

by Sean D. Shields

A growing—if not booming—construction market requires skilled labor, and plenty of it. But why is the industry facing a chronic shortage and what is causing it?

As you know, a skilled and productive work force is important for maintaining a competitive edge in the manufacturing sector. Not having the designers, production foreman and line workers you need prohibits you from meeting your customer's requests, not to mention dampens your prospects for further expansion. Even worse, it threatens to erode your competitive advantage in the marketplace that you serve.

"When business is booming, like it is right now, the greatest limiter I face is not materials or capacity, it's manpower," says Terry Lillard, Sun State Components, Inc.

Component manufacturers, like most other manufacturing businesses across the country, are experiencing work force shortages, and the pool of qualified job candidates appears to be shrinking, due primarily to a perception about manufacturing businesses. Every area—from entry level workers, operators, and assembly line workers to technicians and office staff—is affected. While WTCA is undertaking a number of efforts to assist you in addressing this problem, none of them will succeed without significant participation (read: work) by manufacturers like yourself.

This article will explore the systemic causes of the work force shortage facing the structural building components industry, and set the stage as *SBC Magazine* explores this very important issue over the coming year in an effort to give you tools and ideas to fill your employment needs.

Component Manufacturer Struggles

Late last year, over 100 component manufacturers responded to an industry work force survey and every one of them responded that they were currently hiring for more than three positions and were planning on hiring between ten and 45 employees over the next six months.

In a more recent phone survey, only one manufacturer had not witnessed at least a 20 percent increase in the size of his work force over the last calendar year. These are strong indicators of the industry's direction: strong housing starts, more components, more opportunity for growth.

However, as companies look to expand their production capacity, they must also strive to fill the resulting new positions. That, more than the initial capital expen-

diture for expansion or new construction, can be the most challenging part. "I'm not confident I'll be able to meet my projected hiring needs over the coming year," said Steve Spradlin, Capital Structures. "Particularly in the area of production, there's just not enough availability."

Yet, for most manufacturers, production can be the least of their worries. Instead, it's a lack of qualified individuals to fill truss technician positions. In that same industry work force survey, 80 percent said truss technicians were the highest priority of their hiring efforts. Both Spradlin and Kendall Hoyd, Idaho Idaho Truss & Component Co., agreed that "finding and correctly identifying adequately educated individuals with an aptitude for truss design is very difficult."

For some, like Rick Parrino, Plum Building Systems, the biggest hurdle faced in putting together a sufficient work force is all the time and money it takes to get each employee in the door. Parrino said, "The cost of advertising, time devoted to interviewing, screening current employees, the list goes on and on—it's not only hard to find qualified individuals, it's expensive!"

The underlying problem is two-fold: awareness of the availability of jobs and the lack of people willing and able to work in the structural building components industry. To understand why that is, we need to first look at the systemic causes of this work force shortage.

Why Is There a Shortage?

In the 1980s, the federal government and various think tanks began exploring changes in America's demographics. Most of the studies concluded that work force shortages in manufacturing would begin to appear in the mid-90s. Their predictions came true, not only because of structural demographic changes, but because of a booming economy. More jobs were being created than could be filled by the available work force. It is a classic example of supply-demand economics. Too much demand, and not enough supply.

Today, that work force shortage continues to aggravate employers, even in a slower economy. The major factors to blame are economic restructuring, age distribution resulting from lower birth rates and educational attainment—all of which will continue to pose a significant challenge to this industry going into the future.

Economic Factors: The housing market is a cornerstone of both national and many local economies. That fact is not lost on most government officials, who are doing everything in their power to make it as easy as possible to build and own a home. From local property tax rates that rely heavily on commercial sources for revenue while sparing residential property, to federal tax breaks on everything from mortgage interest payments to credits when selling your home (which encourages an upgrade to a newer, bigger home), our government wants its citizens to own a house. Continued on page 54

at a glance

- ❑ Growth during a period of declining supply of workers in the manufacturing and homebuilding sectors has propelled the work force shortage.
- ❑ Younger generations do not see that manufacturing or construction jobs are capable of fulfilling their career goals.
- ❑ Our industry has many foreign-born citizens, and regardless of their country of origin, they seem to excel at building component manufacturing jobs.

Whether You're in the Classroom, Designing a Roof/Floor System, or on the Jobsite, Rely on the Experts at USP.

