

Grayway

THE FUTURE IS NOW.

Companies are quickly learning to close the generational gap if they want to survive in a world that moves faster than ever before.

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Recruiting talented architects, engineers and construction professionals is one of the keys to any successful company in our industry.

But businesses can't stop putting their best foot forward once new team members are on board. Providing support and growth opportunities is an important part of retaining skilled team members.

Over the years, we've learned how important it is to leverage the skills and innovations that every team member brings to the table. Through fresh perspective and insights we're able to push the envelope to remain ahead of the curve.

To do that, understanding the generational differences in attitude, behavior, expectations, habits and motivations of each individual is invaluable to creating a cohesive and effective team.

Susan Brewer

Susan Brewer, PHR
Director of Human Resources
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CLOSING THE GAP



Every industry across the country is grappling with how to best utilize the skills of its older and younger workers who have different work styles, habits and priorities.

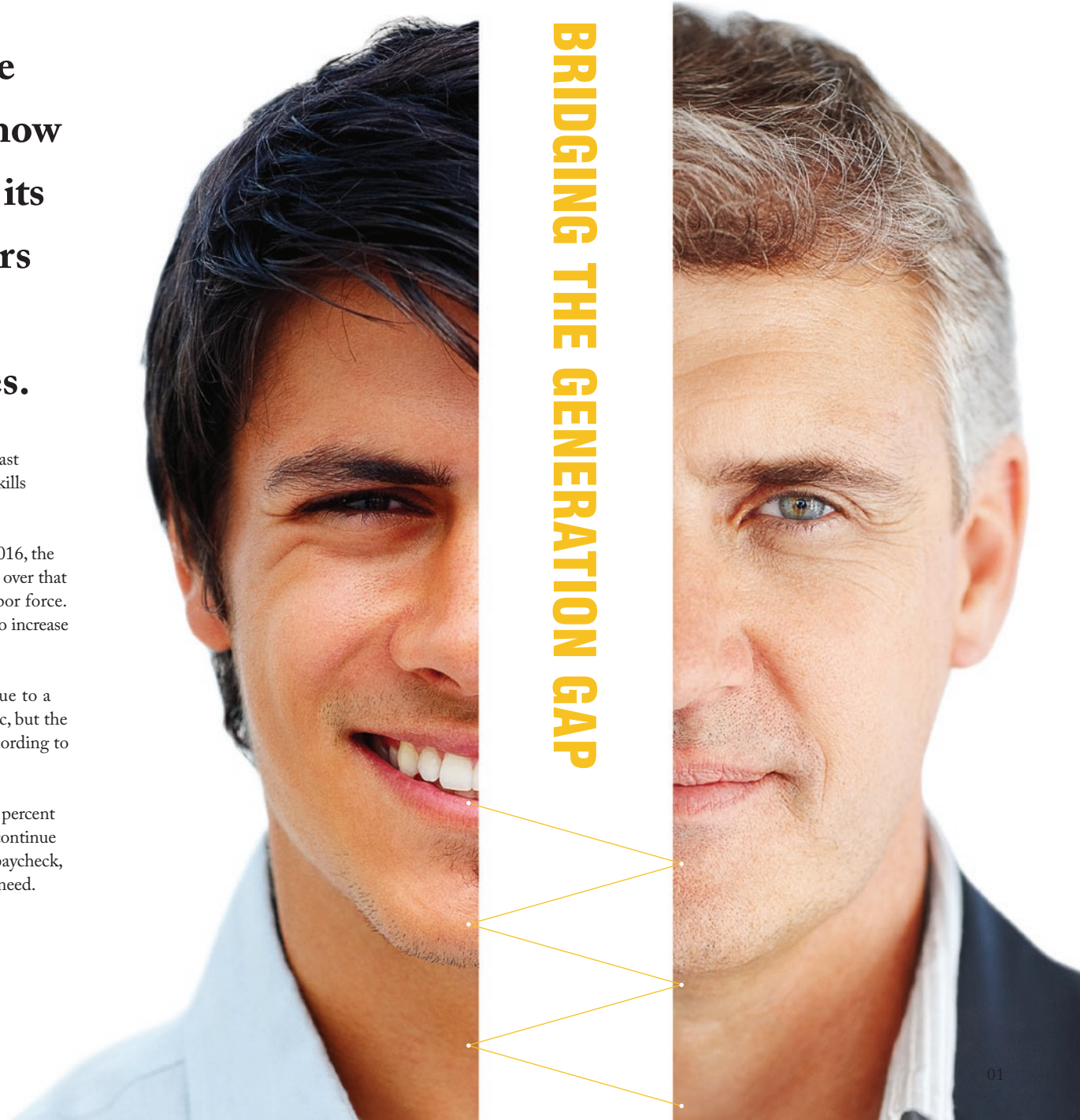
And with older workers choosing to remain in the workforce past retirement age, the importance of successfully integrating the skills and contributions of all workers is even more critical.

