

INDUSTRY USE CASE

The Construction Sector



The top 3 challenges for HR professionals in the Australian and New Zealand construction industry

Construction is one of the largest employers across Australia and New Zealand, with more than **9%** of Australians and almost **10%** of New Zealanders employed in the industry. Yet despite its size, construction continues to face significant workforce pressures.

As demand for infrastructure, housing and major projects continues to grow, HR teams are competing for skilled workers in an increasingly constrained labour market. At the same time, rapid technological change, evolving compliance requirements, and shifting workforce expectations are creating new demands on both employers and employees.

This report explores the workforce challenges shaping the construction industry today and how leading organisations are responding.

The top three challenges facing HR leaders in construction are:

1

Upskilling, cross-skilling and reskilling

2

Shortage of in-demand skills

3

Labour shortages

CHALLENGE 1

Upskilling, cross-skilling and reskilling

The challenge extends beyond technical skills alone. HR leaders must ensure workers remain current with safety requirements, compliance obligations, digital tools and emerging technologies, while also building the capabilities needed to support future project demands.

As AI, automation and digital project delivery become more common across the industry, organisations are under increasing pressure to prepare employees for new ways of working. Many are experiencing a growing gap between the existing workforce's capabilities and the skills required to support future projects, technologies, and compliance requirements.

32%

of construction organisations identify upskilling, cross-skilling or reskilling employees as their biggest workforce hurdle.

As construction organisations adapt to new technologies, evolving regulations and increasingly complex project requirements, workforce capability has emerged as the industry's most significant workforce challenge.

Shortage of in-demand skills

With **25% of construction organisations identifying shortages of in-demand skills as a key workforce challenge**, securing the specialist talent needed to support current and future projects remains a significant concern.

Demand for skilled trades, project managers, engineers, site supervisors and other specialist roles continues to grow as infrastructure investment, housing development and major projects accelerate across Australia and New Zealand. At the same time, the skills required within many roles are evolving, driven by advances in construction technology, digital project delivery, sustainability requirements and changing compliance obligations.

The challenge extends beyond recruitment alone. **Across all industries, 40% of HR leaders report challenges with workforce data and analysis, limiting their ability to accurately identify future capability requirements and proactively address emerging skills gaps.** Without clear visibility into workforce capabilities, organisations can struggle to anticipate future workforce needs before shortages begin to impact operations.

For construction organisations, that can increase project risk, place additional pressure on existing teams and reduce the ability to pursue new opportunities. In a sector where project success relies on having the right expertise available at the right time, understanding workforce capability has become a strategic priority for HR leaders.

25%

of construction organisations identified shortages of in-demand skills as a key workforce challenge,

40%

HR leaders report challenges with workforce data and analysis, limiting their ability to accurately identify future capability requirements and proactively address emerging skills gaps.

Labour shortages

Alongside skills shortages, many construction organisations continue to face the challenge of securing enough workers to meet growing project demand. In fact, **21% of construction organisations identify labour shortages as a significant workforce concern.**

The challenge is driven by a combination of factors, including an ageing workforce, increasing infrastructure investment, strong housing demand, and ongoing competition for workers across projects, regions, and industries. As organisations compete for the same pool of talent, attracting and retaining workers has become increasingly difficult.

Labour shortages can have direct consequences for project delivery. Reduced workforce availability can impact project timelines, increase overtime costs, place additional strain on site teams and create challenges in maintaining productivity, safety and workforce wellbeing. For organisations managing multiple projects, workforce shortages can also limit the ability to scale operations or respond quickly to new opportunities.

ELMO's 2026 HR Industry Benchmark Report found that **79% of organisations still anticipate workforce growth, increasing competition for talent across the economy.** As demand for workers continues to outpace supply, construction organisations face growing pressure to strengthen workforce planning, improve retention and build a sustainable pipeline of future talent.

21%

of construction organisations identify labour shortages as a significant workforce concern.

79%

of organisations still anticipate workforce growth, increasing competition for talent across the economy

So what does it all mean?

While each challenge presents its own complexities, they are often closely connected. The ability to build workforce capability, address critical skills shortages and secure enough workers to meet project demand all depend on having clear visibility into workforce skills, capacity and future requirements.

For construction organisations, these pressures are being amplified by growing project pipelines, evolving compliance requirements and increasing competition for talent. As a result, many organisations are looking for a more connected approach that brings workforce planning, learning, recruitment and performance data together in one place.

With greater visibility across the workforce, and better control across hiring, development and planning, construction leaders can take a more proactive approach to capability development, labour planning and retention, helping ensure they have the right people with the right skills available at the right time.

