

Competitive advantage:

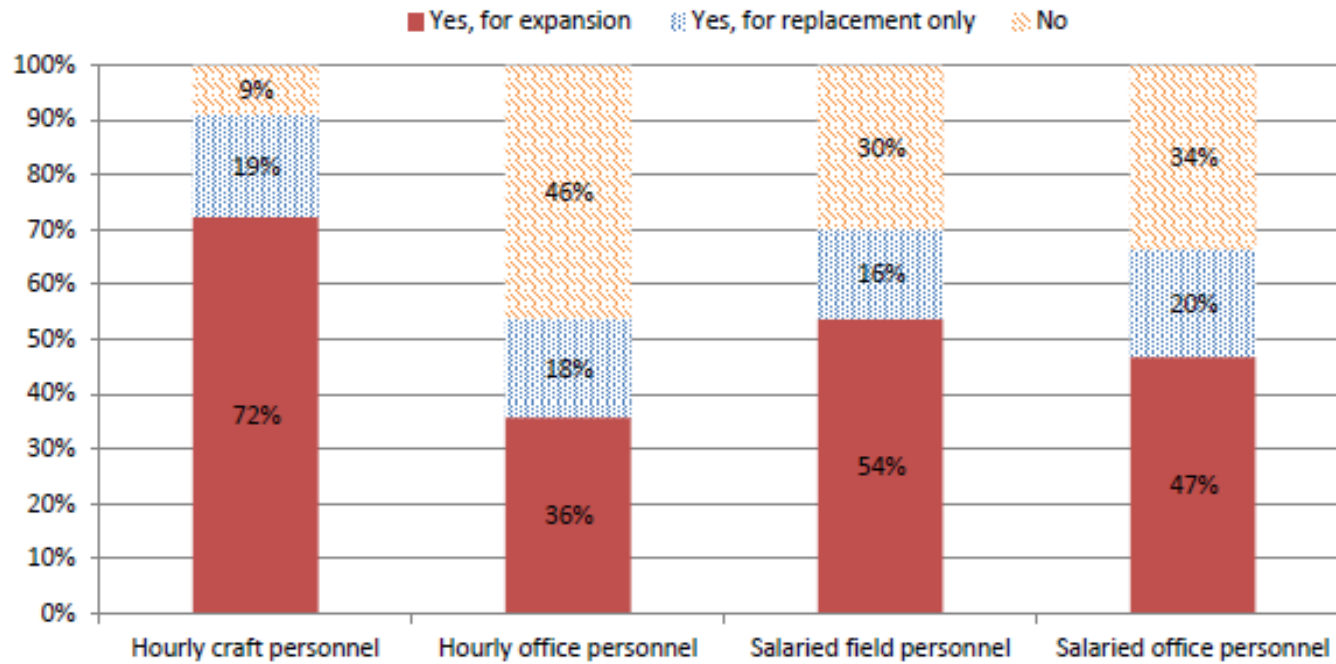
Recruit and retain the next generation



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2019 employment outlook



Workforce challenges

GLOBAL WORKFORCE CRISIS

		Labor shortage/surplus in 2020	Labor shortage/surplus in 2030
EUROPE	FRANCE	6%	-1%
	GERMANY	-4%	-23%
	ITALY	8%	-4%
	SPAIN	17%	-3%
	UK	6%	-1%
	RUSSIA	-5%	-24%
AMERICAS	BRAZIL	-7%	-33%
	CANADA	3%	-11%
	MEXICO	6%	-8%
	USA	10%	4%
ASIA-PACIFIC	CHINA	7%	-3%
	INDIA	6%	1%
	INDONESIA	5%	0%
	JAPAN	3%	-2%
	SOUTH KOREA	-6%	-26%

Those without a strategy for hiring, developing and retaining top talent are going to find it difficult to meet the increasing demand of their organizations.



Proactive workforce strategy

- Forecast supply and demand
- Attract great people
- Educate and upskill people
- Retain great people

