NATIONAL CENTER FOR
THE MIDDLE MARKET

CONSTRUCTION

MIDDLE MARKET INDICATOR

4Q | 2020

IN COLLABORATION WITH

THE OHIO STATE UNIVERSITY
FISHER COLLEGE OF BUSINESS

CHUBB®

Construction's Revenue Growth vs. National

CONSTRUCTION'S MIDDLE MARKET
PAST 12 MO.
-3.1%

-1.2% Past 12 Months National

CONSTRUCTION'S MIDDLE MARKET
NEXT 12 MO.
1.2%

4.1% Next 12 Months National

Construction's Employment Growth vs. National

CONSTRUCTION'S MIDDLE MARKET
PAST 12 MO.
-3.1%

-2.2% Past 12 Months National

CONSTRUCTION'S MIDDLE MARKET
NEXT 12 MO.
3.3%

2.3% Next 12 Months National

Construction's Top Internal Challenges Over The Next 12 Months

TALENT MANAGEMENT
60%

COVID-19
39%

FINANCIAL
17%

VS. NATIONAL MIDDLE MARKET

TALENT MANAGEMENT	COVID-19	FINANCIAL
50%	38%	22%

Capital Investment Plans Still On Hold

WILLINGNESS TO INVEST DECREASES AMONG MIDDLE MARKET CONSTRUCTION COMPANIES SINCE 51% REPORTED IN 2Q'20.

47%
WILL INVEST

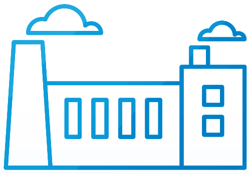
Long-Term Negative Impact of COVID-19 on Construction vs. Other Industries

	ALL MIDDLE MARKET COMPANIES	BUSINESS SERVICES	MANU-FACTURING	WHOLE-SALE TRADE	RETAIL TRADE	**CONSTRUC-TION**	FINANCIAL SERVICES	HEALTH-CARE	TECH-NOLOGY*
BUSINESS OPERATIONS	56%	28%	39%	44%	45%	39%	32%	39%	35%
2021 PROJECTED REVENUE	43%	34%	38%	45%	41%	50%	41%	40%	37%
SUPPLY CHAIN	43%	25%	48%	65%	44%	31%	25%	42%	40%
GROWTH INITIATIVES	41%	50%	38%	47%	46%	40%	30%	43%	38%
CUSTOMER DEMAND	39%	27%	42%	38%	38%	35%	44%	33%	36%
EMPLOYMENT (I.E., NUMBER ON STAFF)	37%	30%	35%	43%	36%	37%	24%	37%	24%
CAPITAL SPENDING	34%	30%	33%	37%	37%	37%	27%	31%	23%
PAYROLL (I.E., HOURS WORKED)	32%	21%	35%	30%	37%	32%	21%	37%	19%
WORKING CAPITAL/CASH	31%	27%	28%	26%	32%	34%	27%	36%	17%
ACCESS TO CAPITAL	30%	21%	27%	43%	36%	20%	20%	31%	27%
DIGITAL TRANSFORMATION	18%	18%	24%	17%	19%	12%	13%	20%	18%

Percent of respondents stating they expect a minor or major long-term negative impact from COVID-19
*Includes companies also represented in other industries, e.g., computer manufacturers, IT services, healthtech, fintech.

Construction's Middle Market Defined

ANNUAL REVENUE
$10 MM–$1 B

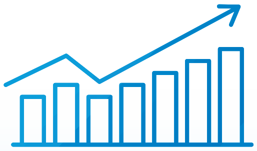


REPRESENTS
0.7%
OF ALL CONSTRUCTION COMPANIES

MORE THAN
12,000
BUSINESSES

EMPLOYS
32.1%
OF THE CONSTRUCTION WORKFORCE

GENERATING
$360B
IN ANNUAL REVENUE



GENERATES
23.5%
OF ALL CONSTRUCTION BUSINESS REVENUE

Source: 2014 D&B Data