



Inc.
We Are About You!®

Making Productivity Visible to Everyone®

State of the Industry

Observations, trends and information for the construction industry

March 26, 2014

Volume 2, Issue 1

Special points of interest:

- A Talent Shortage?
- Construction Market Growing
- Pacific Northwest Spotlight—MCA Spring Symposium Soon!
- Improve Your Business

In this issue:

Talent Shortage	1
2013 Market Data is In	1
Pacific Northwest Spotlight	2
What Can You Do For Your Business?	2
Calendar of Events	2
Feedback	2

Welcome to our first State of the Industry report of 2014. We wish all of our clients and friends in the Construction industry a prosperous 2014. Please let us know what you think of our new State of the Industry report format by sending us a quick email—click [HERE](#).

Talent Shortage

Despite unemployment levels still being relatively high, as the Construction industry recovers, it is becoming apparent at an accelerating pace that the available workforce does not possess the necessary skills to effectively staff the openings in the industry.

The message of Industrialization of The Construction Industry® does not just apply to the means and methods in use by the businesses within it. Consider, as many other industries advance in industrialization and technology, that the draw for talent will be away from the construction industry into more potentially lucrative career paths. Are you working to advance the capabilities of your business not only to compete for projects, but also in order to create a challenging and rewarding environment with career potential for new talent?

Here are a few news items on the Construction industry talent crunch:

- [Skilled Worker Shortage Looms for U.S. Construction Firms, January 2014](#)
- [141 Ideas for Solving the Construction Industry's Labor Shortage, December 2013](#)
- [A Skilled Workers Shortage Is a Great Problem to Have, August 2013](#)

Do you ever wonder what you are up against for the top business and technical talent in the U.S.? It is no wonder why kids these days are into computers. They get paid top dollar for their interest—see it [HERE](#).

Industrialization and Globalization are real elements in the Construction Industry. How are you addressing the many facets of this—one of the most massive shifts in the industry? Are you capturing the experience, knowledge and talent of your workforce by creating Work Breakdown Structure (WBS) and segregating work appropriately?

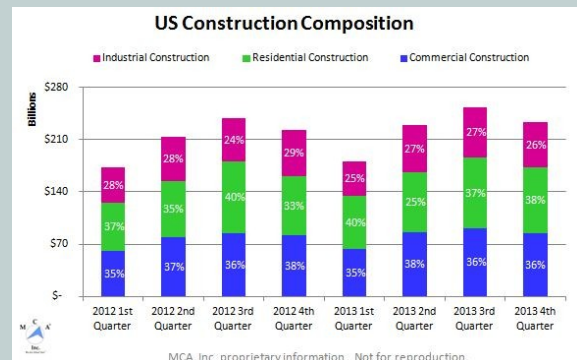


Image courtesy [Granite Transformations](#)

2013 Market Data is In—What's the Verdict?

Many economic signals now point to 2013 being the year of recovery that many people have thought it to be. The [net worth of US households](#) reached a record high at the end of 2013.

The Construction Put In Place (CPI) indicates an overall modest recovery in the US Construction industry. Construction industry professionals look to be continually optimistic about hiring. The Construction industry shows some of the highest percentage of hiring projections in 2014 and the vast majority of regions in the US show growth as opposed to contraction in hiring. Where are all the jobs? Look [HERE](#).



Oregon-Columbia NECA Chapter Market Share Study and Analysis—Tim Gauthier

“We have had very good results we are using the study to make changes to improve our competitive position.”

Tim Gauthier—Executive Manager, Oregon-Columbia NECA Chapter



We Are About You!®

Making Productivity Visible to Everyone®



Congratulations!

Congratulations to the team at Culliton for receiving the Southwire SIM-pull Solutions Contractor of the Year Award! Culliton “incorporates innovation in everything they do; and never stops looking to evolve their processes that will make them more successful,” according to Axel Schlumberger, President of Southwire Canada, in presenting the award to Tim Culliton, President and CEO of Culliton.” Culliton will host the MCA Fall Symposium, Sept 18-19, 2014 in Stratford, Ontario—mark your calendars!