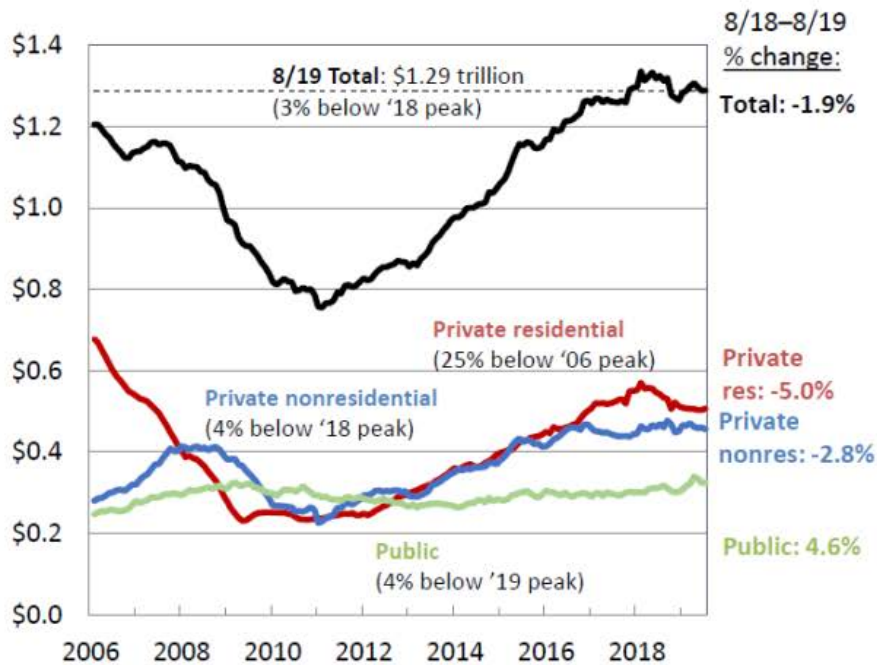


Objectives

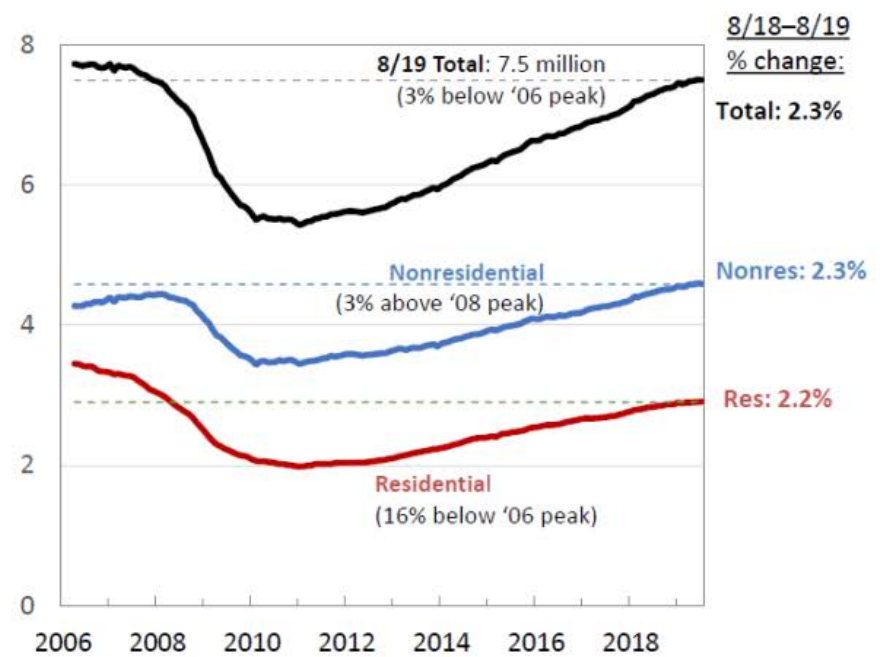
- Economic & workforce realities
- Attracting and engaging a new workforce
- Retention strategies
- Solutions for contractors

2019 performance

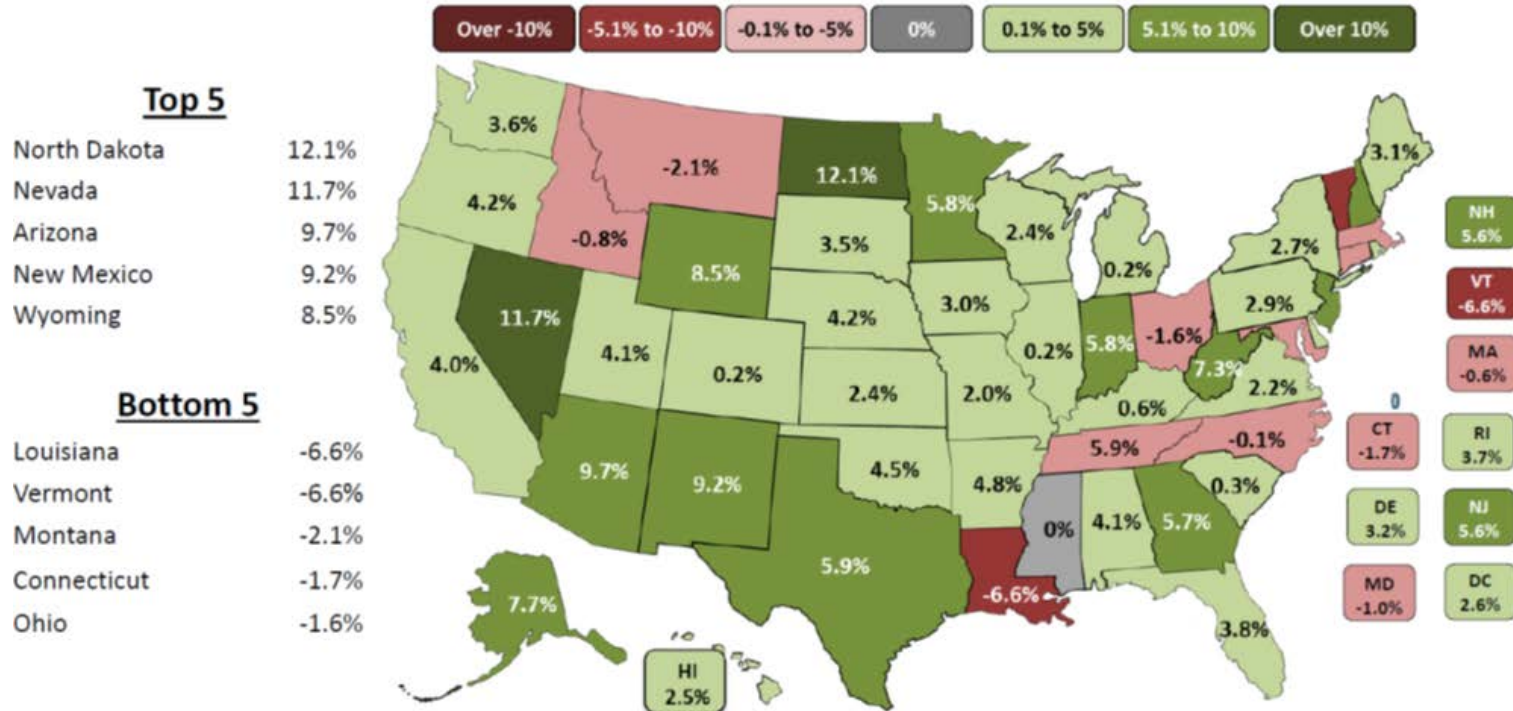
Spending put in place, Feb. '06 (prior peak)–Aug. '19
trillion \$, seasonally adjusted annual rate



