



Who Will Build All This Stuff?

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INTRODUCTION TO FMI



for the Built Environment

FMI Overview



MANAGEMENT CONSULTING

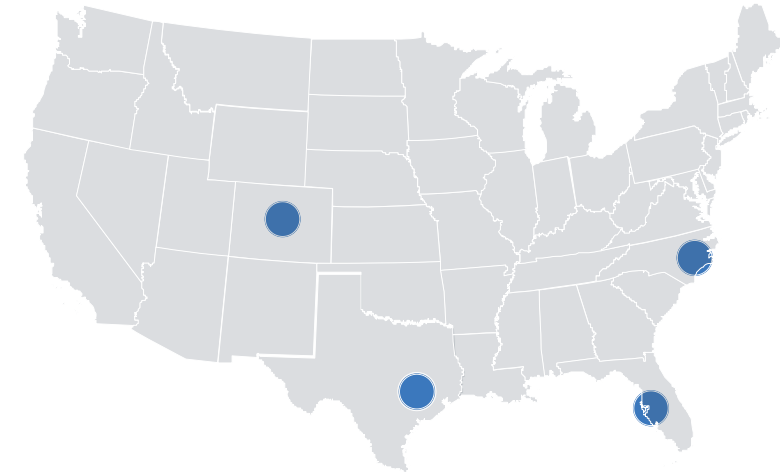
- Strategy
- Market Research
- Business Development
- Operations and Project Execution
- Risk Management
- Compensation
- Peer Groups
- Programs
- Leadership & Talent Development
- Succession Planning
- Executive Coaching
- Team Leadership
- Corporate Governance



INVESTMENT BANKING

- Mergers & Acquisition Representation
- Private Capital Placements
- Valuation and Fairness Opinions
- Ownership Transfer Planning
- Sector Expertise
 - A/E & Environmental
 - Energy Solutions & Cleantech
 - Building Products
 - Construction Materials
 - Contractors
 - Energy Services & Equipment
 - Utility T&D

FMI is a leading consulting and investment banking firm dedicated to serving companies working within the built environment. We blend **60+ years** of industry context and leading insights to achieve transformational outcomes for our clients.



Number of Current
Offices.....4
Years in Business68
Current Staff.....180+



2023 FMI TALENT STUDY

FMI's Talent Study provides the latest insight on talent and development in the construction industry.

This study captures the state of talent in the industry and includes questions you and your firm should be asking yourselves.



**What are your
biggest talent
challenges?**

Add your comments in the chat.

The Talent Cliff

93%

More than half reported that talent shortages are having a high to severe impact on their companies...

...but only 19% have succession plans for key strategic roles

Shortages will intensify in the next five years:

22%
turnover for executives

▶ 30%
turnover for field managers

▶ The top two reasons for attracting and retaining talent are a strong company culture and brand.

