



READY TO HIRE? GET IN LINE

Skilled-trades shortage creating problems with wait times and quality of projects

STORY BY PAUL F. P. POGUE AND TOM LANGE
PHOTOS BY FRANK ESPICH

When Teresa Perella needed a new kitchen, she couldn't find a contractor willing to take the job. The Decatur, Ga., resident planned to spend roughly \$25,000 remodeling her 200-square-foot kitchen.

Most of the contractors Perella called wouldn't bid on a remodel under \$50,000, except for Platinum Kitchens & Design of Alpharetta, which agreed to begin the six- to eight-week project in July 2015 for \$27,000. However, Perella's remodel lasted four months. Workers had to redo parts of the job, and Perella says she had to supervise workers to ensure they completed the job correctly.

Michael Karp, co-owner of Platinum, knows his business missed the mark. Specifically, he admits the project managers were overworked and not everyone on the job knew what they were doing. "This was not our best job, by any means," Karp says. "We didn't love the way it was handled."

An ongoing challenge for Platinum and businesses nationwide is finding qualified workers amid a growing skilled-trades shortage and keeping up with customers who are eager to build, remodel or repair their homes.

Every day, the shortage becomes more acute. According to the National Electrical Contractors Association,

WHAT BUILDERS ARE FACING

Source: National Association of Home Builders

21% Percentage of builders that reported a worker shortage in **2012**.

56% Percentage of builders that reported a worker shortage in **2016**.



The Mechanical Skills facility in Indianapolis trains future plumbers.

HOW DO MEMBERS FEEL?

According to a recent survey of roughly 400 Angie's List members:

89% Say they're "concerned" that the trade shortage will affect the **quality of work** done on their home.

72% Say they're "concerned" the trade shortage will mean **slower service**.



WHAT ONE COMPANY IS DOING

Apprentice Bobby Alexander (right) works on a line with tech Dave Sedam of B&W Plumbing, Heating and A/C in Indiana. To find future workers, B&W is training high school seniors part time.

Check out the creative steps companies take to find and develop workers.
angie.li/find-workers



Arne Duncan, then-U.S. Secretary of Education, visits a career and technical education program in New York in 2013. Trade representatives have placed a renewed emphasis on tech education in high school.

7,000 electricians join the field each year, but 10,000 retire. An array of circumstances planted the seeds of the current shortage back in the early 2000s, creating a perfect storm that threatens to leave plumbing, electrical, carpentry and other skilled trades with a severe worker shortage in the years to come. Industry experts say the trades lost nearly 1 million skilled workers during the Great Recession that have yet to be replaced, and as workers retire, the crunch will get even tighter.

And as job openings continue to increase without enough new laborers to fill them, the situation could soon impact every element of home services: wait times, work quality and cost. The impact for consumers means you may have to wait months to start a renovation, or you might have to shop around to find a quality contractor who deems your project to be worth their time.

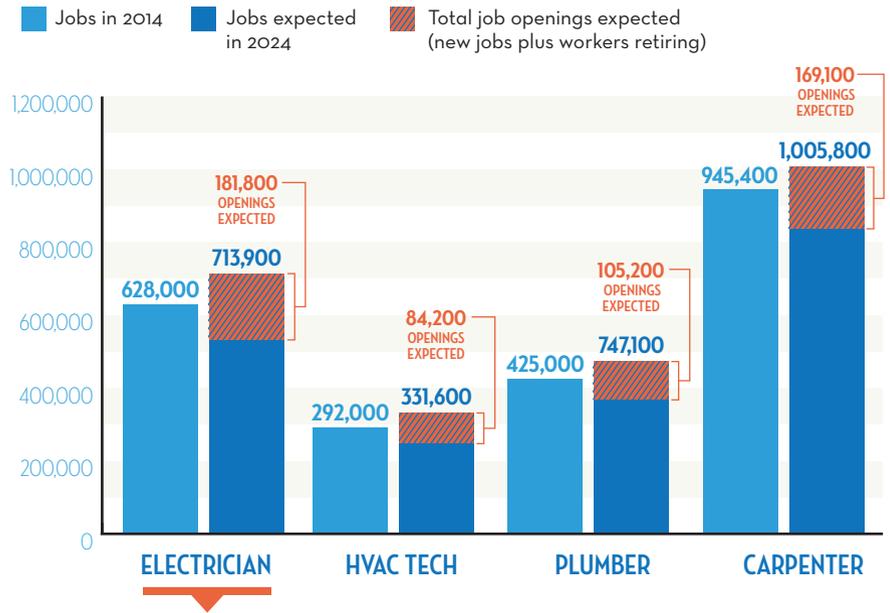
HOW IT STARTED

Dan Taddei, director of education and certification for the National Association of the Remodeling Industry, says the elimination of shop classes in high schools played a big role. For many students, this was their first exposure to the kind of hands-on skills needed to start a career in a trade. “Taking shop and mechanical classes out of school cut off the pipeline,” he says. “The No Child Left Behind Program forced them to shut down all those things and focus on college.”

The Great Recession, which began in December 2007, compounded the problem. Countless contractors went out of business and never came back even when the economy rebounded. The trades lost a significant chunk of veteran workers, and apprenticeships dropped sharply as contractors struggled to stay in business. “The construction industry lost 1.5 million

THE TRADE SHORTAGE IN 2024

By 2024, the demand to fill expected job growth and the need to replace retired workers will create wide shortages in the four trades shown below.