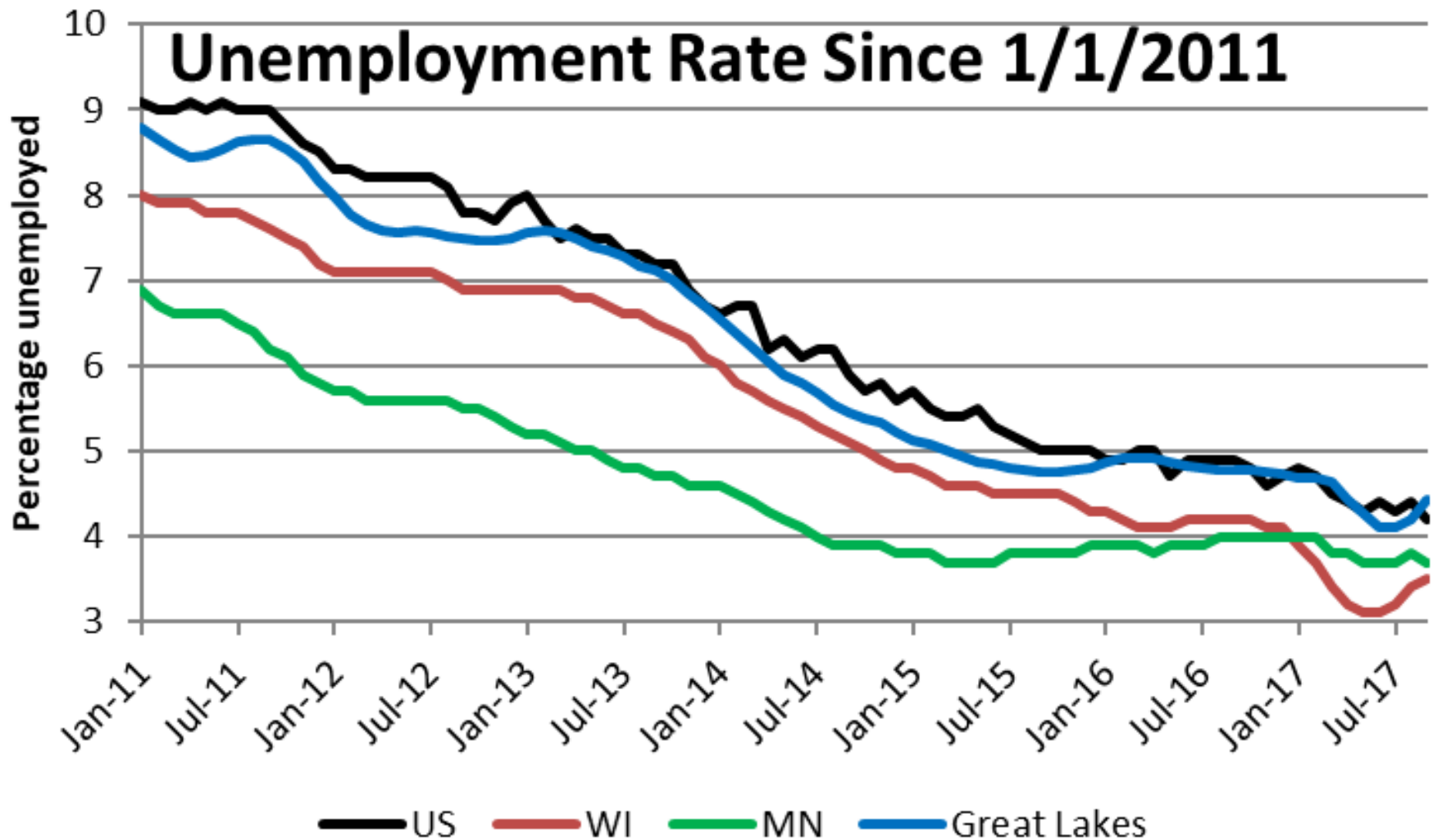
Employment, Apr. '06 (peak)–Aug. '19
millions, seasonally adjusted



