

The Elephant in the Room

The following excerpt is from a speech given by National Association of the Remodeling Industry (NARI) president, Judy Mozen, in Dallas on Nov. 10, 2015.

DO YOU NEED TO HIRE A CARPENTER? What about a project manager? Are any of you experiencing a hiring problem? The most dominant issue [facing our industry]—the elephant in the room, so to speak—is the remodeling industry’s shortage of a viable workforce.

What has happened to our workforce?

Conventional wisdom would say that as the economy improves and homeowners are moving forward with projects, workers would flock to join our ranks. So where are they? Does anyone know where all the skilled workers have gone?

The best information we can get is that they left our industry for other jobs during the recession, and most of them are not returning.

The NAHB’s [National Association of Home Building] most recent survey of remodelers across the United States revealed some very scary data. Seventy two percent of those surveyed said that they were experiencing a shortage of labor, and 32 percent said it was serious. The Joint Center for Housing Studies of Harvard University has warned us that this problem is getting worse and has urged that the industry must take action.

Experts predict that because of this labor shortage, it will not only take longer to complete a project, it will also cost more for that project. That’s like taking money right out of your pocket. If it takes six months to do a job that in the past you could have done in three months, it affects your company’s bottom line.

Where will we find our workforce?

Some NARI chapters are already addressing this problem because they realize the seriousness of the issue. Our Portland chapter set up a panel to discuss the challenge. Our Milwaukee chapter is working with its NARI Foundation to provide scholarships and endowments for those seeking careers in the trades. In Dallas, one member has created a training forum. What she now

needs is for you to hire her trainees, even if it’s on an apprentice level. I encourage you to take a chance and help us improve our workforce.

We need to think outside the box to recruit and train individuals, and there are three demographic groups that we should consider to help fill our labor needs.

1] Young people. We have to change the perceptions held by young people and their parents regarding our industry. We need to speak at high schools, and especially at middle schools, and tell young people that they can walk out of high school, get trained at a technical school, and earn \$40,000 a year.

TO BUILD THE NEW REMODELING WORKFORCE, WE NEED TO EDUCATE AND RECRUIT THREE GROUPS: YOUNG PEOPLE, ETHNIC MINORITIES, AND WOMEN

How can you do that? Go to your children’s schools and ask the administration about being present at career days. Speak to the PTA. If you don’t have school-age children, talk to your neighbors. Spread the word about our industry. Let people know that we have plumbers and electricians earning six figures!

2] Minorities. That brings us to the second group. It’s imperative that we’re diverse in culture and nationality. My tile setters from Romania must feel welcome in a NARI meeting, too.

What is NARI doing to make that happen? Look at chapters such as Charlotte and Atlanta: They’re meeting with diverse associations to set up joint meetings and educational opportunities. Follow their example and invite other associations in the remodeling industry to a NARI meeting.

3] Women. I know you’re expecting this—we must recruit women! Did you know that women make over 60 percent of the decisions when a home is remodeled? Yet the NAHB and Harvard both say that women make up less than 10 percent of the construction workforce, and in remodeling, it’s less than 3 percent. Isn’t there something wrong with this picture?



Judy Mozen is president of Handcrafted Homes, a design/build firm she founded in 1976, and is also the current president of NARI.

▲ WOMEN MAKE UP ALMOST HALF OF WORKERS IN ALL OCCUPATIONS (47%), YET LESS THAN 3% OF WORKERS IN CONSTRUCTION ARE WOMEN, AND THIS NUMBER IS ABOUT THE SAME AS IT WAS THREE DECADES AGO. [NATIONAL WOMEN’S LAW CENTER, 2013]

Let's talk about the ways that a woman can help your business. First, what about hiring female project managers and carpenters? Consider the example of NARI's national president-elect, who has hired and trained his daughter as a project manager. Put a woman in your client's home to manage the subs. Your clients will love this.

In Portland, I met a woman who was head of construction for the Oregon Tradeswoman Association. She said that women are begging to be trained in the skilled trades, and she had 100 training positions this year with more than 400 applicants. This is a *huge* untapped source of future labor.

Why don't women apply? I believe it's because we've failed to emphasize recruiting and educating women. We need to seek out opportunities to tell our story to young girls in our communities. It's not that we are keeping them out; it's that we're not encouraging them to enter.

Second, what about a female partner or sales team member? Wouldn't it be a smart business decision to have a woman next to you as you discuss the project with prospective clients? Sure, it's great to have a female receptionist or bookkeeper, but let's go further and put women on jobsites, too.

I have embraced this challenge at my own company by hiring a female apprentice carpenter from a technical school in Georgia. However, I can't do this alone. So I ask you, too, to go back to your businesses with this vision of inclusion. Spread the word, talk to groups, and be an agent of change. By diversifying our workforce, we will bring new talent, expertise, and skills to the remodeling industry for the benefit of us all.

Let's open up NARI, let's recruit, let's educate, and let us be diverse.

by Judy Mozen

Costly Mistakes

A SUCCESSFUL REMODELER ONCE SAID TO ME, "If I had the money back from the business mistakes I've made, I would be wealthy beyond my dreams." Mistakes are inevitable in business, but successful remodelers avoid the big ones and try to learn from the rest. Here is a list of 10 mistakes I see most often in remodeling businesses. Avoid these pitfalls, and the odds for success go way up.

1] Unmodulated growth. The pace of growth is as important as growth itself. Some companies grow too slowly; others, too fast. Five percent growth may be too little, but 30 percent can be too risky. Plan for growth that stretches your company without straining it.

2] Subpar personnel. To compete today, you need "A" players on your team. If you have "C" players, it's either because of a bad hire or poor training. If you can't train people to become "A" players, the sooner you move them out the better.

3] Too many opportunities. Most remodelers have a strong entrepreneurial spirit. That's necessary when they are starting and running a business, but it can also lead them to pursue too many opportunities. It's important to limit the kind and number of things you focus on.

4] Misalignment. Most owners are pretty passionate, but this doesn't guarantee that others on the team are aligned with the owner's vision. To succeed over time, everyone on the team has to be pulling in the same direction.

5] Lack of a champion. A good idea will go nowhere unless the right person is accountable for implementing it. Whenever I hear someone propose a new product or service, I ask, "Who will the champion be?" Don't launch until you know the answer.

6] No definition for success. Ask five key team members to write down the criteria for

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