U.S. market

**What's new?** Cobra Electronics launched its first DMR Tier II-compliant Performa Digital Series, expanding its business communications portfolio with affordable, easy-to-deploy digital radios for small and medium-sized businesses. The lineup includes the wearable Performa 600 and higher-powered Performa 850, both featuring DMR compatibility, IP67 waterproofing and MIL-STD-810H durability. The radios ship this fall.

**Specs:** Built for whatever your jobsite may throw at them, Performa Digital Radios are rated IP67 for dusty, wet or outdoor environments and certified to MIL-STD-810H standards for drop, shock, extreme temperatures and altitude.





## 5 HD CONSTRUCTION EQUIPMENT HYUNDAI NORTH AMERICA

***HX210L long-track excavator***
Released: 7/21/26
Availability: North American Market
**What's new?** New features include productivity-driving upgrades, improved fuel efficiency and changes that make the HX210L more comfortable, safer and easier to service. Hyundai has upgraded operator comfort features, including making standard a wider, heated/cooled seat and improved venting for exceptional climate control. This machine features a new, high-performance Hyundai DX05 engine, rated at 186-horsepower net power, that delivers 6% more torque and 7% greater fuel efficiency, while reducing diesel exhaust fluid consumption by 30%. An optional white-noise alert tone uses a wideband frequency to warn people on the jobsite of the machine's presence.
**Specs:** This machine has a rated operating weight of 54,900 pounds and maximum dig depth of 21 feet, 9 inches. The HX210L comes standard with a 10,800-pound heavy counterweight to enhance stability and lifting capacity. Its reinforced upper structure, upgraded swing bearing, increased swing torque and larger-capacity, heavy-duty buckets help boost productivity. Hyundai has extended replacement intervals for engine oil, engine filters and fuel filters from 500 to 1,000 hours when they use CK-4 engine oil, and extended coolant replacement intervals from 2,000 to 6,000 hours.

## 6 BUYERS PRODUCTS

***Steel Flatbed Contractor Toolboxes***
Released: 5/19/26
Availability: U.S. market
**What's new?** This new line of gloss black steel flatbed contractor toolboxes delivers durable, organized storage designed for demanding jobsites. Each box includes four custom-fit stainless steel tool holders to keep power tools and hand tools secure and within reach, helping crews stay organized while preserving valuable bed space. Ideal for contractors and other tradespeople.
**Specs:** Built from industrial-grade steel with a gloss black powder-coated finish, the boxes provide rugged, long-lasting protection in harsh work environments. Designed for cross-bed or top-mount installation on flatbed pickup trucks and service vehicles.

## 7 BLUE DIAMOND ATTACHMENTS

***Extreme Duty Road Saws***
Released: 6/9/26
Availability: U.S. market
**What's new?** Designed for trenching asphalt, concrete and rock, the Extreme Duty Road Saws are available in two models offering 6- to 17-inch or 8- to 24-inch cutting depths. A trench-clearing scraper blade and material-flow diverter work together to clear asphalt and debris from the trench, eliminating the need for manual removal. The road saws are intended for use with skid steers, offering a maximum of 65 horsepower. They operate at a recommended hydraulic flow of 21 to 42 gallons per minute.
**Specs:** These attachments include saw discs featuring interchangeable tooth plate kits with cutting widths from 2 to 8 inches, along with a hydraulic depth adjustment that allows the operator to raise and lower the blade for consistent cuts. A hydraulic side shift function of 0 to 18 inches allows for shifting the blade side-to-side from the cab.

## 8 DICA

***WorkSafe Hole Covers***
Released: 6/2/26
Availability: U.S. market
**What's new?** This expanded line of WorkSafe Hole Covers gives contractors a simple way to comply with Occupational Safety and Health Administration requirements for covering open holes on jobsites. The new line introduces additional sizes, square models and ergonomic handling features designed to make jobsite safety easier and more consistent. WorkSafe Hole Covers are produced in high-visibility yellow to increase hazard awareness and are clearly marked with international caution symbols and language.
**Specs:** Manufactured from engineered thermoplastic, WorkSafe Hole Covers will not rot, splinter or delaminate. In addition, because they don't absorb contaminants and are easy to clean, they are reusable from job to job without danger of transferring chemicals. All models are lightweight — weighing no more than 50 pounds — and feature redesigned ergonomic handholds for improved comfort when handling.