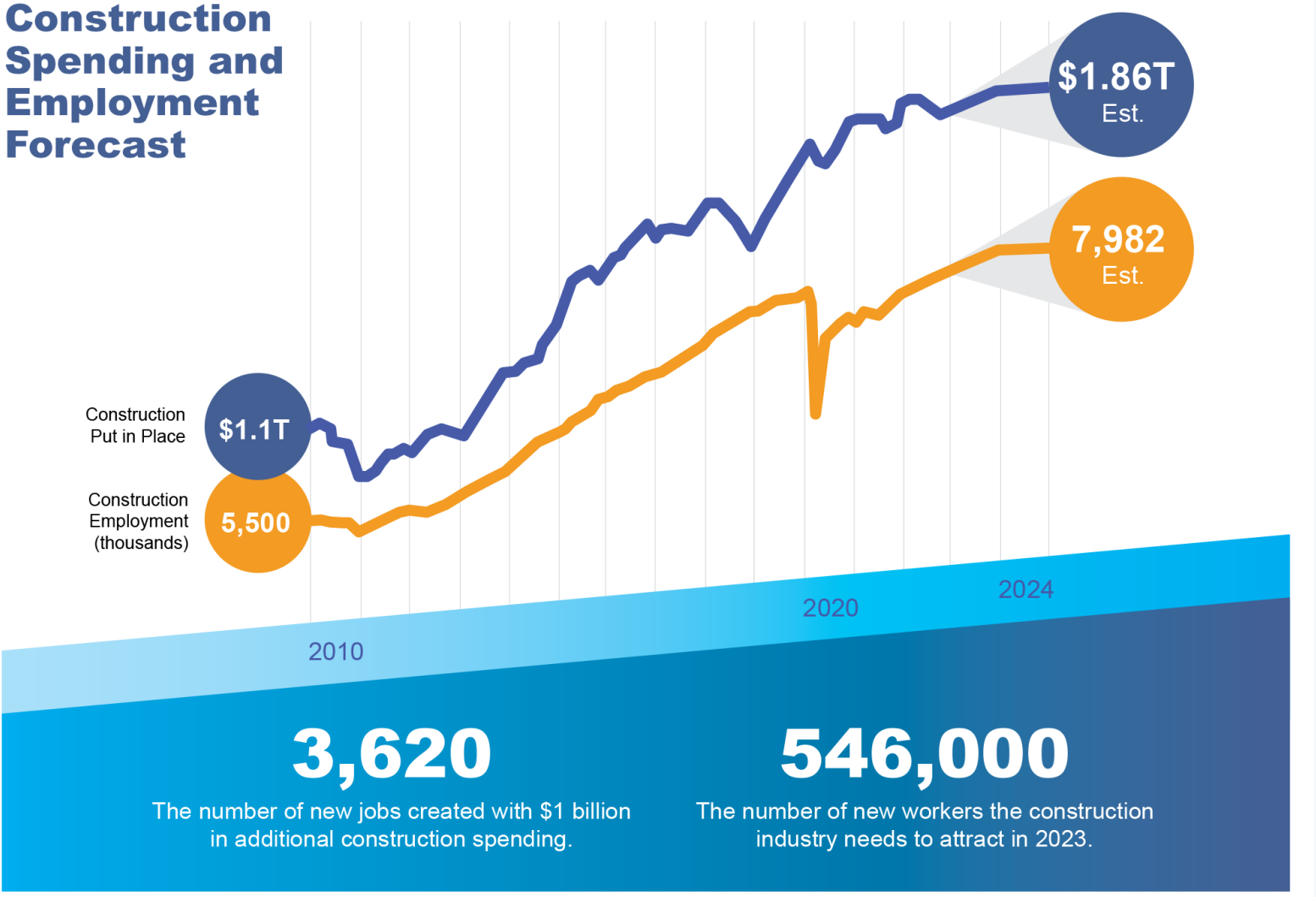
▶ The built environment has long faced a shortage of talent, and the problem is getting worse.



Understanding the Depth of the Problem

As construction spending grows, employment shortfalls will become more pronounced.

Construction Spending and Employment Forecast



Focus on the Field: Developing and Retaining Field Leaders

More training translates into a better chance to succeed for field leaders.



Missed Opportunities:

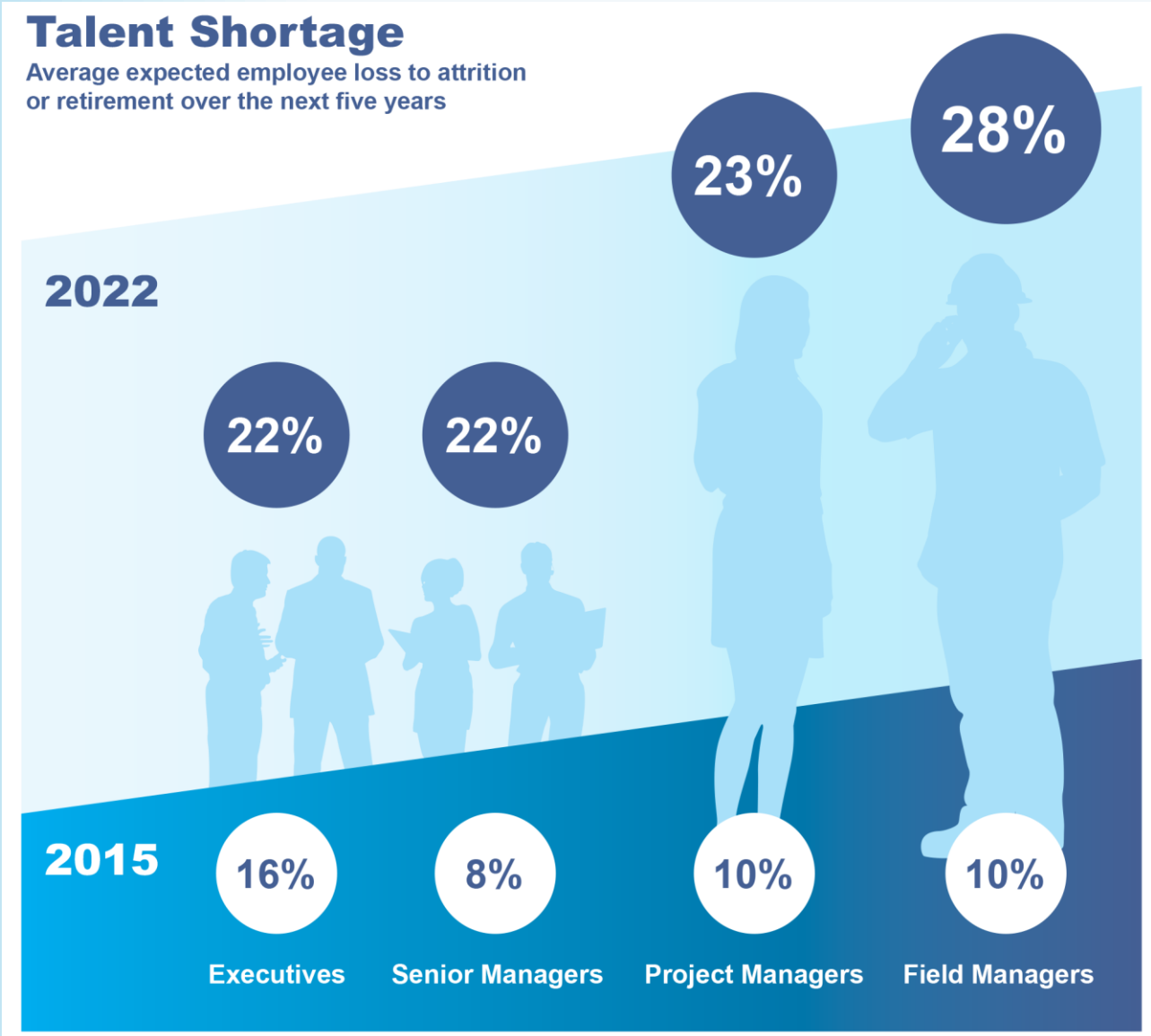
Training, communication and succession planning

Questions to ask your partners about their field leadership:

- How deep is your field leadership bench?
- How are your field leaders involved in pre-project planning?
- How would you assess your field leaders' ability to collaborate?
- How well do your field leaders communicate up, down and across a project team?
- Who are your top performers that will be working on this project, and have they identified promising successors?

