MONTHLY EDUCATIONAL JOURNAL OF THE FOUNDATION OF THE AMERICAN SUBCONTRACTORS ASSOCIATION

JULY 2026

THE CONTRACTOR'S COMPASS

Strategies for Addressing the Subcontractor Labor Gap

1004 Duke Street, Alexandria, VA 22314 | (703) 684-3450 | www.asaonline.com | communications@asa-hq.com

Gallagher’s Construction Practice

Local presence supported by global depth and knowledge

Gallagher s Construction practice is focused solely on the construction industry, working closely with our clients to help them enhance their growth and development, and protect their assets and reputation. We dive deep to understand your unique organization and its people, the specific risks you face, and your tolerance for those risks. Once we fully understand the risks your business encounters and the opportunities ahead of you, we will design a program that manages those risks and opportunities. Gallagher s Construction practice is a market leader and innovator in construction risk management.

We do more than help protect your business.
We help build it.

For more information, contact:

www.gallagherconstructionservices.com

Gallagher

Insurance | Risk Management | Consulting

FASA'S

July 2026

THE CONTRACTOR'S COMPASS

FEATURES

DEPARTMENTS

EDITORIAL PURPOSE

The Contractor's Compass is the monthly educational journal of the Foundation of the American Subcontractors Association, Inc. (FASA) and part of FASA's Contractors' Knowledge Network. FASA was established in 1987 as a 501(c)(3) tax-exempt entity to support research, education and public awareness. Through its Contractors' Knowledge Network, FASA is committed to forging and exploring the critical issues shaping subcontractors and specialty trade contractors in the construction industry. The journal is designed to equip construction subcontractors with the ideas, tools and tactics they need to thrive. The views expressed by contributors to The Contractor's Compass do not necessarily represent the opinions of FASA or the American Subcontractors Association, Inc. (ASA).

MISSION

To educate and equip subcontractors and suppliers with the education and resources they need to thrive in the construction industry. Additionally, FASA raises awareness about issues critical to and about construction in the United States.

SUBSCRIPTIONS

The Contractor's Compass is a free monthly publication for ASA members and nonmembers. For questions about subscribing, please contact communications@asa-hq.com.

ADVERTISING

Interested in advertising? Contact Richard Bright at (703) 684-3450 or rbright@ASA-hq.com or advertising@ASA-hq.com.

EDITORIAL SUBMISSIONS

Contributing authors are encouraged to submit a brief abstract of their article idea before providing a full-length feature article. Feature articles should be no longer than 1,500 words and comply with The Associated Press style guidelines. Article submissions become the property of ASA and FASA. The editor reserves the right to edit all accepted editorial submissions for length, style, clarity, spelling and punctuation. Send abstracts and submissions for *The Contractor's Compass* to communications@ASA-hq.com.

ABOUT ASA

ASA is a nonprofit trade association of union and non-union subcontractors and suppliers. Through a nationwide network of local and state ASA associations, members receive information and education on relevant business issues and work together to protect their rights as an integral part of the construction team. For more information about becoming an ASA member, contact ASA at 1004 Duke St., Alexandria, VA 22314-3588, (703) 684-3450, membership@ASA-hq.com, or visit the ASA Web site, www.asaonline.com.

CONTENT TASK FORCE

Richard Bright, William Burke, Sheri Kitchen, Joselin Martin, Michael Metz-Topodas, Adrienne Smoot-Edwards, and Cheri Woodsmall

EDITOR

Mary Klett

PRESIDENT'S LETTER

Dear Readers—

As we begin a new term, I am honored and excited to step into the role of President of ASA. This is a meaningful opportunity to serve an organization built on strong relationships, shared knowledge, and a deep commitment to the subcontracting community.

Our association has always been at its best when members are engaged, connected, and willing to lend their time, experience, and voice. That involvement is what gives ASA its strength. Whether you have served on a committee, attended an event, sponsored a program, welcomed a new member, or simply shared an idea, you have helped move this association forward.

The weather cooperated stunningly for our annual ASA Fly-In, which took place earlier this month, in DC. If you've never been, you're missing out on an important opportunity for members to make their voices heard. Advocacy remains one of the most important roles of our association. The issues facing subcontractors — payment practices, contract fairness, workforce challenges, safety, and regulatory burdens — do not solve themselves. They require consistent attention and a strong, unified voice. The Fly-In gives ASA members a chance to speak directly with lawmakers and staff about the real-world impact of policies on

construction businesses and the people they employ. Read the summary of our activities.

And remember to check out our most recent SLDF win in Arizona!