Construction employment

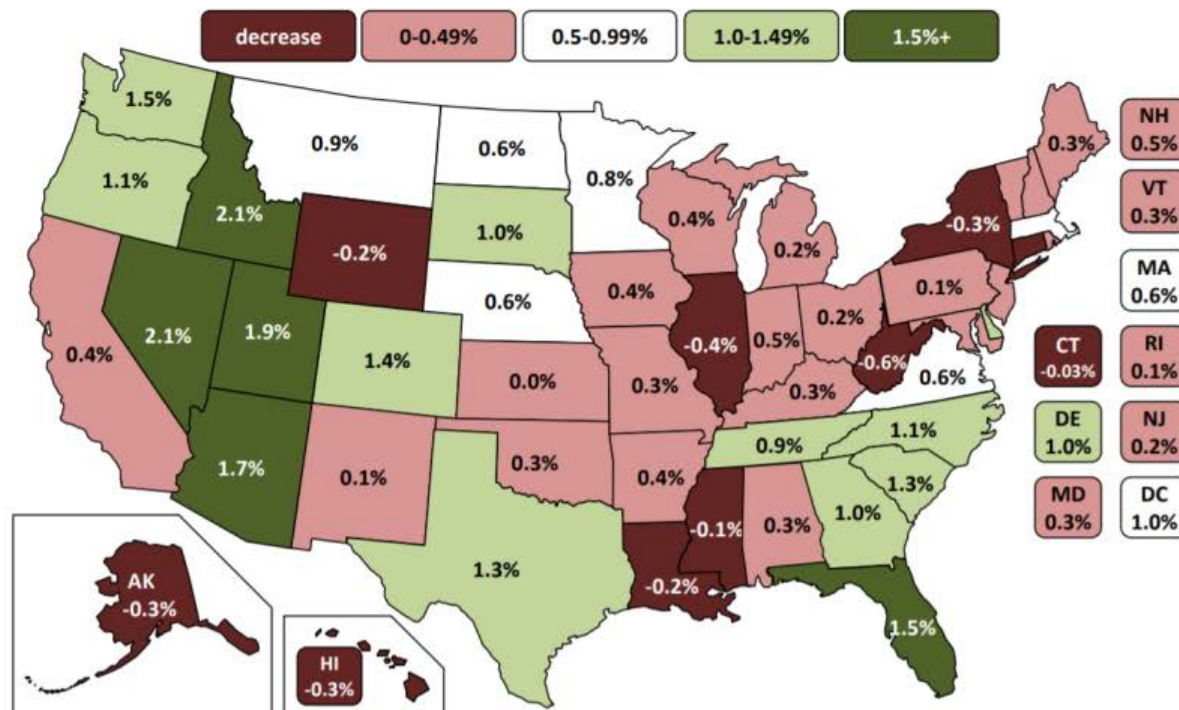


Unemployment rate

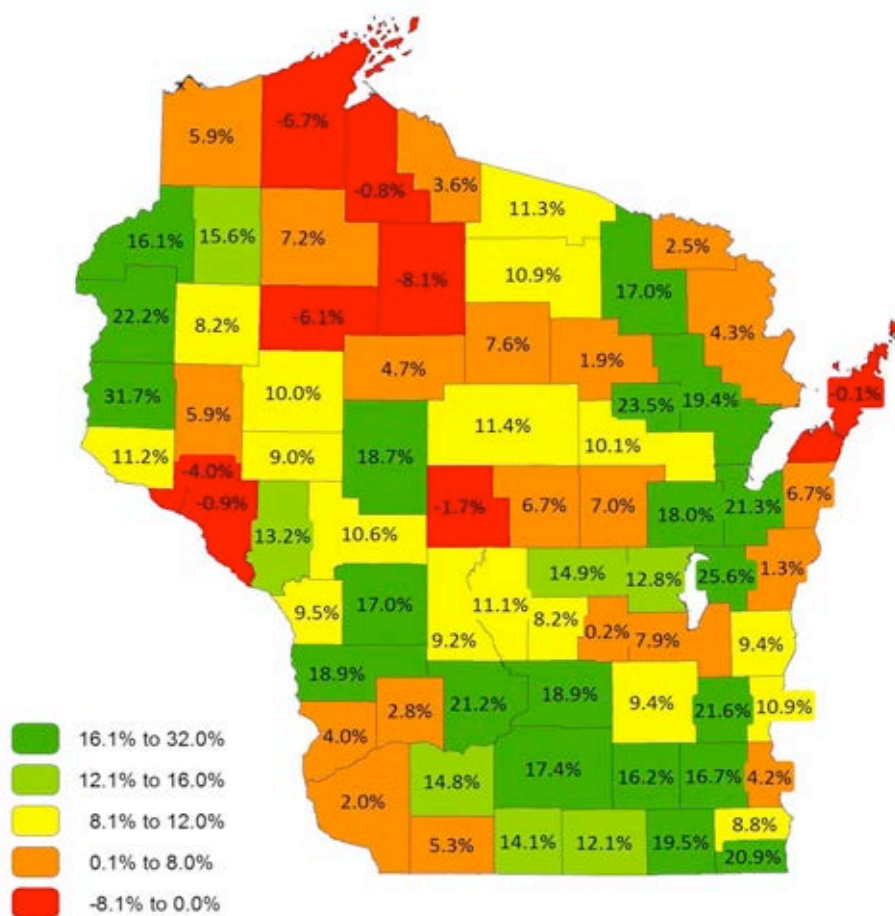


U.S. population

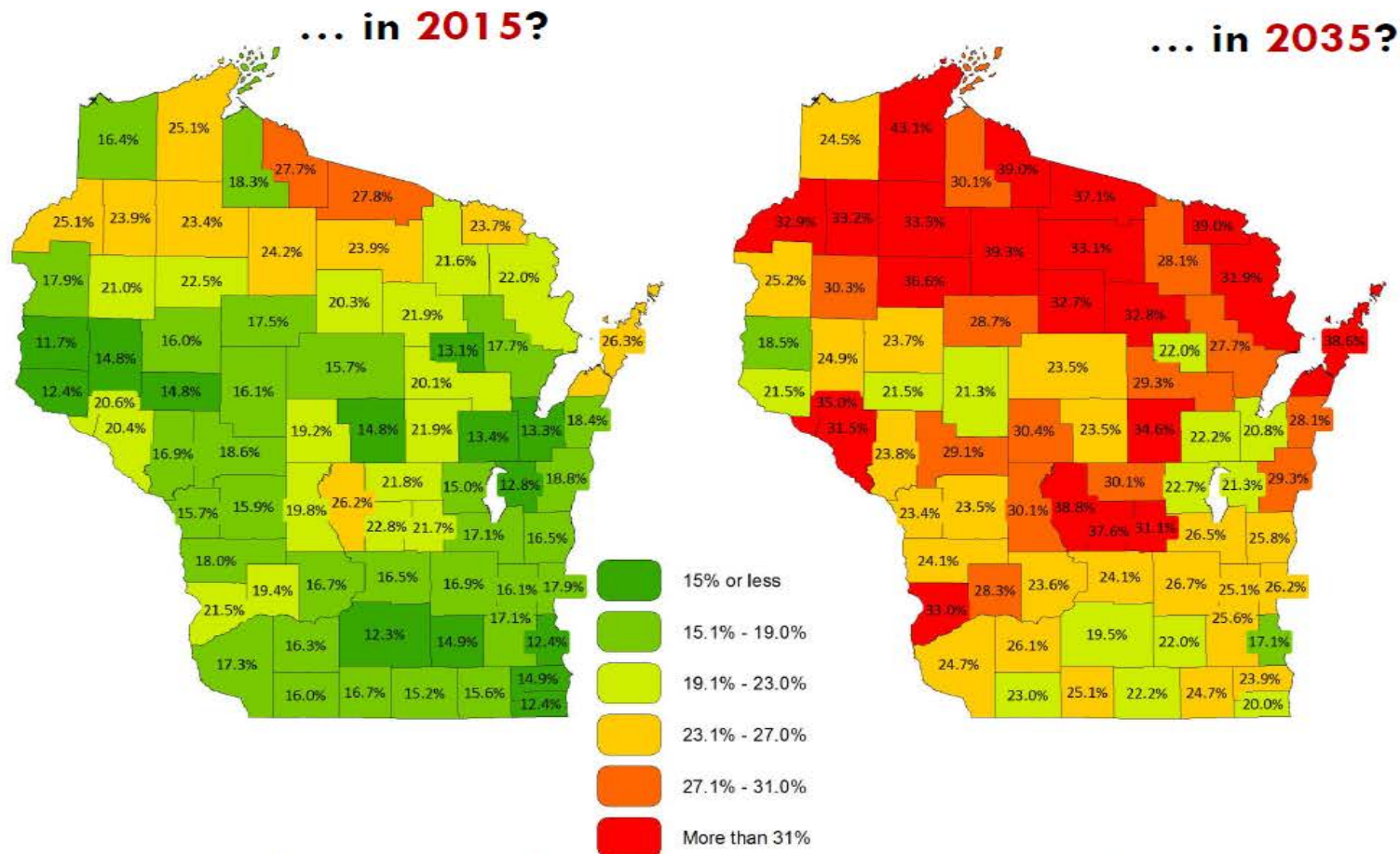
Population change by state, July 2017 – July 2018 (U.S.: 0.62 percent)



