

The Owners' Blueprint for Skilled Labor Risk Management

The Spring 2019 issue of The VOICE will feature an in-depth article on this topic. It will hit the mail in late May/early June, and will be available to attendees at CURT's June Member Meeting in Salt Lake City, Utah.

If your projects aren't dealing with chronic skilled labor shortages, productivity challenges, increased costs and longer schedules, consider your projects an anomaly. Across the country, shortages are resulting in lower quality work, more accidents and missed project objectives—and current forecasts don't predict any break in this trend. In response, a skilled Labor Risk Management (LRM) program is recommended by the Construction Users Roundtable (CURT) to help companies effectively measure labor risk and reverse labor shortages.

CURT recommends that, "owners should only do business with contractors who invest in training and maintain the skills of their workforce." The strong recommendation is that owners should prequalify and select only those contractors actively training the workforce of the future, but without a metric to measure this, how can owners know which companies are committed to workforce development? The Construction Labor Market Analyzer® (CLMA®) has the capability to provide this full-service contractor prequalification for owners.

The LRM program will use the proven CLMA® and Construction Workforce Development Assessment (CWDA) tools to provide industry-validated, standardized assessments of contractors. There is expected to be minimal staffing impact because the LRM team performs all the data collection, assessment and reporting.

What's the value of adding this process to your existing processes?

For OWNERS, using the LRM program has the following value:

- Limited need for owner staff involvement;
- Best available labor productivity and risk data for project planning and execution;
- Industry-proven assessment of contractors' workforce programs; and
- Engagement in the development of skilled workers for the construction industry.

For CONTRACTORS, using the LRM program has the following value:

- Best available labor productivity and risk data for project planning and execution;
- Reliable assessment of workforce development programs and improvement recommendations;

- Effective distribution of workforce assessment information to multiple owners, eliminating duplicate submittals;
- Increased market competitiveness.

The LRM is predicated on the recommendation to prequalify contractors for safety performance. This recommendation originated with the Business Roundtable (BRT) in 1982 and was based on a report which concluded that "safety pays,"—in other words, avoiding accidents resulted in real cost savings. Similarly, when owners make workforce development a core value and a business imperative, the consistent development and deployment of effective workforce and training programs (and related metrics) will follow.

Owners have the most to lose financially when worker challenges are present. The LRM program is ready to combat this obstacle by helping owners choose contracting companies that are actively building the industry's workforce; awarding the work to those that show a commitment to skilled labor development and ensuring that those not focused on workforce development will have to adapt their business plan or lose out to their competition. ●

Learn more in the Spring 2019 issue of The VOICE. Several owners have already begun this process, so if you can't wait that long, reach out to Daniel Groves at dgroves@curt.org to get started today, or visit www.curt.org/LRM for more information.

