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2022 Year in Review: Alexander Corcoran, Kaplan Construction

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What person, project, transaction or market trend had the greatest impact on your industry this year? The obvious answer is the ongoing supply chain issue and the consequential inflation of construction material costs. Relying on an unpredictable construction material supply chain has added an additional level of complexity to our projects. There is very little wiggle room in project schedules, and materials need to be planned further in advance than ever before. This has required us to take an even more active role in procurement schedules; not only our own, but also those of our clients and trade partners. Projects have also been considerably over budget as a result of material price increases. The square foot costs we are used to seeing no longer apply. Even more drastically, a quote from a supplier in April may no longer apply come December. Combating this once again comes down to planning and preparedness before a project mobilizes.

What emerging trends will drive investment and development in 2023? One major trend accelerated by the pandemic has been the normalization of work-from-home and the home office. While this trend doesn't extend to the trades, we have seen a growing number of shared office space and apartment community type construction projects coming in in recent years. Conversely, new office buildings and office renovation projects seem to have taken a back seat. It will be interesting to see what the new post-pandemic landscape looks like now that remote work has been battle tested on a widescale basis.