As we look ahead, there is much to be excited about.

SUBExcel, Sep 29 - Oct 1, in Bonita Springs, FL, is fast approaching, and I encourage every member to consider attending. It is one of the best opportunities we have to connect with subcontractors, suppliers, service providers, and industry leaders from across the country. Beyond the educational sessions and networking, SUBExcel gives us a chance to step back from the demands of day-to-day business and focus on the bigger picture: where the industry is headed, how we can strengthen our companies, and how ASA can continue to advocate for the needs of subcontractors.

At the chapter level, we will continue focusing on the programs, events, and resources that provide value to our members. That means practical education, meaningful networking, strong partnerships, and continued support for the next generation of leaders in our industry. It also means listening carefully to our members and making sure the association remains responsive to the needs of subcontractors today.

I want to thank our outgoing leadership - and especially Andrew Christ - for their hard work, dedication, and steady guidance. Their commitment has helped keep the association strong, and I am grateful for the foundation they have built. I also look forward to working with our board, committees, volunteers, sponsors, and members as we begin this new year together.

The strength of this association has never been one person or one program. It is all of us — showing up, staying involved, sharing our expertise, and supporting one another.

I am excited for the year ahead and grateful for the opportunity to serve.

Tony Vermaas
President ASA 2026-27

CONTRACTOR COMMUNITY

WELCOME TO OUR NEW SILVER SPONSOR

EGNYTE

Used by thousands of AEC firms worldwide, ***Egnyte*** helps specialty contractors unify project and business data in a secure platform designed for modern collaboration, AI readiness, and governance. From preconstruction through project closeout, ***Egnyte*** enables office and field teams to securely access, share, and manage project information from anywhere, on any device, without the complexity of VPNs. By connecting project and business data, Egnyte helps contractors improve productivity, reduce risk, and keep projects moving.

Key Benefits

- Eliminate document sprawl across project and business systems
- Improve collaboration across Procore, Autodesk Construction Cloud, Bluebeam, Microsoft 365, and more
- Protect critical data from ransomware and insider threats
- Strengthen compliance and document governance
- Build a secure foundation for AI and future digital initiatives

ASA Advocates for Subcontractors During 2026 Legislative Fly-In

The American Subcontractors Association (ASA) brought its 2026 Legislative Fly-In to Capitol Hill, representing more than 2,800 subcontractors nationwide.

The American Subcontractors Association (ASA) held its annual D.C. Fly-in on June 9th and 10th in Washington D.C. ASA advocates visited our Nation's Capital to ensure the voices of subcontractors, who make up three-fourths of the construction industry, were heard.

Forty-five ASA advocates participated in an unprecedented 26 Senate meetings and 32 House meetings to push for the passage of two important legislative priorities: Prompt Payment for Change Orders, and Bonding on Public-Private Infrastructure Projects, before the end of the 119th Congress. They also sounded the alarm on workforce issues in the construction industry advocating for workforce development programs and immigration reform.

ASA members participated in several high priority group meetings.

- Sen. Tom Cotton (R-AR)—Members met directly with Senator Cotton to discuss ASA priorities and the recurring issues for subcontractors looking for a dedicated workforce.
- Sen. Kevin Cramer (R-ND)—Members met with key members of the Senator's staff to discuss his legislation, The Water Infrastructure Subcontractor and Taxpayer Protection Act. ASA supports this legislation which seeks to improve project delivery and reduce risk of default on federally financed water infrastructure projects by requiring surety bonds on contractors working public private projects.
- Sen. Mark Kelly (D-AZ—Sen. Kelly is the Democrat co-sponsor of the Water Infrastructure Subcontractor and Taxpayer Protection Act. Members had an opportunity to meet staff to reiterate their support of this legislation which requires surety bonds for federally funded water infrastructure projects.
- House Small Business Committee minority and majority staff—Members engaged senior staff for both the minority and majority on federal procurement issues, and more specifically the Small Business Payment for Performance Act.
- House Judiciary Committee Members —Members met with several House Judiciary Committee members who have jurisdiction over various immigration reform issues including employment-based visa availability and H2B visa caps. ASA advocates shared their need for a strong workforce and opportunities to alleviate some of these issues utilizing existing immigration-based programs.