Build Workforce Capability at Scale

HOW

Support workforce development through structured learning, compliance management and skills development programs.

As workforce requirements continue to evolve, construction organisations need a scalable way to develop skills, maintain compliance and prepare employees for new technologies and ways of working. ELMO helps organisations deliver learning, track compliance and build workforce capability across the entire employee lifecycle.

RESULTS

According to Forrester's Total Economic Impact™ study commissioned by ELMO Software, the independent study modelled results based on a representative organisation with 500 employees achieved measurable workforce development benefits, including:

\$772,000

Savings through improved training development and delivery with a centralised repository of learning content, templates and training materials.

Accelerated training

Through a more intuitive and accessible learning experience.

Compliance oversight

Through centralised tracking and reporting of mandatory training requirements.

Capability uplift

Easy access to learning and development opportunities.

Product: ELMO Learning

Construction organisations can use ELMO Learning to:

- ✓ Deliver and track mandatory safety, compliance and site induction training.
- ✓ Support upskilling, cross-skilling and reskilling initiatives across trades, supervisors and site teams.
- ✓ Monitor licences, certifications and training completion requirements.
- ✓ Provide structured development pathways that support workforce capability and career progression.

By giving organisations greater visibility into workforce capability and compliance, ELMO Learning helps ensure employees have the skills needed to support current and future project demands.

1. e-Learning Module



WH&S e-Learning Module

In Progress

Stay safe at work. This course teaches you everything you need to know about workplace health and safety. Quickly learn to spot risks, prevent accidents, and respond to emergencies, all from a user-friendly online platform. Complete this training to become a more confident and safety-aware member of your team.

▶ Resume

2. Policy Acknowledgements



WH&S Policy Acknowledgement

Not Yet Started

As part of this course you are required to read and acknowledge the policies disclosed. Please begin this section to access them.

▶ Start

Strengthen workforce planning and skills visibility

HOW

Improve visibility into workforce capability, skills gaps and future workforce requirements to support more informed planning decisions.

As skills shortages continue to impact project delivery, construction organisations need a clearer understanding of workforce capability and future resource requirements. ELMO helps leaders access workforce insights more easily, identify emerging skills gaps and make better-informed workforce planning decisions.

RESULTS

Forrester's Total Economic Impact™ study commissioned by ELMO Software modelled results based on a representative organisation with 500 employees discovered benefits, including:

80%

Reduction in time spent on producing reports

\$14,000

Improving reporting efficiency by \$14,000 through the elimination of manual data retrieval and consolidation.

2,000hrs

Reducing HR administration effort by more than 2,000 hours annually.



Providing leaders with faster access to workforce insights and planning information.

Product: HR Core

Construction organisations can use ELMO HR Core to:

- ✓ Maintain a single source of truth across employees, contractors and site-based workers.
- ✓ Improve visibility into workforce capability, certifications and employment records.
- ✓ Streamline workforce administration across projects, regions and operational teams.
- ✓ Access workforce data and reporting needed to support workforce planning and resource allocation.

With greater visibility into workforce skills, availability and workforce trends, organisations can make more proactive decisions about capability development and future workforce needs.

The screenshot displays the ELMO HR Core interface. On the left is a sidebar menu with a top header 'E' and a user selection dropdown for 'Jennifer Smith'. The menu items include Administration, Home, ELMO Assist, Profile (highlighted), My Team, Leave, Documents, Learning, Performance, Remuneration, Survey, Analytics, Recruitment, Contracts, and Expenses. The main content area shows the profile of 'Samantha Perez', a Math Teacher (MATH001). The profile page has tabs for Profile, Activities, Career, Payment details, and Recognition. Under the Profile tab, there are sections for Employee details (General, Additional information, Diversity questions), Positions (Math Teacher (MATH001), PE Teacher (PE001)), Contact details (Contact information, Next of kin, Emergency contact), and Notes & contracts. The footer indicates 'Powered by ELMO Software'.

SOLUTION 3

Attract, retain and mobilise talent more effectively

HOW

Create a more connected hiring experience that helps organisations attract workers faster, reduce delays between offer and start date, and get new hires productive sooner.

In a competitive labour market, attracting workers is only part of the challenge. Construction organisations also need to move quickly once they have found the right person. Hiring delays and slow onboarding can create unnecessary drag on projects, site teams and workforce planning. In construction, hiring takes 19 days on average and 27 days for executive roles, while new hires take 32 days to reach productivity.

