

Louisiana Craft Workforce Development Board

**Recommendations for Confronting
the Skilled Construction Workforce
Shortage in Louisiana**

October 2006

The Mission

The Louisiana Craft Workforce Development Board will be a single voice for craft workforce development in Louisiana.

The Goals

- Ensure appropriate focus is given to craft workforce development by contractors, users, government leaders, government agencies, and learning institutions.
- Foster cooperation and communication between public and private entities engaged in craft workforce development.
- Develop a consistent approach to recruiting, training, and retaining a skilled and productive Louisiana craft workforce.

Preamble

The recognized shortage of craft workers in the construction, maintenance, and repair industry is not a new phenomenon in Louisiana.

Although industry experts estimate that they have struggled with workforce development issues for 20 years, the problem has taken a dramatic turn for the worse in the wake of hurricanes Katrina and Rita.

Industrial labor requirements were already trending up sharply prior to the disasters, and this trend has been exacerbated by disaster recovery and rebuilding.

Studies by the Construction Labor Research Council show a national need for 185,000 new skilled craft workers per year during the period 2005 to 2015.

This need for additional workers is being driven by increased demand and replacement of workers leaving the active workforce.

Preamble (Cont'd.)

Residential, commercial, utilities, heavy construction, highways, and industrial projects in the state of Louisiana are reaching unprecedented levels post-Katrina/Rita.

McGraw-Hill estimates that the state will need more than 90,000 new trained craft workers over the next five years.

The Occupational Forecasting Conference predicts that some construction occupations will grow by over 50% in the next four years as a result of recovery-related work.

Contractors are attempting to complete projects with an inadequate number of skilled workers, and this is causing significant increases in project duration, overtime, and installation costs.

Public and private entities, industry associations and labor organizations have come together to address these critical needs by forming the Louisiana Craft Workforce Development Board.

1. Recommendations for Owner Companies, Local User Councils, and Owner Associations

Owners must take the lead to drive workforce development in the construction, maintenance and repair industry. The most effective and long-lasting improvements in the industry are changes that are supported and encouraged by the owner community, similar to the advances in safety over the past 20 years.

Local user councils such as the Greater Baton Rouge Industry Alliance (GBRIA), Greater New Orleans Business Roundtable (GNOBR), Lake Area Industry Alliance (LAIA), and Southwest Louisiana Construction Users Council (SLCUC) function as forums through which contractors, engineering firms, and local owners (users of construction or maintenance services) can address local issues affecting construction, maintenance, and repair.

Owner Companies

The Louisiana Craft Workforce Development Board believes that owners must:

- Establish expectations for workforce development in recruitment, assessment, training and retention.
- Do business only with contractors who invest in workforce development.

Owner Companies (Cont'd.)

- Make contractor commitment to workforce development a factor in the prequalification process. Owners should require a detailed description of the contractor's workforce-development program, including:
 - The contractor's investments in workforce development.
 - Specific methods used to assess skill proficiencies, along with current skills assessment results for the contractor's entire workforce.
 - Documentation supporting continuous skill upgrade and improvement.

Owner Companies (Cont'd.)

- Reserve a certain number of positions for craft workers enrolled in active training.
- Support standardized training curricula, performance standards, and certification, such as the National Center for Construction, Education and Research (NCCER) initiative or equivalent national initiatives that include assessment and credentialing.
- Support the development and implementation of regional and local craft-training programs by placing construction, maintenance, and repair decision-makers on local user councils.

Owner Companies (Cont'd.)

- Actively support contractor, contractor-association, and organized-labor programs that enhance the image of careers in construction, improve the recruitment of entry-level applicants, and increase worker retention.
- Work with owner associations to develop and participate in programs that measure workforce-development effectiveness in improving safety, quality, and productivity. Support award programs that recognize excellence in contractor workforce development.

Local User Councils

The Louisiana Craft Workforce Development Board believes that local user councils must:

- Work with associations and labor organizations in the delivery of workforce development initiatives.
- Encourage members to make contractor commitment to workforce development a factor in the prequalification process.