- Integrated in leading Truss/EWP Design software programs.
- Quality Products, Nationwide Availability, Superior Value.
- Extensive Product Testing, Dedicated Engineering and Field Support.

For further product information call 1-800-328-5934 or visit www.USPconnectors.com

For reader service, go to www.sbcmag.info/usp.htm

PRECISION

Equipment Mfg.

WWW.PRECISIONEQUIPMFG.COM



Standards
40' - 48' - 53'



Extendables
36x51, 40x55, 42x60, 46x64,
50x70, 53x73, 53x80

1-800-237-5161



Goosenecks
32' - 36' HD
32' - 36' Ultra



Customs
We will build any size
or style you desire!

Precision Equipment Mfg.

2727 1ST AVENUE NORTH • FARGO, NORTH DAKOTA 58102
(701) 237-5161 • FAX (701) 280-0946 • SALES@PRECISIONEQUIPMFG.COM

For reader service, go to www.sbcmag.info/precisionequipment.htm

Working for Your Workers?

Continued from page 53

Undoubtedly, you are aware of the consequences of this fact. Regardless of the current slowing economy, and even a recent mild recession, housing starts have continued to surge. Fortunately, this has allowed the structural building components industry to expand and prosper while many other sectors of American business faced cutbacks or, at best, lean profits. However, continued growth during a concurrent period of declining supply of workers entering the manufacturing and home building sectors, has served to exacerbate the work force shortage.

Age Distribution: Baby Boomers. It is easy to lose perspective on why the generation of babies born in the forties and early fifties got that name. Sociologists point out that as GIs returned from European and Pacific front lines, and as America emerged as an industrial and economic giant at the conclusion of World War II, feelings of hope and optimism produced an unprecedented surge in the U.S. birth rate. Today, the Baby Boomer generation remains the single largest in our nation's history.

Odds are good that if you are reading this article and are concerned with this issue, you are a member of this generation. It is also likely that many members of your generation are beginning to contemplate, if not actually enter, the waning years of their careers. The exodus of the Baby Boomers from the active work force not only creates a vacancy larger than the available pool of workers to fill it, they are taking with them all of the advanced experience and leadership they possess. The later fact is possibly the most significant concern of those monitoring our nation's work force trends.

Educational Attainment: Add to this the intrinsic changes that have occurred since the Baby Boomer generation joined the rolls of the employed. It is almost a parental instinct to provide a better life for your children than that which you experienced, and in the case of Baby Boomers it has resulted in record enrollment in colleges and universities. A majority of Gen Xers and Yers treat a college diploma as the norm and a virtual requirement just to enter the work force.

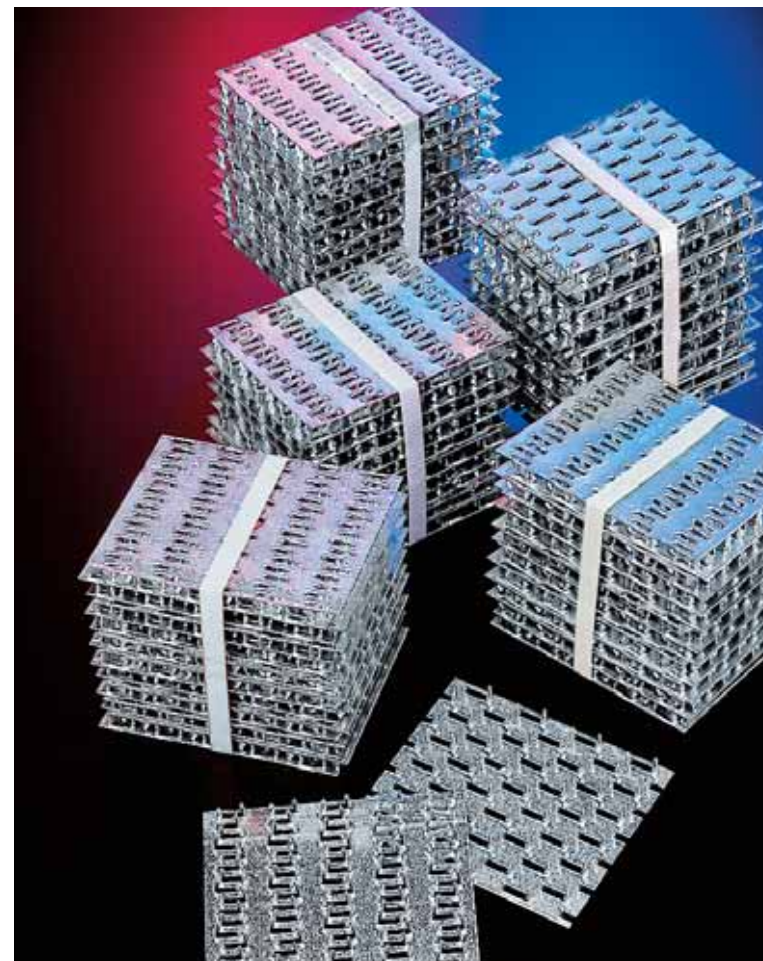
One consequence of this shift beyond high school diplomas to college degrees relates to societal culture and perception. Regardless of whether it's manufacturing or construction, these younger generations do not perceive these jobs as sexy or capable of fulfilling their career goals. Parents, primarily Baby Boomers, also play a big role in perpetuating this assumption, and encourage their kids to pursue "white collar" jobs presuming them to be preferable career choices.