Projected population 2035



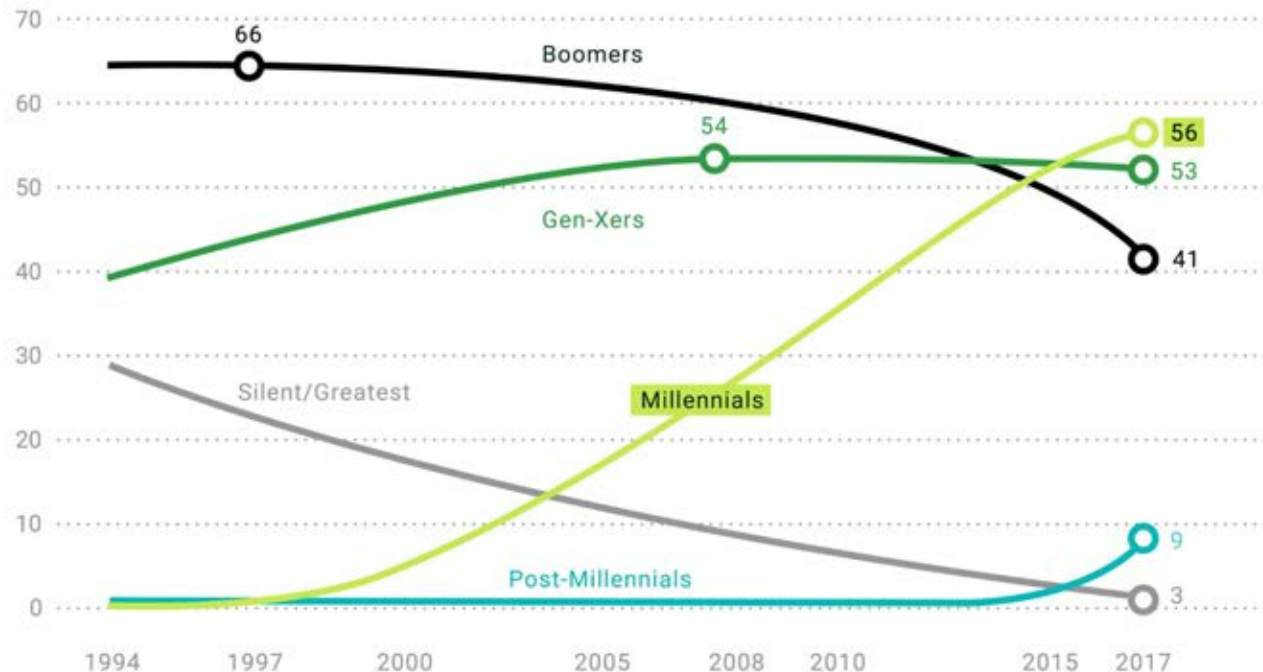
Wisconsin's 65+ population



Demographic changes

Millennials became the largest generation in the labor force in 2016

US Labor force, in millions



Note: Labor force includes those ages 16 and older who are working or looking for work. Annual averages shown.
 Source: Pew Research Center analysis of monthly 1994-2017 Current Population Survey (IPUMS).
 PEW RESEARCH CENTER | April, 2018

The global workforce crisis





The ripple effect

Labor forecast:

- 81 percent predict worker shortages will remain tight, or get worse
- 93 percent of contractors plan to increase headcount

Contractor concerns:

- 41 percent worker shortages
- 56 percent impact of shortage on health and safety
- 39 percent increased competition



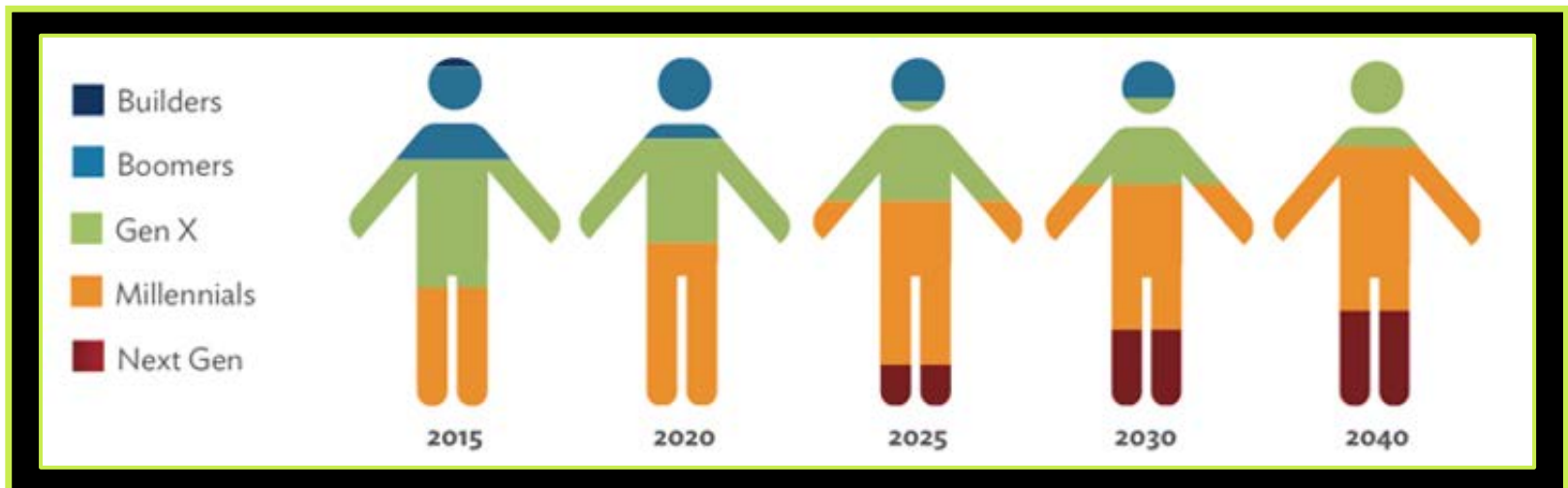


Attracting and engaging a new workforce

Attracting and engaging a new workforce

World population by generation

Worldwide and in the U.S., Millennials are the largest generation yet – some 2-3 billion strong (U.S. Census Bureau)