Local user councils should encourage members to require detailed descriptions of contractor workforce-development programs, including:

- Contractor's investments in workforce development.

Local User Councils (Cont'd.)

- Specific methods used to access skill proficiencies, along with current skills-assessment results for the contractor's entire workforce.
- Documentation supporting continuous skill upgrade and improvement.

Local User Councils (Cont'd.)

- Encourage members to do business only with contractors who invest in workforce development.
- Support standardized training curricula, performance standards, and certification, such as the NCCER initiative or equivalent national initiatives that include assessment and credentialing.
- Actively support contractor, contractor-association, and labor-organization programs that enhance the image of careers in construction, improve the recruitment of entry-level applicants, and increase worker retention.

Local User Councils (Cont'd.)

- Work with area owners, contractors, and associations to assess skilled craft worker availability by trade on a continuing basis, and to develop short- and long-term projections for regional craft needs.
- Work with contractor associations to develop programs that promote the accomplishments of the construction industry and publicize their contributions to the community and state.

Local User Councils (Cont'd.)

- Actively participate with local contractor associations in partnering with area school systems to:
 - Promote employment in the construction, maintenance, and repair industry as a rewarding career choice.
 - Implement career-education curricula that have articulation with technical and community colleges, ABC Training Centers, and other accredited training institutions.
- Develop programs that measure workforce-development effectiveness in improving safety, quality, and productivity. Develop award programs that recognize excellence in contractor workforce development.

Trade and Professional Associations

The Louisiana Craft Workforce Development Board believes that organizations such as the Louisiana Association of Business and Industry (LABI), Louisiana Chemical Association (LCA) and Louisiana Chemical Industry Alliance (LCIA), and the Louisiana Midcontinent Oil and Gas Association (LAMOGA), must:

- Make workforce development a priority through core values and political action.

2. Recommendations for Contractors, Contractor Assoc., & Labor Organizations.

Contractors and their associations are responsible for workforce development. Recruiting, a demonstrated commitment to training, and worker retention are contractor responsibilities. As an integral component of workforce development, efforts must be made to improve the image of the industry and to educate the public about careers in construction, maintenance, and repair.

Contractors

The Louisiana Craft Workforce Development Board believes that contractors must:

- Implement workforce-development programs that include recruitment, assessment, training, career paths, and retention.
- Work with contractor associations, government entities, and user groups to address workforce-development issues.
- Utilize nationally certified programs such as the NCCER initiative or equivalent national initiatives that include assessment and credentialing.

Contractors (Cont'd.)

- Invest in training curricula, such as the NCCER initiative or equivalent standardized curricula, correlated to assessment and credentialing.
- Develop and implement programs that are designed to improve retention of skilled craft workers and include clearly delineated career paths, competitive wages, and benefits such as affordable healthcare, transferable healthcare, and portable retirement plans.
- Participate in programs that measure workforce-development effectiveness in improving safety, quality, and productivity.

Contractors (Cont'd.)

- Partner with local school districts to inform administrators, school board members, students, parents, teachers, and counselors about career opportunities and educational requirements for construction, maintenance, and repair.
- Participate in recognized industry programs that enhance the image of careers in the construction, maintenance, and repair industry.
- Utilize the Louisiana Virtual One Stop (LAVOS) database to help identify people available for work.

Contractor Associations

The Louisiana Craft Workforce Development Board believes that contractor associations, including Associated Builders and Contractors (ABC), Associated General Contractors (AGC), and the Louisiana Homebuilders Association, must:

- Encourage their members to commit to workforce-development programs that include recruitment, assessment, training, career paths and retention.
- Educate existing and potential members about the importance of workforce development.
- Collaborate and participate in recognized industry programs that enhance the image of careers in the construction, maintenance, and repair industry.

Contractor Associations (Cont'd.)