Rep. Mark Alford (R-MO)

- Rep. Mark Alford (R-MO)—Members met directly with Rep. Alford as a key member of the House Small Business Committee to share federal procurement priorities and workforce issues in the construction industry.
- Rep. Pete Stauber (R-MN)—Members met with Rep. Stauber who is the sponsor of the Small Business Payment for Performance Act which mandates quick payment for contractors following change orders. Rep. Stauber is also Co-chair of the Congressional Construction Procurement Caucus, and we are grateful for his time and continued advocacy of our issues.
- Rep. Hillary Scholten (D-MI)—Members met with Rep. Scholten's staff to discuss ASA's legislative priorities and other small business issues. Rep. Scholten is the democratic Co-chair of the Congressional Construction Procurement Caucus, and we appreciate her advocacy.
- Rep. Bost (R-IL)—ASA members met with Rep. Bost's staff to discuss bonding issues. Rep. Bost is the sponsor of the P3 legislation requiring bonding for federally funded public private partnership projects. We appreciate Rep. Bost's continued efforts to amend the Water Infrastructure Finance and Innovation Act with this legislation.

Our Voices Were Heard

ASA's Capitol Hill Fly-In provides a valuable opportunity for members to meet directly with lawmakers and key congressional staff to discuss the issues that matter most to our industry. While ASA's government relations team works year-round to advance these priorities, the perspectives and experiences of our members bring unmatched credibility and impact to our advocacy efforts. Thank you to everyone who dedicated time to share their expertise and champion the interests of subcontractors across the country.

ASA 2026 Legislative Priorities

- **Change Orders—**We support the Small Business Payment for Performance Act of 2025, which would require prompt payment to contractors for change orders. The federal government must do more to address enforcement of prompt payment to subcontractors and suppliers.
- **P3 Bonding Requirements—**We support the Water Infrastructure Subcontractor and Taxpayer Protection Act of 2025 (H.R. 1285 / S. 570), which seeks to affirm that existing payment and performance security requirements extend to infrastructure projects financed through the Water Infrastructure Finance and Innovation Act (WIFIA), including Public-Private Partnerships (P3s).
- **College Apprenticeships—**We support the College Apprenticeship Act (H.R. 4588/S. 2028), which creates apprenticeship programs that

Rep. David Schweikert (R-AZ)

count toward a college degree, and it provides a framework for college-credit recognition for apprenticeship programs, making it easier for students to transition between education and the workforce.

- **Supporting Workforce Development —**Workforce development remains a priority, with the ASA supporting apprenticeship funding opportunities and opposing the misclassification of workers as independent contractors. Strengthening the workforce is essential for the growth and sustainability of the construction industry.
- **Encouraging Construction Procurement Reform—**Lastly, the ASA supports the House Construction Procurement Caucus, focusing on improving construction procurement policies. This caucus serves as a platform for addressing issues that affect the construction industry and ensuring that procurement practices are equitable and efficient.











Above: A full day of advocacy for ASA members from across the country

Can’t wait to see everone again next year!

Above: In addition to our Hill advocacy efforts, ASA members enjoyed an intimate audience with four Members of Congress at our Capitol Hill Reception at the Monocle. This unique opportunity allowed ASA members to hear directly from Congress about their advocacy efforts. Rep. Pete Stauber (R-MN), Rep. Brian Fitzpatrick (R-PA), Rep. Rob Bresnahan (R-PA), and Rep. Donald Norcross (D-NJ) made time in between votes to speak to our issues and share their vision for our industry.

IT'S ALWAYS SOMETHING AWESOME

ASAC Women of Construction: Building More than Networks

by Nick Williams, ASA of Colorado

In an industry known for hard hats and jobsite intensity, something important is taking shape across Colorado. It is being built on connection.

The American Subcontractors Association of Colorado's Women of Construction Committee recently partnered with CREW Denver to host the Cabernet & Construction event, bringing together professionals from construction, design, real estate, and architecture for an evening centered on networking, storytelling, and community. The goal was straightforward: create space for meaningful connection in an industry that rarely slows down long enough to allow it.

And it delivered.

Cabernet & Construction was not just a social event. It was an intentional effort to strengthen the industry by investing in people. The event highlighted the growing influence of women across all sectors of the built environment while creating an atmosphere where conversations felt natural and barriers came down. Relationships were formed that will extend far beyond a single evening.

The Women of Construction initiative is rooted in empowerment, professional growth, and support. Its purpose is to elevate women in the industry by creating opportunities for connection, education, and advancement. This event brought that mission to life in apractical and visible way.

The impact goes beyond professional development. The construction industry is facing real challenges. Workforce shortages, burnout, and the need for stronger culture and leadership continue to surface across the state. Events like this respond to those challenges in a direct way. When people feel connected, they are more engaged. They collaborate better. They contribute to healthier jobsites. That sense of belonging has real value.

