



CONSTRUCTION INDUSTRY INSTITUTE

ATTRACTING AND MAINTAINING  
A SKILLED CONSTRUCTION  
WORK FORCE

## Construction Industry Institute

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# **Attracting and Maintaining A Skilled Construction Work Force**

**Prepared by  
The Construction Industry Institute  
Attract/Maintain Skilled Work Force Research Team**

**Research Summary 135-1  
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## Executive Summary

Perhaps the greatest challenge facing the construction industry over the next decade will be attracting and retaining qualified workers. In many parts of the country, companies are already grappling with this issue. Qualified workers no longer simply show up at a project's doorstep. Skill levels continue to decline and workers threaten to leave for a dollar more in wages elsewhere. While owners squeeze contractors for lower cost and faster schedules, contractors reduce their training costs and hope that someone else will train craft workers for future projects. Both owners and contractors must address the attraction and retention issues.

A new way of thinking will be required to attract and retain craft workers. As stewards of their projects and their company's financial success, project managers are always faced with the challenge of lowering projects costs to improve returns. Cutting craft wages is not the answer and can actually drive costs higher. Those contractors and owner companies who are willing to focus on finding quality craft workers and innovate ways to compensate them will be the successful companies of the future.

The CII Attract/Maintain Skilled Work Force Research Team has identified several techniques that can assist owners and contractors in addressing these issues. Using these techniques will save the industry money and provide a better environment for workers.



## Introduction

All across the United States, contractors are competing with others to staff their projects. Most are using overtime, wage increases, and benefits, including safety bonuses, to lure skilled craft workers to their sites. While this usually achieves the goal of staffing projects, the increase in worker wages and benefits normally results in higher project costs and occasionally schedule slip. Often, these same craft workers leave the project early when a better offer appears. Moreover, safety can suffer as new workers who are unfamiliar with the work site and are at a higher risk of getting injured join the project.

Several studies, including one by the U.S. Department of Labor, have predicted a shortage of skilled construction workers. A CII study found that there would not be shortages of entrants into the engineering and construction field, but that there would be an alarming rate of craft worker turnover as well as regional or discipline shortages. The Construction Financial Management Association recently reported that concern over skilled labor shortages was equal to the fear of high insurance costs as the greatest challenges facing construction contractors.

Attracting workers into the industry is becoming more difficult. In the *Jobs Rated Almanac*, published by the *National Business Employment Weekly*, high school seniors rank jobs in the construction industry as 248 out of 250 career choices. According to this survey, construction worker ranks lower than roustabout and cowboy, and higher than only dancer and lumberjack (see Table 1, next page).

**Table 1.** Least Desirable Jobs Among High School Seniors

| <u>Rank</u> | <u>Job</u>          |
|-------------|---------------------|
| 246         | Roustabout          |
| 247         | Cowboy              |
| 248         | Construction Worker |
| 249         | Dancer              |
| 250         | Lumberjack          |

The industry is having difficulty not only in attracting workers, but in retaining them as well. Poor wages and benefits compared to other industries is a major reason why craft workers leave the industry. According to *Cockshaw's Newsletter*, the national average wages and fringe benefits for workers in the manufacturing industry are keeping pace with inflation as measured by the Consumer Price Index (CPI), while those for the construction industry are lagging (see Figure 1). Higher wages and benefits, coupled with permanent employment opportunities, are resulting in a loss of construction workers to manufacturing.

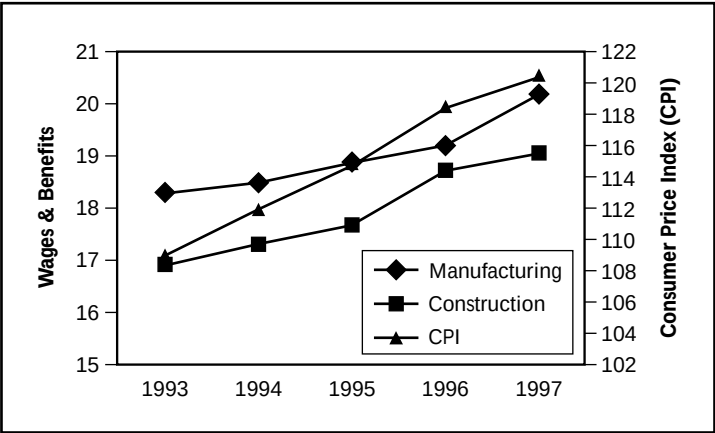


**Figure 1.** National Average Wage and Fringe Comparison