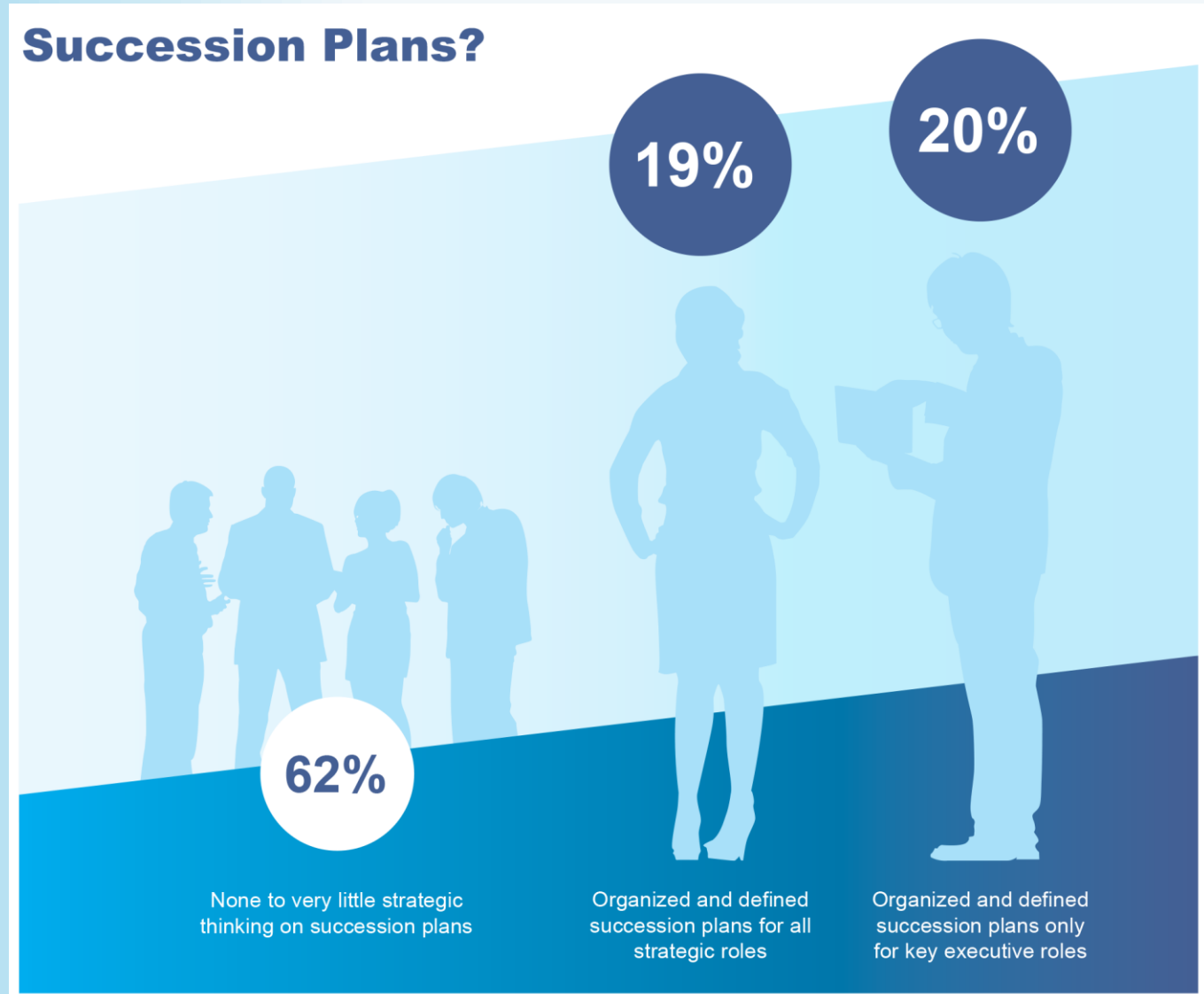
Are Next-Generation Leaders Ready for Your Job?

Companies expect an increase in talent loss in the next five years



Are Your Next-Generation Leaders Ready for the Job?