Thanks for the Feedback!

Industry Thought Leader—Fred Sargent

“By far, there is more take-home value compressed into one of Perry Daneshgari's sessions than a full-semester in most college-level construction management courses! While others continue to look in the rear-view mirror rehashing same-old "best practices," Perry insightfully points us ahead to where the industry is going--and provides us with a full set of practical solutions on how to get there.”

Frederic B. Sargent, former CEO of Sargent Electric Company and 40-year veteran of electrical contracting

Regional Focus—the Pacific Northwest

The building industry professionals in the Pacific Northwest in both the US and Canada have the honor and challenge of serving some of the leading companies in the world including Boeing, Microsoft, Amazon.com and Google, just to name a few in recent headlines. Amazon.com has broken ground on what is to be the single largest real estate development in the Seattle city limits. Here are some of the early plans for the Project.

The last time the MCA semi-annual project management symposium was conducted in Seattle in 2009, nearly 100 building industry professionals convened to discuss methods to advance the industry through Agile Construction® processes. A record turn-out for the symposium, the next symposium in just less than a month - also in Seattle - promises a strong turnout again!



During the previous symposium in Seattle, the team at VECA Electric opened their doors to symposium participants for a review of their advanced methods and application of Agile Construction®. Here is a quick snapshot of VECA Today.

The host sponsor of the 2014 Spring Symposium is Holmes Electric. The team at Holmes will share their experiences in Agile Construction® methods with symposium participants.



Holmes has participated in both complex and large projects for Microsoft, Boeing and the University of Washington. One of their many notable projects is a Seattle landmark, the Experience Music Project. The team at Holmes has vast experience to share, and we are honored and appreciative of their welcoming to the Symposium participants in April!

What Can You Do For Your Business in 2014?

That the Construction industry is recovering, professionals and business owners are rightfully optimistic about the prospects for work in the coming year. In this bullish time, the challenge of finding skilled talent becomes increasingly apparent. While the anxiety of the last few years may have subsided, the reminders are barely in our rearview mirrors of the need to not only find the right people for the work, but to also manage the work in as best of a manner as possible. Many contractors have put a focus on productivity, the segregation of work, and advanced processes and tools. Will you simply ride the next wave in the same way you rode the last one? How does your business compare with the leading practices in the country and the world? Read more on the advancement and The Industrialization of the Construction Industry® in a recent article by Dr. Perry Daneshgari.



Dr. Perry Daneshgari and Dr. Heather Moore recently presented to the ELECTRI International Council on The Industrialization of the Construction Industry®.

Calendar of Events

Upcoming MCA, Inc. events and engagements can always be found on our website www.mca.net

April 2—Canadian Mechanical Contractors Educational Foundation (CMCEF) Middle Management Education Conference “How to Use Supply Chain to Improve Competitiveness of Contracting”

April 10—Boston Electrical Contractors Assoc. (ECA) “Avoid Killer Jobs, Improve Estimating Accuracy”

April 23-25— MCA Spring Symposium “How to Integrate Prefabrication Into Your Job”

April 29-30— ABC Workforce Development Conference. Classes include: Short Interval Scheduling (SIS®); Vendor Managed Inventory (VMI); Agile Construction®. Full overview HERE.

April 30— Oregon Columbia NECA Chapter “Strategic Planning”

August 21— Oregon Columbia NECA Chapter “Advanced Project Management”

September 9— Oregon Columbia NECA Chapter “Prefabrication Design”

Aldridge Electric



Agile Construction® Training Series

“It presented a new way of thinking and approach to all that I do.”

“Coming from a Lean Manufacturing background, it was great to see our company breaking these barriers before it is too late.”

“It reiterated the importance of willingness to change and to continue thinking of new and better ways to do the work.”