

# A Construction Talent Shortage

At the start of 2021, the Vermont construction industry employed approximately 11,300 workers - down 11% from 2019. With the average age in construction hovering around 45, a wave of boomer retirements has begun. Add the fact that fewer young people are entering the trades, and we face a substantial talent shortage within the next 5 years.

## *Organizing the Construction Collaborative*

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The Vermont Talent Pipeline's Construction Collaborative is comprised of 17 Vermont employers, diverse in size and geography, who share the need for skilled talent. In 2017, General Contractors and Subcontractors began planning for their future talent needs. With employment representation of close to 1,500 employees, of the estimated 11,300 in Vermont, there is significant upside for participation, regardless of company size. Contractors cite the top two reasons for collaborating in the Talent Pipeline as: 1. Peer sharing opportunities and 2. Influencing skill development to provide work-ready direct hires.

In 2017, the original 12 employers of the Construction Collaborative identified six critical jobs representing their greatest new and replacement hiring needs. The demand for 334 FTEs, related skill and credential requirements was forecast using VTPM's needs assessment survey webtools for these critical jobs:

- Carpenter / Trade Professional
- Project Engineer
- Site Superintendent
- Estimator
- Crew Leader
- Project Manager

VTPM produced a report for Vermont's education providers highlighting the hiring and skill demands for the industry. The report provides both qualitative and quantitative demand summaries. Competencies and industry recognized credentials (IRCs) provide both short-term training opportunities for high demand skills, and longer-term education for higher-level roles. National Transferable credentials such as NCCER's Construction Core Essentials; and Crew Leadership; were cited as IRCs employers would recognize with guaranteed interviews, wage increases, and career advancement opportunities. IRCs save employers significant time and money, hiring direct from a training source, and reducing or eliminating the need for posting, screening, interviewing, onboarding and training.

Construction employers provided feedback on existing talent sources and training providers from whom they hired their best people. The conclusions highlighted Vermont's Career and Technical Education Centers (CTEs), Building and Trades programs, which deliver a large % of entry-level workers to the industry, and recognition of an industry standard through a consistent credential. The VTPM Collaborative

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worked with the Agency of Education and other non-profit training providers to develop hiring incentives for students who complete the **NCCER Core Curriculum credential** (National Center for Construction Education and Research), a national, transferable credential - by guaranteeing an interview and if hired, a wage above standard.

Workers now enter the Construction Industry Pipeline, and advance within it, gaining knowledge from many different resources. In the 2019 school year, 145 NCCER Core Construction completers were hired into entry-level positions by Vermont employers. Of these, 30 were hired directly by members of the Construction Collaborative, the remainder, hired by other sources including home builders and trades. By partnering with the Career and Technical Education Centers and other non-profit training providers to provide work-based learning opportunities and speakers from industry, the collaborative has helped significantly increase the number of NCCER-certified hires.

The promotion of current employees is also an important part of filling the skills gap left by retiring construction leaders. According to NCCER the National Center for Construction Education and Research, 30% of construction leaders will be retiring within the next 3 years. To provide succession planning, VTPM is helping to streamline costs and

unpredictability of available leadership training, through shared training in cohorts. Over 70 construction employees completed construction leadership training in 2019, and 52 earned credentials in NCCER's Crew Leadership or Project Supervision. In 2021, shared training for Construction Managers has been 50% funded by the Vermont Training Program; and virtual training modules in specialized Management operations is provided by Association of Builders and Contractors of NH/VT.

But there's more work to be done! Though we've built a training pipeline, only 25% of IRC completers were hired directly by collaborative members. Employer goals for 2021 include improving the direct hire rate from 25% to 50% by building stronger relationships between IRC providers and businesses, through a Exploring Construction Career Series of virtual open houses for students and work-based learning activity. In January 2020, the Collaborative produced an industry marketing video called "[Exploring Careers in Vermont Construction](#)". The video features successful young women and men from a variety of Vermont's construction companies. Each feature describes a training on-ramp, and the best parts of working in the industry, busting myths of the Construction past and inviting all ages to join the industry in a safe, productive, high-paying field.