## 9 RING

***Ring Mobile Security Tower***

Released: 7/8/26

Availability: U.S. market

**What's new?** The Ring Mobile Security Tower delivers flexible, commercial-grade protection designed for jobsites. Equipped with a 12-foot collapsible mast and an optional trailer kit, the Mobile Security Tower is easy for contractors to transport and deploy, as well as monitor directly through the Ring app. The device offers businesses of any size enterprise-level security without long-term contracts, relocation fees or permanent infrastructure.

**Specs:** Features the Ring Elite 360-degree retinal 4K camera to capture panoramic visibility across the entire site from a single elevated vantage point. Built-in LTE and Wi-Fi connectivity ensure real-time access on off-grid or early-stage builds, while AI-powered warnings and motion-activated LED lighting work to deter trespassers and prevent theft.


## 10 DEVELON

***DA30-7 articulated dump truck***

Released: 6/17/26

Availability: North American market

**What's new?** Features a newly redesigned cabin designed to enhance operator productivity, comfort and safety through advanced automation and intuitive technology. This articulated dump truck has a completely redesigned interior layout for operator comfort and safety. A new Auto-Hold brake provides automated hill-assist and safely locks the truck in neutral during loading and unloading.

**Specs:** Comes standard with a 12-inch touchscreen display monitor. This upgraded interface provides operators with a larger, clearer view of critical machine data, status updates and settings. Positioned at eye level, the monitor allows operators to view machine data, gradients and camera feeds without looking down or away from the area in front of them. The parking brake resembles an automotive-style parking brake. Operators simply pull the lever up to activate the truck's parking brake and press down on the lever to deactivate it.

# INDEX OF ADVERTISERS

CONSTRUCTION BUSINESS OWNER

## ADVERTISER INDEX



## PRODUCT INDEX



*This ad index is furnished as a courtesy, and no responsibility is assumed for incorrect information.

# STATS

## Annual Value of Construction Put in Place

**June** 2024/2025/2026 Annual Rate Comparison

This chart compares the two previous years' total value of construction put in place to an annual forecast based on June 2026 figures. (Millions of dollars. Totals may not add up perfectly due to rounding.)

**$2,166,539**

**JUNE 2026 TOTAL ANNUAL VALUE OF CONSTRUCTION PUT IN PLACE**

| | 2024 | 2025 | 2026 |
|---|---|---|---|
| Total Private Construction | **1,664,594** | **1,621,932** | **1,622,458** |
| Residential | 927,986 | 883,089 | 877,118 |
| Nonresidential | 736,608 | 738,844 | 745,339 |
| Total Public Construction | **483,850** | **514,278** | **544,081** |
| Residential | 11,820 | 12,004 | 12,247 |
| Nonresidential | 472,030 | 502,273 | 531,835 |
| TOTAL Construction | **2,148,444** | **2,136,210** | **2,166,539** |

*Seasonally Adjusted Annual Rates. Source: U.S. Census Bureau

**"Architecture firms remain mired in one of the longest running downturns in the 30-plus year history of the ABI, which now stretches to 41 months without a majority of firms reporting billings growth. The uncertainty over the conflict in Iran along with high interest rates and significant labor shortages will continue to weigh on construction and architect billings over the next several months."**

Richard Branch, AIA Chief Economist

## AIA Architectural Billings Index (ABI)

| National | | | *Regional - Billings | | | | *Sectors - Billings | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Month | Billings | Inquiries | Northeast | Midwest | South | West | Multifamily Residential | Commercial /Industrial | Institutional | Mixed |
| Mar-26 | 49.8 | 56.8 | 44.2 | 49.4 | 48.5 | 50.6 | 50.9 | 52.5 | 52.6 | 40.7 |
| Apr-26 | 48.3 | 57.7 | 47.2 | 48.0 | 47.7 | 49.0 | 51.5 | 48.9 | 51.1 | 42.5 |
| May-26 | 44.5 | 49.4 | 46.2 | 45.3 | 49.6 | 45.4 | 49.2 | 45.5 | 46.9 | 44.1 |
| Jun-26 | 47.3 | 56.1 | 44.9 | 45.1 | 49.5 | 45.6 | 45.6 | 46.7 | 47.4 | 42.7 |

For more information on the index or to subscribe to the complete historical data going back to 1995 for your internal analysis, please contact economics@aia.org.
The ABI presents monthly construction billings data, using a base score of 50. A score of more than 50 indicates a growth from the previous month, and a score of less than 50 indicates a contraction from the previous month. A score of 50 indicates no change. Source: The American Institute of Architects (AIA), Architecture Billings Index (ABI).

*Regional and Sectoral indexes are three-month moving averages, due to small sample size. All data is seasonally adjusted.
**Every January, the AIA research department updates the seasonal factors used to calculate the ABI, resulting in a revision of recent ABI values.