



BUILDING FORWARD Building Forward

Three Labor Shortage Solutions Construction Should Adopt

Adding these strategies to the building industry's toolbox can help alleviate the risks and challenges associated with the shortage in skilled trades.

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According to recent surveys from the Associated General Contractors of America, an overwhelming majority of construction firms report trouble finding qualified craft workers to fill key spots. Of the 1,312 survey respondents in the 2019 Construction Hiring and Business Outlook, [78% report that they are having a hard time filling salaried and hourly craft positions](#). In fact, worker shortages are the foremost concern of contractors this year, the report found.

With continuing strong demand for new housing nationwide, I expect the results of this survey still accurately reflect ongoing labor shortage issues, which I know from on-the-ground experience are especially challenging in certain markets across the country. The problem is even worse in areas with high housing costs, such as Orange County, Los Angeles County, and the San Francisco Bay Area. As housing affordability declines, so too does the availability of qualified trades.

Lacking top-grade craftsmen, builders have resorted to B- and C-quality trades, requiring more tedious oversight by field superintendents and construction managers and creating greater risk of construction problems. Confronting increased workmanship issues, builders and contractors face mounting delivery pressures and delays resulting from such process challenges as effectively identifying and closing out open quality-control items.

Fortunately, both private sector initiatives and public agency solutions are available to remedy this labor shortages. Private and nonprofit options include structured apprenticeships, professional certificate programs, and work-study internships. Construction trade schools can also produce trained workers with dependable skills.

Public sector solutions could include some version of federal immigration reform coupled with skill development training as a pathway to immigrant green card or citizenship status. Even digital technology solutions can help manage the labor shortages and raise quality by positively changing field practices. The California solutions presented below have been time-tested and proven successful in past cycles of labor shortages and could be scaled nationally with the right sponsors in other high-growth markets.

1. Training and Education

Additional training and education are essential keys to solving the labor shortage issue. A great example is the **Light Construction Development Management Certificate Program**, a two-year college-level certificate program for people seeking advanced skills in home building, off-site construction, and community development. Classes have been taught by industry professionals volunteering through the University of California, Irvine evening extension program.



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The **Building Industry Technology Academy** is a privately funded high school program sponsored by the California Homebuilding Foundation. It aims to produce skilled professionals who are qualified to enter the workforce following successful completion of a four-year curriculum. The curriculum and support services are provided without cost to California high schools, and 27 high schools are currently participating. The same model could be implemented at high schools throughout the nation, since labor shortages across all trades are a national problem.

Design/Build is an annual competition for Orange County high school and college students interested in the construction field. It provides a fast-paced, two-day building experience that closely follows the real issues and pressures experienced on a construction jobsite. Local building industry leaders and public sector building agencies provide support through volunteer supervisors and technical coaching as well as material and equipment donations. Teams of students from local schools design and then build their structures, following specific design guidelines, with a judging competition for best in class.

Work-study internships are another fast-track route to entry-level experience, greater responsibilities, and potentially higher wages. During high school and college, students benefit directly from relevant work experiences, developing strong work habits and marketable skills. Earning both college credit and a respectable income while gaining valuable experience is always a double win and frequently leads to job offers after completion.



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These education solutions could result in well-paying, stable careers for high school students who aren't interested in going to college or for college graduates interested in the trades. If the labor shortage continues to amplify, there will be even more opportunities for young people interested in construction.

2. Immigration Reform

People from outside the United States with technical skills in strong demand can benefit from a streamlined immigration process. This has been evident in the high-tech industry and can be the case in the construction sector as well. Work-study internship opportunities in the United States for workers from abroad could offer a set of pre-established standards in skill training and development to help alleviate the construction labor shortage.

3. Technology Applications

Lacking top-grade craftsmen, field superintendents and construction managers are pressed to closely monitor field workmanship to avoid misinterpretation of plan details and deviations from the manufacturers' recommendations, which can lead to more project delays and delivery pressures. An increasing volume of construction issues make it more difficult for project managers and contractors to identify, address, and close these items in a timely and cost-effective manner. CaptureQA, PlanGrid, and Procore are three leading digital technology solutions available to help manage through the cyclical labor shortage.

These technologies combine project images with associated narrative to create stoplight simplicity for workers. Builders get real-time quality assurance reporting and related analysis in one digital package that can be acted on as quickly as daily reports are received. The on-site project inspection and documentation is conducted by trained personnel, so there is no misinterpretation of the data.

Capturing this data live, in a real-time environment, delivers three key benefits: evaluation of the trade contractors, evaluation of your field team, and evaluation of overall project construction performance. These technologies can clearly identify construction and vendor problems that could exist across several different projects, allowing the builder and contractor to act quickly to rectify problems before they become a trend that turns into costly, ongoing construction defects. Catching these types of vendor problems with a methodical quality assurance process can save developers and contractors, and their insurance carriers, millions of dollars in repairs or lengthy, time-consuming lawsuits.

The lack of enough skilled workers and a narrow talent pipeline has added extra hurdles, time, and costs to many current projects, holding the industry back during a potential boom time. It's our industry, and it's our problem, so it's up to us to develop and implement meaningful solutions for recruiting, training, and retaining.

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