One U.S. government estimate states that between 2006 and 2016, the number of workers ages 55 is expected to grow by 46.7 percent over that period, more than five times the projected growth for the labor force. During that same time period, the U.S. workforce is expected to increase by nearly 13 million to 164.2 million workers.

The projected growth in the number of older workers is due to a combination of factors, including demographics and economic, but the predominant reasons are health and a desire to stay active, according to a recent nationwide survey by the Pew Research Center.

Pew's survey, "America's Changing Work Force," found that 54 percent of workers ages 65 and older say the main reason they plan to continue working is because they want to, 17 percent say they need the paycheck, and 27 percent are motivated by a mix of desire and economic need.

BRIDGING THE GENERATION GAP





“The challenge is to find ways to leverage the experience, knowledge and wisdom of the older generation with the creativity, innovation and energy of the younger generation.”

Barbara Jackson
director of the California Center for
Construction Education

While many older workers want to continue working, many of them may be forced to retire before they want to because of the economic downturn. The number of unemployed workers ages 55 to 64 has nearly tripled since the recession began to about 1.6 million as of November, according to the U.S. Department of Labor.

On the other end of the spectrum, fewer Americans ages 16 to 24 are entering the workforce. Some younger adults are choosing to pursue a college education while others may have become discouraged by the recession and have dropped out of the labor market, Pew said.

The current generation of construction industry professionals who have been in the workforce for 10 years or less have the potential to transform the industry with their creativity and innovation, said Barbara Jackson, director of the California



Barbara Jackson

Center for Construction Education at California Polytechnic State University. “If we are ever going to transform the industry, not that it’s broken, but if we are going to transform it, we have to reach the young people.”

To do that, the younger generation has to be given an opportunity to grow and take on additional responsibilities. Firms need to undergo a mental shift in the way they operate by including the younger generation in discussions about business decisions — a move that will give the younger generation a sense of investment with the company. More emphasis needs to be placed on understanding the needs and quirks of each generation of workers and the way they operate. And both the older and younger generations need to recognize that they have much to learn from each other in the way of mentoring and transferring knowledge.

This new generation of industry professionals is the “smartest generation.” They aren’t necessarily more intelligent than previous generations, but they are the most connected, they have the resources to learn about any topic and they learn things so much faster, she added.

Oftentimes, companies won’t give them additional responsibilities until after they have paid their dues by putting in a certain number of years on the job. That lack of opportunity frustrates the younger generation to the point that they consider leaving, Jackson said.

She went on to say that a common complaint from supervisors is that their young professionals are impatient, feel entitled and want everything now. They, for example, may expect to become project managers in three to five years instead of the traditional 10 to 12 years.

GENERATIONAL DIFFERENCES

The older and younger professionals of any industry have different goals, communication styles and attitudes about work. Here are the major differences:

- **Technology:** The younger generation grew up with computers in their homes and is technologically savvy. Although the older generation is often perceived as being afraid of technology, some are simply unfamiliar with it. The younger generation can share its technological knowledge with the older generation.
- **Performance:** The younger generation of industry professionals believes in performance-based pay and performance-based promotions. They don't agree with the traditional method of having to pay your dues for years before being given an opportunity for more responsibility.
- **Work-life balance:** The younger generation doesn't want to be at their desks for eight hours a day if they can complete their work in less time. Once the work is completed, they want to leave instead of being forced to kill time until they've clocked eight hours at the office. That idea is contrary to the older generation that wouldn't consider leaving work until after the boss left even if it meant wasted time at work.
- **24/7 connectivity has redefined work hours.**



GRAY...WE'RE BUILDING

CLARE ROSE INC., Yaphank, N.Y.

Construction began in late August on a 269,000-square-foot beverage distribution center in Yaphank, N.Y. for Clare Rose Inc., one of the largest beer distributors in the United States.