Attracting and engaging

Generation Z

- Ages 9 to 22
- Technically savvy
- Texting and social media
- Racially and ethnically diverse
- Self directed and confident
- Hopeful but realistic
- Want to make an impact

Gen Z priorities

- Money and job security
- Impatient and FOMO
- Mentored with daily feedback
- Competitive and want the tools to win
- Personal achievement and advancement





The attraction of construction: Gen Z

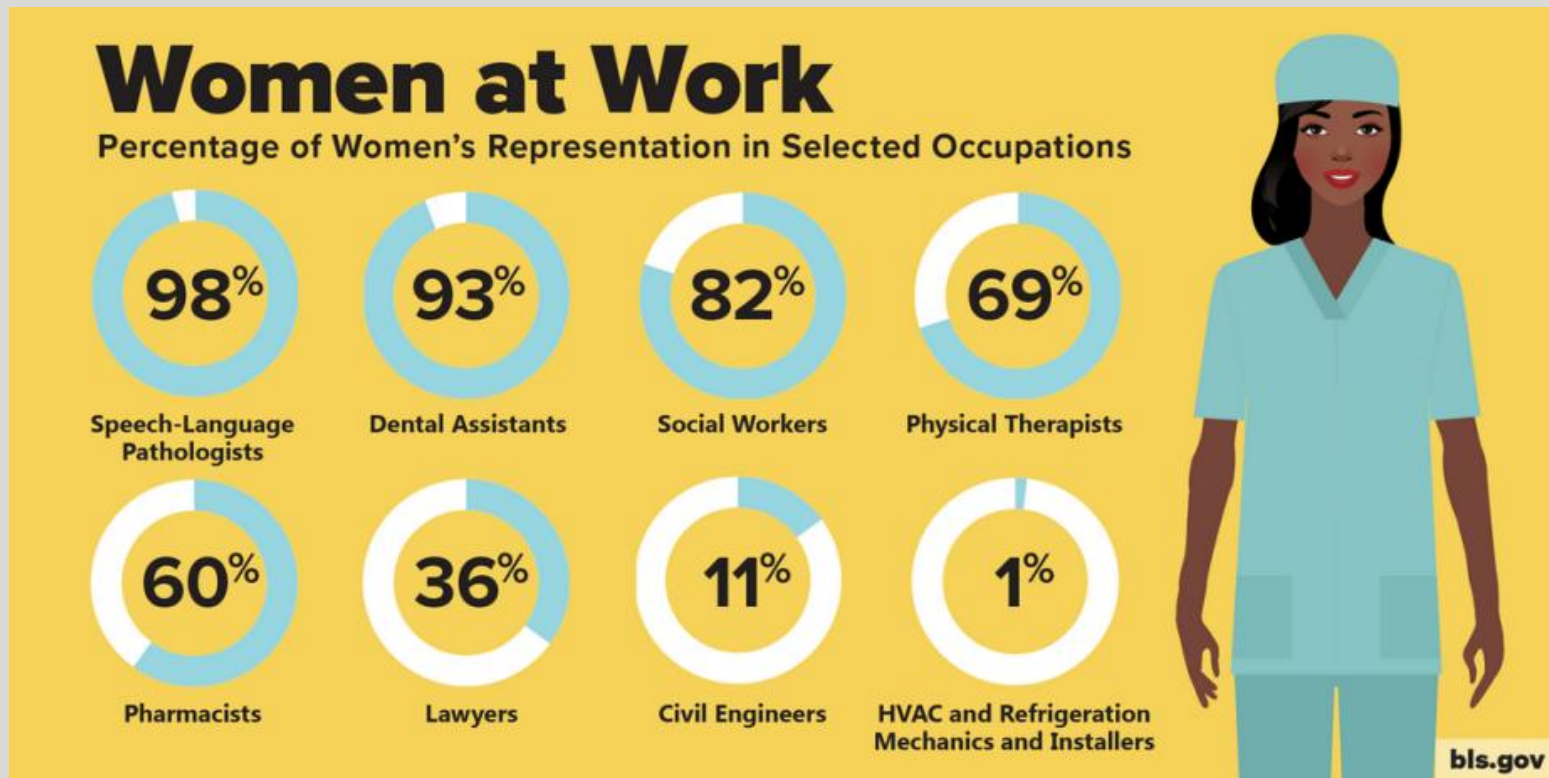
- Growing industry
- Earning potential
- Continuing education & advancement
- Work is meaningful and impacts many
- Technology advances
- Entrepreneurship

Career 'opportunity' is #1



- Start early
- Focus on career growth & financial security
- Engage with brand and message
 - Company involvement
 - Employee profiles

Gender diversity



Female workforce participation

Top five

- Preschool and kindergarten teacher
- Childcare worker
- Dental assistant
- Medical records
- Hair dresser

Bottom five

- Carpenter
- Auto service technician and mechanic
- Electrician
- Laborer
- Maintenance and repair workers



Retention strategies

- Culture
- Benefits
- Employee development



Culture

Culture is alignment of
your external message of

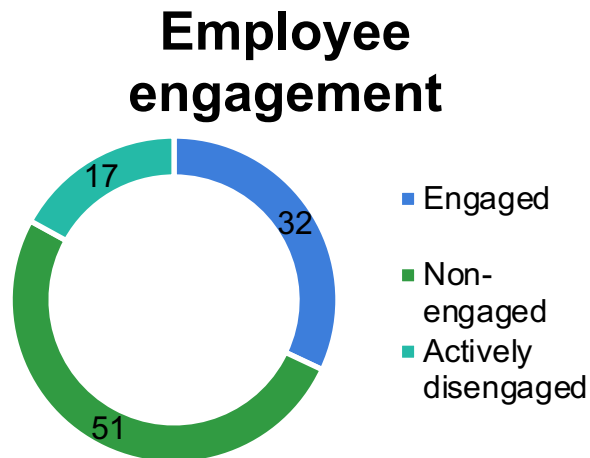
The way we say we get
things done.

with

The way we really get
things done.



Gallup: State of the American workplace



Engaged employees work with passion and feel a profound connection to their company. They drive innovation and move the organization forward.

Non-engaged employees are essentially 'checked out'. They're sleepwalking through their workday, putting time – but not energy or passion – into their work.

