

Construction's Career Crisis: How Did We Get Here?

Written by: Zachary Phillips, Associate Editor, Construction Dive

EXPERTS WEIGH IN ON THE FACTORS THAT MADE CONSTRUCTION A PROFESSION FOR "SOMEONE ELSE'S KID," AND THE LONG ROAD AHEAD TO FIX IT.

A four-decade veteran of the construction industry, Greg Sizemore says he doesn't remember a time when there wasn't a "Help Wanted" sign on most jobsites.

When Sizemore — now the vice president of health, safety, environment and workforce development at Associated Builders and Contractors — started out as a laborer, he thought construction would just be a summer job. He recalls contractors looking for skilled and unskilled workers. Fast forward to today and the problem has only increased.

The issue is widespread: 92% of contractors have reported difficulty finding construction workers and of those, 42% said they have turned down work because of it, according to the most recent U.S. Chamber of Commerce Commercial Construction Index.

Here, Construction Dive takes a look at the historical factors leading to the crisis and the issues, both internal and external to the industry, that have led to the challenge to staff the country's jobsites.

The numbers

The construction careers crisis is one that has worsened for



decades, but, like so much else, has also been worsened by the pandemic.

The number of construction workers in the U.S. hit an all-time high at 7.7 million workers in April 2006, until the Great Recession caused the number of workers to plummet. 2011 marked the low point of construction employment, with 2.1 million fewer workers than April 2006, according to Ken Simonson, chief economist for Associated General Contractors of America.

Beginning with 2011, however, employment numbers began steadily increasing. Total nonfarm payroll employment set records every month for five years through February 2020, Simonson said, until March of that year. The number of workers, seasonally adjusted, dropped from 7.6 million in February 2020 to 6.6 million in March 2020, a roughly 14% decline at the start of the pandemic, according to data from the Bureau of Labor Statistics.

Construction has begun to climb out of that hole, but it still has yet to reach pre-pandemic employment numbers, while still seeing high demand for skilled labor that hasn't been met.

Construction still hasn't reached pre-Great Recession levels

Total number of seasonally adjusted construction employees in thousands, according to Associated General Contractors collection of data from the Bureau of Labor Statistics.

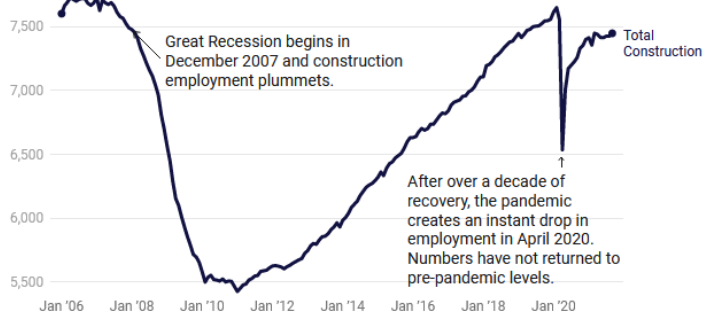


Chart: Zachary Phillips | Construction Dive • Source: BLS • Get the data • Created with Datawrapper

More focus on higher education

One of the longest leading causes for construction's understaffing issue began about 40 to 50 years ago, when the country moved from an industrial to a post-industrial, service-based business economy, said Brian Turmail, vice president of public affairs and strategic initiatives for AGC.

The notion that every student should go to college rapidly spread, Turmail said, which was supported by the introduction of the GI Bill.

The mark of success for many parents and their children has become the four-year degree, Sizmore said, and construction, plumbing, electrical work, masonry and other trades have become jobs for "someone else's kid."

In 1969, there were 8 million students enrolled in degree-granting postsecondary institutions, 5.8 million of which were full-time students, according to the National Center for Education Statistics. In 2019, there were a total of 19.6 million of those students enrolled, with 12 million as full-time students.

In addition, during those five decades, the number of women in college has skyrocketed: 57% of higher education students in 2019 were female. Construction has historically struggled to attract women to its workforce.

Less focus on the trades

The focus on higher education has led to high schools emphasizing reading and mathematics testing, both for the schools and for students, which has lessened the importance of, or removed altogether, classes helpful to the trades, like woodshop, said Anirban Basu, chief economist for ABC.

That's resulted in a large funding gap as well, Turmail said.

"For every dollar that the federal government puts in career technical education, which is about \$20 billion a year, they put six into college – supporting the pre-K through 12 to college track," Turmail told Construction Dive. "So, the funding gap is \$120 billion to \$20 billion ... even though only about a third of the jobs in the United States require a four-year college degree."

Nevertheless, Sizmore pointed out, college is not the best route to a career for everyone. As of October 2019, 36 million Americans had some college education, but no degree and were no longer enrolled, according to the National Student Clearinghouse Research Center. Others can take more than four years to finish their bachelor's degree. Those years have potential for a burgeoning worker to start and complete an apprenticeship and have a career.

Working conditions

"We've culturally devalued careers where you work with your hands and get dirty and you're exposed to the elements," Turmail said.