Like Gray, Clare Rose is a third-generation, family operated company. Clare Rose, privately owned by the Rose family, dominates a number of beverage markets in Long Island's Suffolk and Nassau counties. Although predominantly an Anheuser-Busch distributor, Clare Rose expanded its beverage portfolio in the 1990s to include craft and import beers as well as non-alcoholic beverages such as energy drinks, high-end waters and soda pop.

The new distribution facility consists of two separate refrigerated storage areas — a 82,000-square-foot area with maximum temperatures between 60 to 69 degrees depending on the month and a 7,500-square-foot area with a year-round maximum temperature of 36 degrees.

The project includes a two-story, 77,460-square-foot office and a 24,000-square-foot on-site recycling center, which will process 100,000 pounds of glass per day, 43,000 pounds of aluminum per week and 45,000 pounds of cardboard per week.

Clare Rose plans to apply for the U.S. Green Building Council's LEED® (Leadership in Energy and Environmental Design) certification when the facility is completed in Fall 2010.

Gray is providing construction management, LEED management and LEED application services. GNF Architects and Engineers is providing Architecture and Engineering.



COMMUNICATING ACROSS GENERATIONS



“If you listened to all of the panels and all of the discussions, young people to middle managers, they’re all looking for transparency in whatever organization they work for. They want to be part of the team, they’re thirsty for communication.”

Barbara Wagner
Senior Vice President
Clark Construction

In October, the California Center for Construction Education held “Transformation of an Industry — Inventing the Future from the Future,” a one-day event to exchange frustrations and feedback between generations.

Through panel discussions, generational differences in the construction workforce were explored from the perspectives of various industry professionals, which included recent college graduates with up to 10 years of experience, middle managers and senior managers/executives.

The conference was eye-opening for everyone, from senior managers to fairly recent college graduates.

“If you listened to all the panels and all the discussions, young people to middle managers, they’re all looking for transparency in whatever organization they work for,” said Barbara Wagner, a senior vice president with Clark Construction. “They want to be part of the team, they’re thirsty for communication.”



Chamblee Shirley

As a senior executive, the event was an opportunity to see really where the frustrations are with the different generations in the workforce and how Clark as a company can do better with its communication and being as transparent as possible, added Wagner, who is a CCCE board member. (Gray is also a member of the CCCE board.)

Chamblee Shirley, a Gray project engineer, learned that supervisors in the industry feel that the younger generation needs more coddling than previous ones. They say that the younger generation asks for feedback more often.

When we ask for feedback, we’re not necessarily seeking praise, we just want to know if we’re doing something the right way so that we’re not wasting time, Shirley said. “If I’m doing a poor job on a specific task, I want the instant feedback right then and there so that I can fix whatever I’m doing wrong instead of waiting to discuss it a year later during my review.”

Many of the generational differences can be overcome with respect and communication, said Barbara Jackson, director of the California Center for Construction Education.

Once the younger generation understands that their supervisors dislike being constantly asked for feedback, they can ask less often. And the older generation can make more of an effort to provide direct feedback on their work.

The younger generation just wants an opportunity to learn and prove itself, Jackson added.

MANUFACTURING FACES SHORTAGE OF SKILLED WORKERS

Manufacturing faces a different kind of generation gap — a shortage of engineers and skilled workers.

The shortage of skilled manufacturing workers is caused by a combination of factors — skilled Baby Boomers leaving the workforce, a declining number of U.S. students studying science and engineering and new manufacturing processes that require workers with technical skills.

Modern manufacturing has become increasingly technical through the use of sophisticated technologies and processes. The advanced technology requires a more educated workforce to operate efficiently. Unfortunately, the math and science skill level of American workers hasn't kept pace, leading to a shortage of qualified workers, which could cripple the U.S. manufacturing industry, the eighth largest economy in the world. Currently, one in six private sector jobs is in or is directly tied to manufacturing.

The shortage of skilled workers was identified several years ago. A 2005 Skills Gap Report by The Manufacturing Institute, the research and education arm of the National Association of Manufacturers (NAM), found that 80 percent of respondents were experiencing a shortage of qualified workers — 13 percent reported severe shortages and 68 percent indicted moderate shortages.

A 2009 supplemental update found that the skills shortage still exists. Almost one-third of the respondents reported a moderate to serious shortage of skilled workers with the belief that the shortages will increase in the next two to three years. More than 50 percent reported moderate to serious shortages of skilled production employees including front-line workers such as machinists, operators, distributors and technicians.