What stood out most from the evening was the authenticity. Conversations were not transactional. They were genuine. Women shared experiences, challenges, and successes. Allies showed up with intention. There was a clear sense across the room that this was about more than individual advancement. It was about collective progress. That matters for the future of construction.

Industry hange does not happen through policy alone. It happens through people. It happens when trust is built and when individuals feel seen, heard, and supported. Cabernet & Construction created that kind of environment. The takeaway is simple. When we invest in connection, we strengthen the entire industry.

If this event is any indication, the future of construction in Colorado is being shaped by a more inclusive, collaborative, and connected community.

About Nick Williams

Nick Williams is the CEO of both R.I.S.E LLC and the Executive Director of the American Subcontractor's Association of Colorado. He has chaired the AGC Mental Health Working Group since 2021. He is the Vice Chair of the non-profit training company Recovery Friendly Leader. He holds a graduate certificate in Total Worker Health from the Colorado School of Public Health. He loves travelling the world with his wife and son, is almost always with his Westies named Pacey and Joey, and is an avid consumer of all things pop culture.

ASA COLORADO

AMERICAN SUBCONTRACTORS ASSOCIATION OF COLORADO

Presented by:

Engine

2026

ASAC AWARD WINNERS

ASAC 2026 Subcontractor of the Year under $1M
American GPR and Coring

ASAC 2026 Subcontractor of the Year $1-5M
Schnabel Geostructural Design & Construction

ASAC 2026 Subcontractor of the Year $5-7M
Diamond Excavating

ASAC 2026 Subcontractor of the year $7-$10M
Absolute Caulking & Waterproofing

ASAC 2026 Subcontractor of the Year $10-$20M
Zimkor

ASAC 2026 Subcontractor of the Year Over $20M
Carlton Electric

ASAC 2026 General Contractor of the Year Small-Medium Size
Advanced Reconstruction

ASAC 2026 General Contractor of the Year Large Size
JHL Constructors

ASAC 2026 Project Manager of the Year
Stephen Schaunaman - JHL Constructors

ASAC 2026 Superintendent of the Year
Adolfo Lopez - OE Construction

2026 Health & Safety Professional
Melissa Woodring - Banyan Treatment Centers

2026 Health & Safety Champion GC
MW Golden Constructors

2026 Health & Safety Champion Subcontractor
OE Construction

2026 Health Links Champion
Encore Electric

ASAC 2026 Member Choice
Heather Strong Gutierrez - JHL Constructors

ASAC 2026 Heart of ASAC
Layla Betts - Mark Young Construction

2026 Financial Partner
Plante Moran

2026 Law Partner
Miller and Law

2026 Risk Management Partner
CRS Insurance Brokerage

2026 Service Partner
Wagner Cat Rentals

2026 Technology & Software Partner
Invoice IQ

2026 Training Partner
True Safety Services

ASA COLORADO | women of CONSTRUCTION

Up & Coming Award: Emily McBeth - JE Dunn Construction

Top Performer Award: Courtney Lively - NPW Contracting

Legacy Award: Polly Ayers
Colorado & Construction Design Magazine

ASAC Awards Gala 2026

In April the construction community came together to celebrate and reward their own

Adobe Stock | #533939190

IT'S ALWAYS SOMETHING AWESOME

Subcontractors Secure Major Victory in Unjust Enrichment Case

Markham Contracting Co. v. Cahava Springs Phase I, Inc. et al.

The American Subcontractors Association's (ASA) Subcontractors Legal Defense Fund (SLDF) achieved a significant legal victory for subcontractors in a case addressing recovery under unjust enrichment where a project owner failed to pay for completed work.

The Arizona Supreme Court issued its opinion in Markham Contracting Co. v. Cahava Springs Phase I, Inc. et al., siding with the contractor and affirming key principles that preserve subcontractors' ability to recover in unjust enrichment claims. The case involved property owners who created a special improvement district to fund infrastructure improvements, received the benefit of those improvements, but did not ensure payment was made to the contractor who performed the work.

The subcontractor, supported by ASA's SLDF, sought amicus participation to defend a favorable Arizona Court of Appeals ruling that had reversed dismissal of its unjust enrichment claim. The property owners had petitioned the Court to require subcontractors and contractors to plead "improper conduct" by property owners in all unjust enrichment claims—a standard currently limited to tenant-improvement contexts.

The central issue before the Court was whether general unjust enrichment principles apply when property owners initiate and benefit from improvements to their own property but fail to ensure payment to the performing contractor.

