

# How to Retain and Motivate Talented Employees

By Mark Steranka, Partner, Moss Adams LLP

Construction activity is up, employee engagement sits at less than 35 percent nationally, and there aren't enough Generation Xers to replace the retiring baby boomer generation. This reality presents a significant challenge for construction business leaders when it comes to retaining and motivating talented employees—and ultimately threatens each organization's ability to reach its potential.

Fortunately, leaders can navigate these challenges and enhance performance by focusing on four straight-forward actions:

- Crafting a clear strategic plan
- Defining and monitoring performance
- Cultivating and compensating employees based on performance
- Committing to clear communication

These strategies lay the groundwork to develop key management staff into future leaders, reach your company's potential, and sustain your business over the long term. Here's how to implement each one.

## Crafting a Clear Plan

Every company should follow a strategic plan for reaching its goals, including a roadmap to get there. This long-term vision should guide strategic decisions, reflect a thorough understanding of how your organization reached its current state, and define a clear path of executable actions to realize your desired future state. Core elements of a comprehensive plan include:

- Mission, vision, and core values to guide decisions
- Goals and objectives to quantify expected outcomes
- Strategies and tactics to achieve goals and objectives

- Action plans to identify responsibilities, costs, and timeline for strategies and tactics

Organizations often fail to understand that the planning process is just as important as the resulting plan. Involving your management and staff in the process is critical to success. If you gain input from your employees, then you'll develop a more informed plan, strengthen commitment to plan components, increase the likelihood of implementation success, and ultimately increase employee engagement.

## Defining and Monitoring Performance

An effective way to monitor performance is through key performance indicators (KPIs). A business intelligence professional can help you to develop these for each facet of your business and tie them back to your strategic goals and objectives. Performance can be measured in three tiers: enterprise, business unit or department, and individual.

Focusing on performance at each tier is important to the organization's success. Employees of companies that reach their potential perform in a manner that's in the best interest of the company. They focus on reaching enterprise goals, work in teams to achieve objectives, and adhere to core company values to meet individual expectations.

## Cultivating and Compensating People

It's important to determine how your organization will attract, retain, develop, and motivate management and staff so company goals can be met at every level—and in every facet—of the organization. A key part of this process is clearly defining and articulating what core competencies employees must possess to successfully perform each role they aspire to

fulfill. Once defined, the company can determine how it will support the development of those competencies. It helps to craft performance-based compensation programs that are aligned with the core competencies and multi-tiered performance expectations. Annual performance reviews should reinforce this alignment.

Effective cultivation and compensation includes several components:

- Define your recruiting needs for entry-level and experienced personnel.
- Provide career paths that enable managerial and technical personnel to progress.
- Create compensation programs with incentives for employees to accomplish goals.
- Design training programs to help employees reach their potential.

Ultimately, the goal should be to motivate employees to strive for strong enterprise as well as team and individual performance. The most effective employees understand how to navigate their career path options and how they benefit from performance-based compensation.

## Committing to Clear Communication

Although planning, performing, and people form the cornerstones of high performance, these components aren't very effective without clear communication on how they're aligned. Communication that's clear, structured, and regular helps employees understand how they individually and collectively contribute to success. For example, organizations can report quarterly on strategic plan implementation progress and how that progress impacts projected performance-based compensation payouts.

## Reap Rewards from Taking Action

You'll connect best with your employees by taking an honest and

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# Inspiring Change Through Innovation

## Former AGC Student Chapter Member Creates Innovative Construction App to Manage Jobsite Deliveries

By Erin Volk

Since a young age, Mark Oliveira has had a passion for building. He grew up in the Central Valley working alongside his father, a carpenter by trade, and went on to student Construction Management (with a minor in Business Administration) at Sacramento State. While there, he participated in the AGC Student Chapter until his graduation in 2013.

After college, he began his career in the construction industry, determined to employ the tools and knowledge gained from his education, to tap emerging technologies in the field and to seek out insights from fellow industry professionals to bid, build and manage projects better than ever before. He had developed a strong desire to make innovative contributions that could improve the productivity and efficiency of the California

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transparent approach. In order to do their best work, employees need to understand your strategic goals, the expectations for achieving those goals, the competencies required to meet those performance expectations, and how compensation is tied to performance. Make it clear to each one of them how they can play a valuable role in achieving the company's mission. Aligning these expectations will enable you to provide incentives for key management, build strong retention, and create high employee engagement—all key building blocks of high performing companies. ■

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*Mark Steranka is a partner with Moss Adams LLP. Learn more at [www.mossadams.com](http://www.mossadams.com).*

construction industry.

Working for heavy civil contractors, Oliveira was always seeking out opportunities to leverage existing resources so his employer could outperform the competition. Over time, he saw some of the same recurring challenges and ineffective systems surfacing in his work and heard similar experiences and challenges from former classmates working at various companies throughout the industry.

These experiences led him to a realization: there's a once in a generation tech revolution sweeping the construction industry, and many firms are failing to adopt the innovative solutions they need to control their business and improve their productivity, efficiency, and profit margins. Additionally, he observed, there's a war on talent raging in the construction industry. A company that gives its team the right tools and resources needed to make workloads more manageable and to maximize their results is a company that is more likely to have employees who perform well and who remain employed with them.

From his observations and keen focus on finding ways to innovate the construction industry, Oliveira's company, Sirach Solutions, and his first product, a construction app named LOGIT, were born.

### **LOGIT: A Solution to a Fundamental Challenge**

The issue that Oliveira tackled with LOGIT addressed a fundamental challenge in the heavy construction industry. Every day construction companies across the country receive aggregate base, concrete, asphalt, pipe and fittings in truckloads. Accounting for each shipment and



the trucking associated with it is a cumbersome, confusing, and a costly task. Project engineers are left holding the bag when it comes to receiving, sorting, organizing, tracking, and verifying payment of jobsite materials. But is this responsibility the best use of a

company's time and talent?

Oliveira realized that companies have to automate and integrate. They've already invested in major equipment to operate the organization effectively. Now, they need to give field professionals the tools they need to make the most of their mobile device and effortlessly track job site materials. LOGIT relays information from a company's trusted material suppliers to their job file effortlessly so that employees of the company don't have to.

### **How Does It Work?**

LOGIT simplifies and expedites field ordering by allowing the foreman to order materials and trucking from the field and instantly communicate needs to all project stakeholders. It automates routing by tracking deliveries throughout the day. When daily production stops, workers can instantly download detailed reports to their job file. Finally, LOGIT provides real time analytics so companies can get a clear picture of production rates across multiple crews in real time. For more information on LOGIT, visit [www.sirach.co](http://www.sirach.co).

Mark Oliveira is a prime example of the new ideas, energy and skill former AGC Student Chapter members and AGC CLC members are bringing to the construction industry. With contributions this exciting to live up to, we can't wait to see what they think of next! ■