Can the Work Force Adapt?

Some analysts argue the U.S. pool of labor has a great ability to adapt and, in the long-run, adjusts to gaps between employment supply and demand. These analysts point to immigrant labor, people who are willing to work beyond the

Continued on page 56

Genuine BANDED-PACK®



Produce More

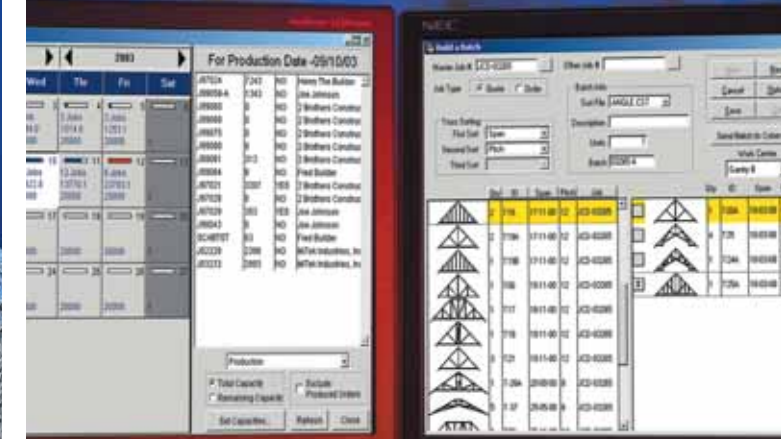
...with Banded-Pack®, tumble pack boxes or bulk packaging for 20 gauge plates. And tumble pack boxes for 16 gauge and high-strength plates.

It's packaging made simple. And it's consistent from all MiTek locations – meaning flexibility, speed, and standardization for you.

Only Available from MiTek

MiTek® 20/20®

The Business Software
for Component Manufacturers



MiTek®

20/20

MiTek's powerful business software suite is the most complete, practical business tool available to component manufacturers.

- Our design and layout engines are stable, reliable, and efficient.
- The MBA™ business package delivers data that drives business success.
- MVP® virtual plant helps improve efficiency and responsiveness.

Innovation that works.

MiTek®

Creating the Advantage™ Now.
314.434.1200 • www.mii.com

STRUCTURAL BUILDING COMPONENTS™

THE FUTURE OF FRAMING

www.sbcmag.info

Dear Reader:

Copyright © 2006 by Truss Publications, Inc. All rights reserved. For permission to reprint materials from **SBC Magazine**, call 608/310-6706 or email editor@sbcmag.info.

The mission of **Structural Building Components Magazine (SBC)** is to increase the knowledge of and to promote the common interests of those engaged in manufacturing and distributing of structural building components to ensure growth and continuity, and to be the information conduit by staying abreast of leading-edge issues. SBC will take a leadership role on behalf of the component industry in disseminating technical and marketplace information, and will maintain advisory committees consisting of the most knowledgeable professionals in the industry. The opinions expressed in SBC are those of the authors and those quoted solely, and are not necessarily the opinions of any of the affiliated associations (SBCC, WTCA, SCDA & STCA).



6300 Enterprise Lane • Suite 200 • Madison, WI 53719
608/310-6706 phone • 608/271-7006 fax
www.sbcmag.info • admgr@sbcmag.info