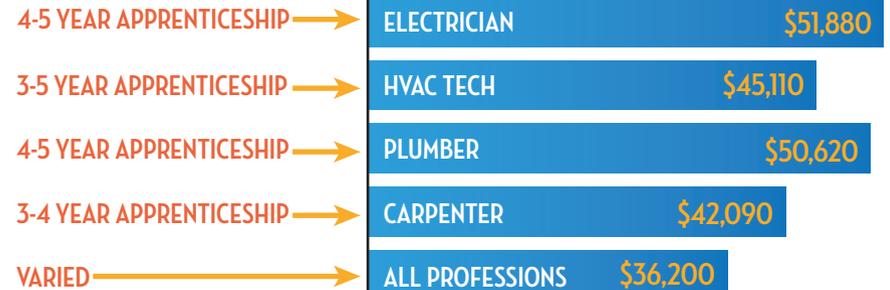


27 Electricians retire every day, on average **19** Apprentice electricians replace them, on average **8** The average daily growth of the shortage

Source: National Electrical Contractors Association

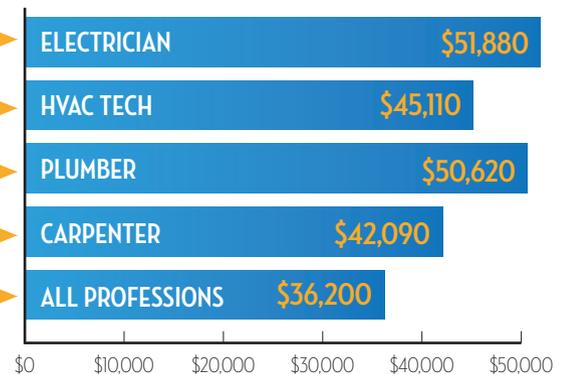
WHAT DOES IT TAKE?

Most trade jobs require multi-year training.



2015 MEDIAN INCOME

The median income for all four in-demand trade jobs listed below are above the national average for all professions.



Source for top and bottom graphics: U.S. Bureau of Labor Statistics

workers during the recession, and we've only brought back about 600,000," says Robert Dietz, chief economist and senior vice president for economics and housing policy for the National Association of Home Builders. "The median age of a construction worker right now is more than 40 years old. The long-term problem is, who's going to be the next generation of construction workers?"

Spenser Villwock, CEO of Independent Electrical Contractors, a national trade association, says social pressure has also created a disincentive. "The message became that you need to have a college degree or you're a lesser individual," Villwock says. "We aren't exposing people to these opportunities, and the funding model in public schools supports college-or-bust."

Cultural trends also keep potential workers away. "Carpentry has a black eye because there's a perception that it's a job you get if you've dropped out of high school or have just been released from jail," says Bill Irwin, executive director of Carpenters International Training Fund.

STRUGGLE TO FIND WORKERS

Karp wants the best contractors for his business, but says finding qualified workers is difficult. "As much as I like to keep control over things, and use the same guys and not pull contractor du jour, occasionally people experience failures," he says.

For quality control, Karp typically starts workers slowly, on a part-time

basis, to see how they perform first. Platinum's project managers, who oversee projects such as Perella's, are also in charge of finding, hiring and supervising any subcontractors they need. But sometimes those subcontractors leave unexpectedly, creating the need for quick replacements. "I do want to get to know people over time, but I can't always know everybody every guy is using," he says.

THE SHORTAGE EFFECT

Platinum, a highly rated company on Angie's List, started on Perella's kitchen quickly, but work ceased almost as soon as it began. After nearly two weeks, she called and a person told her they were short-staffed, with workers on vacation. "I understand things happen," she says. "You deserve a vacation. But it gets old after awhile." As the project progressed, Perella started noticing errors. Her biggest problem: the backsplash install. An experienced tile layer wasn't available, so Platinum brought in a new contractor.

Perella fumed when she saw the end result: Grout lines were uneven, and the tiles weren't lining up properly. "At first, I thought I was just being too picky, but the more I looked at it, the more I thought a 3-year-old had tiled my kitchen," she says.

Platinum retiled the backsplash, but by this point Perella and Karp were frustrated at how long the project was taking. Perella learned that the managers lost a subcontractor, and struggled to find a replacement.

"The long-term problem is, who's going to be the next generation of construction workers?"

Robert Dietz | National Association of Home Builders



Instructor John Weidman (center) works with apprentice plumbers at Mechanical Skills in Indianapolis. The training facility, approved by the Department of Labor, prepares students for a future in plumbing.

Once the remodel ended, Karp met with the project managers to review what went wrong. It's now clear the managers were working on too many other projects, unable to give Perella's kitchen the attention it deserved. Karp says he's ultimately responsible and has worked to better manage workloads. He also added an employee to help track job progress. Karp says there's a learning curve to finding out what people can handle. "We found it in an unfortunate manner. And part of that was during Teresa's job," Karp says.

For now, Perella is still letting the dust settle. She says she would like to update her bathrooms, but "I cannot allow someone else into my home who will disrupt my life for an extended period of time," she says.

HOPE FOR THE FUTURE

Industry experts agree that recruitment is the key to ending the trade shortage. Numerous fields are partnering with a Department of Labor

program, ApprenticeshipUSA, to draw in new recruits from all walks of life. Industries are targeting not just young people, but older workers who are looking for new careers and veterans with military training in the trades.

Villwock says the future belongs to bold, young people who are willing to reach out for new opportunities. "You can really advance in an expedited way," he says. "If they're motivated, if they can show those skills, if they have great business and technical sense, they can fill those vacancies sooner rather than later. We may be trying to make lemonade out of lemons, but I believe this offers a huge opportunity for young people."

Nevertheless, everyone remains keenly aware of the stakes. Says Kevin Tighe, director of workforce development for the National Electrical Contractors Association: "All our futures are going to be depending on the next generation coming up being able to handle what we're building." ■