ELMO helps organisations connect recruitment and onboarding in one flow, reducing friction between stages and creating a more consistent path from candidate to productive employee.

RESULTS

According to Forrester's Total Economic Impact™ (TEI) methodology, the independent study modelled results based on a representative organisation with 500 employees. These organisations achieved measurable benefits that support workforce engagement and retention, including:

\$38,000

Savings in recruitment by streamlining job applicant management and reducing recruitment administration.

**Reduced
manual effort**

Through automated workforce and connected processes

**Employees
first**

Create a better experience from hiring, offer to day one

Product: Recruitment & Onboarding

Construction organisations can use ELMO Recruitment and Onboarding to:

- ✓ Automate recruitment workflows and accelerate contract creation
- ✓ Create a smoother handover from candidate to employee in one connected flow
- ✓ Reduce paperwork and manual follow-up before a new starter begins
- ✓ Give new hires a more structured and professional introduction to the organisation
- ✓ Support faster mobilisation across projects, regions and teams

By helping organisations move more efficiently from vacancy to day one, ELMO supports stronger workforce responsiveness in a market where time, availability and project readiness matter.

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Home > Contracts

Contracts

Contract Workflow Management

Contract status ▾ User type ▾ Show: Active ▾

Employee	User type
SP Samantha Perez samantha.perez@email.com	Employee
BC Brady Craig brady.craig@email.com	Onboarding User
KC Kathryn Calhoun kathryn.calhoun@email.com	Onboarding User
LF Luka Fletcher luka.fletcher@email.com	Employee
MH Mathew Horn mathew.horn@email.com	Employee
TA Teresa Acosta teresa.acosta@email.com	Employee
TM Trevor Martin trevor.martin@email.com	Onboarding User
TJ Taylor Johnson taylor.johnson@email.com	Onboarding User

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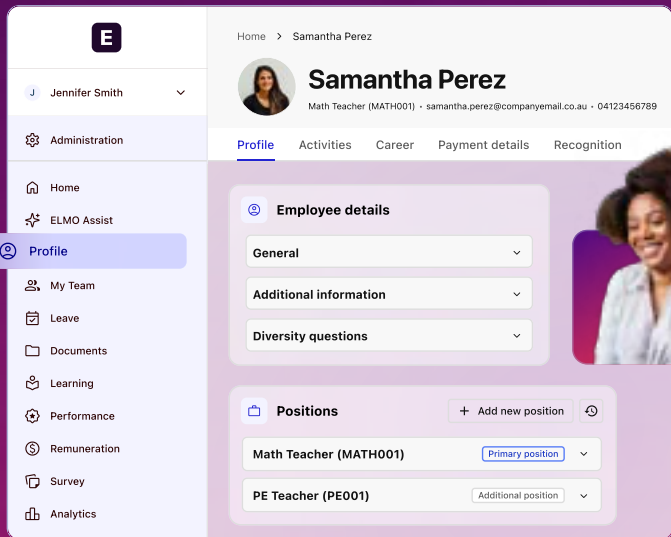
Solution summary

The workforce challenges facing the construction industry are closely connected. The ability to develop workforce capability, address critical skills shortages and secure enough workers to meet project demand all rely on having access to accurate workforce data, clear visibility into workforce skills and the ability to make informed decisions.

As project pipelines grow and workforce pressures continue to increase, construction organisations need more than standalone HR processes. They need a connected approach that brings learning, workforce planning, recruitment, performance and workforce data together in one place.

ELMO helps construction organisations build a more capable, responsive and resilient workforce by providing the visibility, automation and insights needed to support workforce development, improve workforce planning and strengthen hiring outcomes.

The Complete AI Workforce Platform™



HR Core Platform

AI Insights

Workforce Design

Recruitment & Onboarding

Payroll Partner Network

Performance & Remuneration

Learning & Content Library

Founded in 2002, the ELMO Group comprises ELMO Software, Breathe HR and Rotageek. ELMO Group is a multinational provider of people management solutions, trusted by over 18,000 organisations across Australia, New Zealand and the United Kingdom.

ELMO is The Complete AI Workforce Platform™. It unifies HR and Payroll on one connected data foundation and layers native AI to turn workforce data into insight and action. ELMO's mission is to get Australia and New Zealand's workforce ready for what's next and supports the full employee lifecycle, from recruitment and onboarding to learning, performance, payroll and more.

Backed by ISO-certified security, Australian-based data hosting and local experts who guide change throughout the journey, ELMO helps mid-sized organisations build the foundation for AI-ready workforces of tomorrow.