In 2005, NAM launched "Dream it. Do It." a national campaign to address the growing shortage of skilled workers entering the industry by making manufacturing an attractive career choice. The campaign increases the awareness of manufacturing by introducing students to various manufacturing careers and the science, math and technical training needed to work in the industry.

The "Dream It. Do It." campaign began with a single pilot site in Kansas City. Today, it's active in 20 states and regions across the country.



Jim Gray and Stephen Gray

GRAY MATTER

2010: Entering our 50th Year. The Greatest Generation and The Next Generation.

Fifty years sure sounds like a long time! And it is...especially in the business world. Especially in the US construction industry. Especially in these turbulent times!

We're fortunate, so fortunate, to have had the blessings of friends and families and good customers; and great employees and subcontractors... over these fifty years.

And it all goes back to a guy and a gal, James Norris and Lois Gray. A young man and his wife...who both served their country in the US Navy during World War II; and who like hundreds of thousands of young Americans like them, came home to small towns across America to create families and build communities. NBC's Tom Brokaw called them the "Greatest Generation." America believed in them. Relied on them.

America has always believed in its next generation. And so too has our business. Some of our earliest memories of growing-up include working on a jobsite back home in Glasgow, the Happy Valley Elementary School, where the whole family sported brooms and shovels for the final clean-up before final inspection.

So you see, our dad and mom believed in leveraging young folks from early in their careers!

Investing and believing in the next generation isn't something that's new to Gray. Today, it's just a 21st Century version of the same model...a tribute and a challenge...that we will actively engage generational growth, learning, and change...in this, our 50th anniversary year...and always.



fifty years

1960 / 2010

Jim Gray
Chairman and
Chief Executive Officer

Stephen Gray
President and
Chief Operating Officer



Gray Construction attends California Center for Construction Education Event.

RE-ENGINEERING THE BUS

The construction industry is changing and a new generation of industry professionals can play a role in the transformation, Jim Gray said at the “Transformation of an Industry — Inventing the Future from the Future” event in October.

Jim, Chairman and CEO of Gray Construction was a keynote speaker at the California Center for Construction Education event.

Using the bus analogy from Jim Collins’ “Good to Great” management tome, Jim said that young associates today are asking a lot of questions about the bus itself.

“What does it look like, what are its values and purpose, where is it going, how is it going to get there, who’s sitting in the ‘right seats’ today, what are they doing and how are they acting? Do they represent the company’s core values?” he said. “And they’re asking all these questions even as the current bus and those driving it are trying really hard just to keep gas in the tank, keep it running in these turbulent economic times.”

All of those questions about re-engineering the bus will help lead the change, Jim added.

Gray Construction will be part of the transformation. Gray has a long history of partnering with its peers to work on initiatives that have improved the construction industry. Clark Construction is just one of those companies. Clark Construction and Gray Construction now serve together on the national Design-Build Institute of America board and on the California Center for Construction Education’s board along with other industry experts to advance new initiatives.

SEARCHING FOR COMMON GROUND



Bob Moore, President
Gray-I.C.E. Builders

Baby Boomers, Gen Xers and Millennials — How do you mix these groups together to form cohesive and effective teams?

Seemingly, each group wants something different and works differently to fulfill the common need to have a purpose, a sense of direction and opportunity. In general, Boomers are good team players, willing to work long hours to patiently work their way up the corporate ladder. At the same time, Gen Xers tend to be skeptics, desiring strongly to do a good job while balancing work hours with a home life. Millennials are devoid of patience and tend to quickly move to the next opportunity, or hike the Appalachian Trail, if their career pace is not to their liking. These differences can create stress, confusion and an increased focus on people’s differences, leading to poor work results and poor assimilation of Millennials.

Gray-I.C.E. Builders, a leading contractor specializing in retail, hospitality, commercial and industrial markets throughout the western United States, looks at the common ground, not the differences to pull together our diverse people to work cohesively in teams toward common goals. At the end of the day, everyone desires consistent and clear communication, fair treatment, opportunity and purpose to be happy and productive. Communication, fairness, opportunity and purpose are neither generational specific nor gender/culturally specific. By focusing on the common needs, we can engage all eras and capitalize on the best each group has to offer.

“At Gray-I.C.E. Builders, we look at the common ground, not the differences to pull together our diverse people to work cohesively in teams toward common goals.”



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Alabama, California, Kentucky, Virginia and Tokyo, Japan

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