Missed opportunities to plan for the next generation of leaders from field to home office



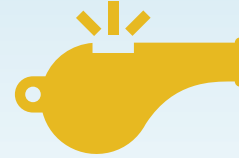
Talent Development: Creating Learning Opportunities



Targeted
Training



Stretch
Assignments



Coaching &
Mentoring



Networking with
other Enterprise
Leaders



Observation
Opportunities

Missed Opportunities: Creating a career path for top talent

Combining succession planning with a map for company growth requires leaders to think strategically and to ask questions like:

- Where do we want the company to be in five or 10 years?
- Which markets will we be in, and what competencies will we need?
- How are we encouraging our pool of talent to look beyond their assumptions made in today's operating environment?
- What do they need to know? Do they have the key internal and external relationships?
- Have they had exposure to the entire enterprise as well as adequate time running projects and business unit segments?
- Do we have a team of leaders identified for tomorrow's business?

The Importance of Culture

Culture has a far-reaching impact on turnover and recruitment for mid-and field-level roles



The Importance of Culture

Top ways companies can use culture and brand to attract and retain talent



Use the company reputation

1



Have attractive organizational culture

2



Offer market-competitive benefits

3



Offer market-competitive pay

4

A good brand and culture are key in attracting and retaining strong talent

What is Culture?



- **Shared Values:** What is important to us?
- **Shared Beliefs:** How should things be done here?
- **Norms:** What are the unwritten rules?
- **Systems:** How do we influence others through policy?
- **Heroes:** Who personifies our culture?

Missed Opportunities: Enhancing company culture and brand

Here are some questions to consider as you examine your company culture and potential ways to improve it:

- What about the beliefs, values and behaviors of our team members makes our company unique?
- What do we do differently that distinguishes us from our competition?
- What behaviors are rewarded or celebrated?
- What stories do we tell?
- Do we regularly make time to listen to our employees? Or have a way to measure employee engagement?
- Do we place the needs of people over profits?
- How do financial incentives and pressures influence how we treat each other?
- What contributes to engagement levels in our firm?
- How do we onboard new people to our firm?
- How do we demonstrate our company values, both in the beginning of the employee experience as well as throughout their tenure?



Questions you want to be asking your partners:

- ✓ Their philosophy towards teamwork and collaboration
- ✓ What they expect out of the partnership
- ✓ How do they communicate and facilitate owner decisions
- ✓ What are the succession plans for key project leaders

Once the project team is in place...

Spend time defining the Vision

Define culture norms on the project site

Define what success looks like for all
(GCs, Design Team, Trades, etc.)

Missed Opportunities: Creating a high performing project team

Here are some questions to consider as you examine your project teams and their aligned vision for the project:

- How well do we create a project charter that defines the vision for the project and the desired behaviors of the team?
- What opportunities do team members have to connect with each other outside of project work?
- How do people build relationships and show they care for each other?
- Have we created alignment around what good looks so that all our partners are successful?
- How do we onboard new people to our project?
- What systems have we put in place to hold our team accountable to our project values?
- How do we pay attention to and manage burnout throughout the lifecycle of the project?
- What steps are we taking to develop individual leaders throughout the project?
- Do we have leaders that are comfortable engaging in conflict with a focus on building trust while finding solutions?

Internally:
What are the shifts we need to make to support our culture?

Questions for your leaders to be thinking about:

- Company growth and vision
- Clarity around career paths
- Depth of succession benches
- Examining current company culture

Externally:
What do we need to do to improve our relationships with our partners?

Questions to ask your partners about:

- Succession plans for key project leaders
- Philosophy towards teamwork and collaboration
- Partnership expectations
- Communication and decision making

Based on today's conversation, what are 1-2 things you will take back to discuss with your teams?



AUDIENCE Q&A

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FMI is a leading consulting and investment banking firm dedicated exclusively to the built environment. We serve as the industry's trusted advisor, providing current market insights, deep industry research and key relationships that deliver tangible results for our clients.

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