Benefits

“Employers need to greatly increase non-monetary benefits such as flexible work schedules, telecommuting and employee/career development in the next three to five years to meet workforce demands”

~ 2018 Future of Work and Rewards report by
WorldatWork

Benefits beyond salary

- Provide debt relief through student loan repayment plans, signing bonuses and stipends
- Offer flexible scheduling
- Brand yourself
- Use technology to target candidates
- Apply the personal touch
- Creating training partnerships
- Sponsor apprenticeships
- Redefine job responsibilities
- Provide opportunities for career development



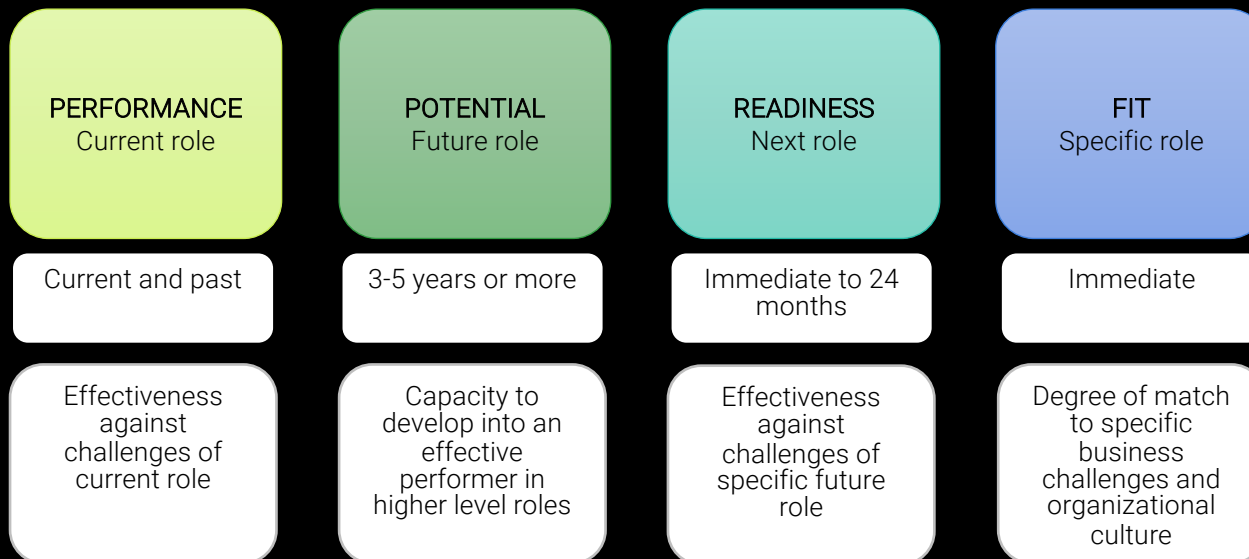
Employee development

- Transparency in career opportunity
- Fluid organization for advancement
- Shadowing and mentoring
 - Top down support
 - Accountability
 - Formal training



KORN FERRY

Dimensions of talent



Korn Ferry dimensions of leadership & talent

WHAT YOU DO

WHO YOU ARE

Competencies

Skills and behaviors required for success that can be observed.

FOR EXAMPLE

Decision quality, strategic mindset, global perspective and business insight.

Experiences

Assignments or roles that prepare a person for future opportunities.

FOR EXAMPLE

Functional experiences, international assignments, turnarounds and fix-its.

Traits

Inclinations, aptitudes and natural tendencies a person leans toward, including personality traits and intellectual capacity.

FOR EXAMPLE

Assertiveness, risk taking, confidence and aptitude for logic and reasoning.

Drivers

Values and interests that influence a person's career path, motivation and engagement.

FOR EXAMPLE

Power, status, autonomy and challenge.



Solutions for contractors



1. Partner with educators
2. Influence policy
3. Leverage state and federal funding

The background of the slide features a blue gradient with several incandescent light bulbs hanging from black cords. The bulbs are out of focus, creating a bokeh effect. A small yellow rectangular highlight is positioned above the text.

\$1M Question

How can we give more high school students exposure to the construction career path and prepare them for accelerated entry into our industry?



NEW APPROACH NEEDED:

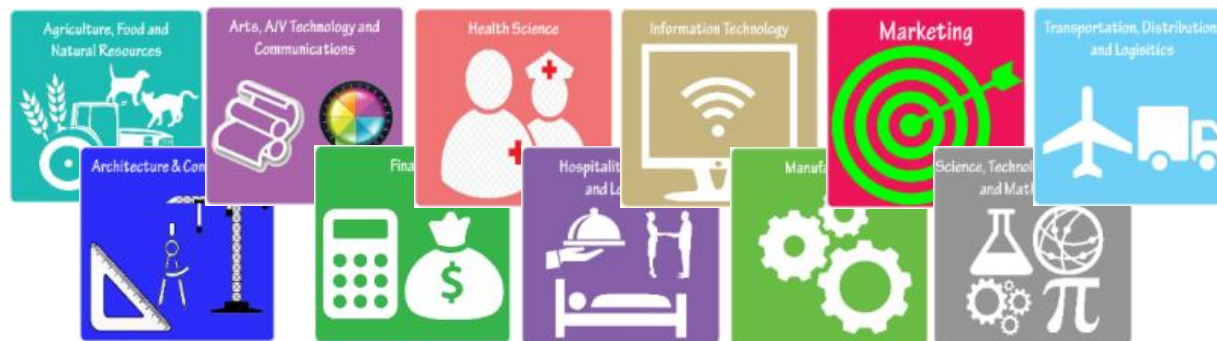
**Education through
Occupations**

instead of

education for occupations

Youth apprenticeship

- Connects school-based and work-based learning
- 180 hours of technical related instruction
- 450 hours of mentored, on-the-job paid training





Partner with educators



Create an employer profile, post internships, search for Wisconsin college students and find resources to build or expand internship programs.