Construction is potentially dangerous. The hours are long and at times inconsistent. The workplace is outdoors and frequently moving. Workers can sustain long-term injuries or strain, even if they don't experience injuries on site.

It's not just that working conditions can be dangerous, Turmail noted. The average construction jobsite opens before public transportation begins running each day. For a young person, getting up at 4 a.m. to go to work, while potentially not having a car, can feel like more of a sacrifice than someone with experience who's providing for a family, and is used to being woken up by their kids.

That combined with construction failing to demonstrate that it is a path to the American middle class, Basu said, has made it a hard selling point.

Other groups pour time, effort, and money into recruitment services to show trade schools are a real option for high schoolers, but, Sizemore said, if they're not in the right ZIP code or sphere of influence with a local contracting group or trade group, it's simply harder to get to those students and encourage them to take a chance on the trades.

Retention troubles

Some potential employees never even give construction work a real shot.

"I've heard (AGC) members say that, 'We have to hire two people for every position we need to fill because one's going to bounce out by the end of the week,'" Turmail said.

But where do those workers go? Turmail joked that they may turn to Starbucks, where the initial pay can be comparable, but they don't have the long-term career opportunities that they'd have in construction. Those who can find jobs in energy and manufacturing often choose positions in those industries, he said.

That happened during the Great Recession as well, Basu said, as many workers left construction when there was an oil and natural gas boom, after a brief labor surplus of brought on by the economic collapse.

Other workers make career choices, Basu said, about the working conditions they want. Amazon has built fulfillment centers across the country, investing heavily during the pandemic and posting thousands of jobs. Though not known for stellar working conditions, Amazon warehouse jobs may be more enticing to workers who prefer to work indoors even though the pay is less, Basu said.

Retirement on the horizon

But retention doesn't just have to do with those leaving for other careers. The workforce is getting older, as the median age

of construction workers reached 41, according to an analysis by the National Association of Home Builders.

During the pandemic, uncertainty over health and safety led workers across industries to avoid work if possible. Federal unemployment aid made that decision easier.

Others with those same concerns "threw in the proverbial towel" and retired, Basu said. Knowing they were close to retirement already, many older workers saw the value of their assets, such as houses, appreciate during the pandemic. That made the decision to retire easier.

Those retiring Baby Boomer construction workers outweigh the number of young people joining the workforce, and that is the main contributor to the skilled labor crisis, according to Ralph Esposito, president of the Northeast and Mid-Atlantic division for Suffolk.

Because construction failed to brand itself as an innovative industry for young people to build long-lasting careers, they've turned elsewhere, thinking it's not the ideal category for them to advance their career.

"The reality is that construction can offer tremendous career opportunities for people who are tech-savvy leaders who enjoy working on teams, solving sophisticated challenges, leveraging state-of-the-art technology and creating something tangible that can literally transform a city skyline," Esposito said.

A lack of management training

One of the driving forces keeping workers on a jobsite, Basu said, is the combination of feeling safe and feeling respected. Unpopular management can contribute to retention issues in those areas.

"I think that has become a bit of a cliché rooted in truth," Basu said, "the notion that people don't leave jobs, they leave managers."

As workers leave for other industries or retire, construction firms need more workers with proper training, and so those workers' value to the jobsite increases. This can lead to a Catch-22, where an unpopular leader, superintendent, or manager, whose construction skills are invaluable to a project,

may be a detriment to keeping other workers on site.

The issue is not that bosses are bad, however. The bottom line is there needs to be better managerial training, Turmail said.

“I can’t tell you how many people I’ve talked to, they’re like, ‘Yeah, I started with a broom in my hand or a shovel in my hand, and now I’m running a thousand people on a billion dollar jobsite,’” he said.

Being a good construction worker and being a good leader aren’t the same skills, and the right training can help set new leaders up to succeed, especially learning what behavior is expected of them as a leader, compared to a worker.


Basu said the managerial issue is certainly a factor, but not always the largest – it can be more about the labor market, and a desire for flexibility. The workforce has shown a great preference for remote work, which is obviously impossible for construction.

Nevertheless, Basu said, managers could try to offer more flexibility in hours or expectations to keep workers on site, even that is easier said than done.

“If you’re a construction manager, you’re already battling higher input prices, input shortages, and skill shortages, and you’re under a contractual obligation to deliver the project on time,” Basu said. “And you’re trying for your bosses to deliver the project on budget, [it’s] very challenging, therefore, to provide that kind of flexibility to the workforce, even though the workforce might demand it.”

It’s not one thing

The causes of the skilled labor crisis are many and varied. Cultural, academic, and economic factors have compounded the situation today. But, as Sizemore said, even though the proverbial “Help Wanted” sign has hung around the industry for decades, construction has continued.

As Generation Z enters the workforce, Basu said, more opportunities will arise for recruiting workers who want and expect different things for their career than their millennial counterparts. 



About the Author

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About the Article

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