- Partner with local school districts to educate administrators, school board members, students, parents, teachers, and counselors about careers and educational requirements for the construction, maintenance, and repair industry.
- Maintain and enhance current delivery methods to train and certify craft workers throughout the state.
- Encourage the development of innovative craft-training delivery methods that meet the changing needs of the industry, such as lab training, computer-based training, satellite and distance-delivery training.

Contractor Associations (Cont'd.)

- Continue to support standardized training curricula, assessment, and certification, such as NCCER or equivalent national initiatives.
- Work with owners to develop and encourage participation in programs measuring the effectiveness of workforce development in improving safety, quality, and productivity.
- Encourage contractors to utilize the Louisiana Virtual One Stop (LAVOS) database to help identify people available for work.

Labor Organizations

The Louisiana Craft Workforce Development Board believes that labor organizations must:

- Support the joint participation of labor and management in apprenticeship training, encourage employer contributions to these activities, and measure the return on such investments.
- Continue to support standardized training curricula, assessment, and certification, such as NCCER or equivalent national initiatives.

Labor Organizations (Cont'd.)

- Encourage the development of innovative craft-training delivery methods that meet the changing needs of the construction industry, such as lab training, computer-based training, and satellite and distance-delivery training.
- Participate in recognized industry programs that measure workforce-development effectiveness in improving safety, quality, and productivity.

3. Recommendations for Public Entities

- **Governor**
- **Governor's Office of the Workforce Commission**
- **Departments of the Executive Branch**
Labor, Economic Development, Social Services,
Education, and Corrections
- **The Board of Elementary and Secondary Education (BESE)**
- **Department of Education**
- **Local School Boards and Districts**
- **Louisiana Community and Technical Colleges System (LCTCS)**
- **Board of Regents**
- **Legislature**

Appendix

Entities Represented

Contractor Entities

Associated Builders & Contractors, Pelican Chapter
Industrial Specialty Contractors, LLC
Edward L. Rispone, Chairman of the Management
Board

Associated Builders & Contractors, Pelican Chapter
Southwest Area
Shaw Group, Inc.
Allen M. McCall, Operations Manager

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Entities Represented

Contractor Entities (Cont'd)

Louisiana Associated General Contractors
Ken Naquin, Executive Director

Louisiana Home Builders Association
Michelle Babcock, Lobbyist

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Entities Represented

User Group Entities

Lake Area Industry Alliance

Larry DeRoussel, Executive Director

Greater Baton Rouge Industry Alliance

James Watkins, Contractor Operations Leader,
The Dow Chemical Company

Greater New Orleans Business Roundtable

Steven R. Springer, Executive Director

Gulf Coast Workforce Development Initiative

Tad E. Page, Project Mgr-Contractor Communications
Shaw Stone & Webster

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Entities Represented

User Group Entities (Cont'd)

Southwest Louisiana Construction User's Council

Larry DeRoussel, Executive Director

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Entities Represented

Labor Organizations

South Central Laborers Training & Apprenticeship Fund

Gary Slaydon, Administrator/Director

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Entities Represented

Public Entities

Board of Elementary and Secondary Education

Linda Johnson, President

Louisiana Community & Technical College System

Jim Henderson, Senior Vice President

Workforce Development & Training

Louisiana Department of Labor

Girard J. Melancon, Special Assistant to the Secretary

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Entities Represented

Public Entities

The Louisiana Workforce Commission

N.A. "Pete" Darling, Employer Liaison

Louisiana Department of Education

Patricia Merrick, Career & Technology Section
Leader

Louisiana Department of Education

John Birchman, Career & Technology Education
(Industrial)

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Acknowledgements

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Associated Builders & Contractors, Bayou Chapter

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Acknowledgements

Gulf Coast Workforce Development Initiative Team

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Louisiana Department of Education

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Louisiana Department of Public Safety & Corrections

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Acknowledgements

Louisiana Department of Public Safety & Corrections

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National Center for Career Construction Education &
Research

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Business Roundtable Gulf Coast Training Institute

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