<https://internshipwisconsin.com/>

Partner with educators



Company Benefits

- Inform the future workforce about your company's and/or industry's needs and the types of careers you offer
- Positively affect the career-readiness of local students through experiential learning activities and online career-coaching
- Proactively engage with the education community to address current and future workforce needs
- Help develop your company's future workforce talent-pool in the Madison Region



Inspire

SOUTHEAST WISCONSIN

M7talentpartnership.org



Wisconsin Operating Engineers

Pre-apprenticeship program for high school students

- Online public Charter School Career and Technical Education (CTE) Focused
- Open to all Wisconsin students
- Recognition of apprenticeship credit through FVTC
- Approved for Act 59 reimbursement
- DWD certified pre-apprenticeship



Industry based curriculum

Course	Apprenticeship
Operating Engineer Career Exploration	Credit for prior learning
Intro to Basic Equipment*	Apprenticeship credit
Basic Grade* & Math for the Trades	Apprenticeship credit/ Transcripted credit
Intro to Basic Equipment Maintenance*	Apprenticeship credit
CDL Prep	

Interactive engagement



The screenshot shows an interactive video player interface. On the left, there is a sidebar with a logo for 'LOCAL 139' featuring a green excavator and the text 'LOCAL 139'. Below the logo is a 'Menu' section with a 'View Script' link and a list of four items: '1. Introduction', '2. Dirt Work Signals Video', '3. Quick Check', and '4. Conclusion'. At the bottom of the sidebar is a search bar with the text 'Search...' and a magnifying glass icon. The main content area is titled 'Earth Moving Signals' and features a large image of a construction worker in an orange safety vest and red hard hat standing next to a large wheel loader. A blue banner across the bottom of the image contains the text 'EARTH MOVING SIGNALS' in white. Below the banner, the text reads 'Exploratory Activity to the Identification of Hand Signals for "Dirt Work"'. At the bottom of the main content area, there is a copyright notice: '© 2016 Wisconsin Operating Engineers. All Rights Reserved.' At the bottom of the player, there is a progress bar with play/pause, stop, and next buttons. The 'NEXT >' button is highlighted.

Career continuity



Bridged

- Curriculum is directly aligned with Operating Engineer Registered Apprenticeship



AB 375: Senior year

- 6 month accelerated entry into apprenticeship
- Meeting employer needs for spring work



Leveraging state and federal
funding

Influence policy: Workforce investment boards



State WIB, appointed by the governor, makes state workforce policy and ensures local compliance with federal mandates

Local WIB makes workforce policy for its region and oversees local one-stop centers that provide training and employment services

Board members represent employers, unions, community-based service providers, educational institutions, government economic development agencies

Local WIB decisions include who should get priority for service, how much money is available for training and what schools or other entities are qualified to receive funds for training

Hire workers and get
reimbursed for training



**WORKFORCE
DEVELOPMENT BOARD**
OF SOUTH CENTRAL WISCONSIN

Driver Industries and Sectors
Biotechnology • Construction
Finance & Insurance • Healthcare
Manufacturing • Tourism

Waukesha • Ozaukee • Washington

**WORKFORCE
DEVELOPMENT
BOARD**





Leverage state and federal funds

Identify and hire workers and get reimbursed for work-based training or apprenticeship program

- Youth
- Re-entry
- Veterans
- Unemployed/underemployed



2019 DOL and DOE workforce funds

- Workforce Innovation and Opportunity Act (WIOA) = \$2.8B
- Apprenticeship State Expansion: = \$75MM
- Closing the Skills Gap = \$100MM
- Youth Build = \$85MM
- Workforce Opportunity for Rural Communities: \$29MM
- Veterans Accelerated Learning for Licensed Occupations: \$2.5MM
- Ex-offender Rentry: \$82.5MM
- Perkins Career & Technical Education (CTE) State Grants = \$1.3B
- NEW: Women in Apprenticeship and Nontraditional Occupations (WANTO) = \$1.5M

Presidential Order to Expand Apprenticeship

Reasons:

- Need to prepare workers to fill existing and newly created jobs
- Higher education is unaffordable
- Students are graduating without skills necessary to secure jobs
- Federally funded education & workforce development programs have not been effective
- Expanding apprenticeship provides paid, relevant workplace experience and opportunities to develop skills that employers value
- Apprenticeship provides affordable path to good jobs and careers

Apprenticeship for:

- Expand Access to High school students
- Job Corps participants
- Currently or previously incarcerated
- HS and post-secondary drop-outs
- Veterans



Workforce Innovation & Opportunity Act (WIOA)

- Promotes apprenticeship and industry credentials (e.g. NCCER)
- More reimbursement for employer-driven, work-based training
 - On-the-job training
 - Customized training
 - Incumbent training
- Training for existing, real-world jobs
- Better aligned with economic planning – state, local and regional
- Apprenticeship programs automatically qualify as eligible training providers and can receive ITA vouchers to train workers
- 20 percent of youth training funds are reserved for programs that provide work experience, including pre-apprenticeship
- Apprenticeship completion certificates are recognized as postsecondary credentials



Pre-apprenticeship

- Designed to prepare individuals to enter and succeed in Registered Apprenticeship (RA) programs
- A documented partnership
- Expanding the participant's career pathway opportunities with industry-based training coupled with classroom instruction





Wisconsin employer funding

- Fast Forward Training Grants – \$5,000-\$400,000
 - Funds training programs that provide workers with job skills needed to succeed in a 21st century workforce
- Division of Vocation Rehabilitation – 50 percent of salary and expense for 90 days
- Wisconsin Apprenticeship Credit Program – credit up to \$2,500 on an employer's Worker's Compensation premium for employing an apprentice



Workforce Opportunity Tax Credit (WOTC)

Federal tax credit for employers designed to help people gain on-the-job experience and achieve better employment outcomes.

Up to \$2,400 per new hire

- High school students
- Job corps participants
- Currently or previously incarcerated
- High school and post-secondary dropouts
- Veterans



Action plan

Recruitment

- Partner with educators to reach youth
- Influence policy through workforce development boards
- Leverage state and federal funding to support recruitment and training

Retention

- Understand your culture & employee engagement
- Define and implement benefits that meet employee needs
- Develop a transparent employee development program

CONNECT WITH US

Presenter



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Laura works with construction-related firms of all sizes to evaluate business practices and assist with management challenges. Having worked in the construction industry for almost 25 years, Laura offers a depth of experience working with contractors to improve profitability and succeed in the changing marketplace. She excels at working with dynamic and demanding environments that require relationship building, versatility and challenge.