Congratulations Karen Palecek and James Palecek! Thank you, Eric Travers and Scott Holbrook for your SLDF work on advancing this case!

In its decision, the Arizona Supreme Court ruled in favor of the contractor and clarified several key holdings:

- *Wang Electric* remains good law requiring a showing of improper conduct for unjust enrichment claims, but only in the landlord-tenant context.
- *Wang Electric* does not apply in this case because the landowners themselves arranged for the improvements and failed to pay anyone for them.
- An owner who seeks, authorizes, or benefits from improvements performed under contract with a third party may be held liable in unjust enrichment if no payment is made.
- Markham sufficiently alleged a valid claim for unjust enrichment.

In short, the Court affirmed that a subcontractor may recover from a project owner under unjust enrichment where the owner has received the benefit of the work but paid no party for it. The Court emphasized that the key inquiry is whether the owner "sought, authorized, or acquiesced in receiving improvements performed without gratuitous intent, and failed to pay for them."

ASA noted that this ruling strengthens long-standing equitable principles and provides important clarity for subcontractors seeking fair compensation for completed work.

The American Subcontractors Association is actively involved in the promotion of legislative action across the nation and regularly intervenes in legal actions that affect the construction industry at large. The SLDF supports ASA's critical legal activities in precedent-setting cases to protect the interests of all subcontractors. ASA taps the SLDF to fund amicus curiae, or "friend-of-the-court," briefs in appellate-level cases that would have a significant impact on subcontractor rights. Contributions to the SLDF may be made online at www.sldf.net.

Founded in 1966, ASA promotes the rights and interests of subcontractors, specialty contractors and suppliers by building strength in community through education, advocacy, networking and professional growth. ASA adheres to and promotes quality construction, ethical and equitable business practices, safety in the work environment, and best industry practices. For more information about ASA, visit www.asaonline.com, and for more information about the SLDF, visit www.sldf.net.

Construction Data & Figures

Nonresidential Construction Adds Healthy 15,700 Jobs in May

The construction industry added 17,000 jobs on net in May, according to an Associated Builders and Contractors analysis of data released by the U.S. Bureau of Labor Statistics. On a year-over-year basis, industry employment has increased by 68,000 jobs, up 0.8%.

Nonresidential construction employment increased by 15,700 positions, with gains in all three subcategories. Nonresidential specialty trades added the most jobs, increasing by 11,400 positions. Heavy and civil engineering and nonresidential building added 2,600 and 1,700 jobs, respectively, in May.

The construction unemployment rate was 4.1% in May. Unemployment across all industries remained unchanged at 4.3% and is also unchanged from a year ago.

"The construction industry posted healthy job gains in May, especially within the nonresidential segment," said ABC Chief Economist Anirban Basu. "The industry's recent job growth, driven by insatiable demand for data centers and ongoing growth in publicly funded construction activity, appears set to continue over the coming months. Contractors also remain broadly optimistic about growing their staffing levels over the next six months, according to ABC's Construction Confidence Index.

"The bigger story in the May jobs report, however, is the surprising strength of the broader labor market," said Basu. "Economywide job growth has accelerated, rising to a pace not seen since the early months of 2024, and the unemployment rate held

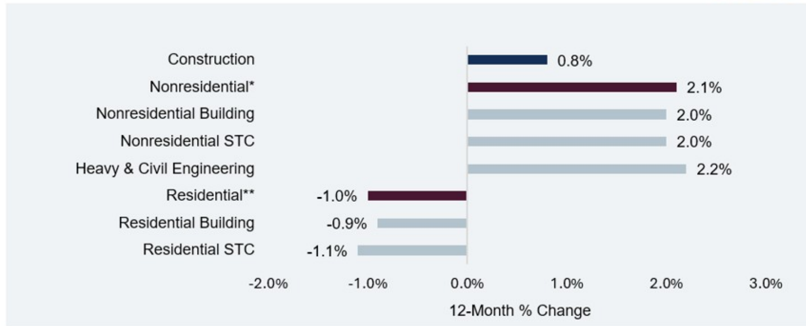
Construction Employment Statistics May 2026

	May 2026	April 2026	May 2025	1-Month Net Change	12-Month Net Change	12-Month % Change
Construction	**8,337,000**	**8,320,000**	**8,269,000**	**17,000**	**68,000**	**0.8%**
Nonresidential	**5,050,500**	**5,034,800**	**4,949,000**	**15,700**	**101,500**	**2.1%**
Nonresidential building	944,200	942,500	926,000	1,700	18,200	2.0%
Nonresidential specialty trade contractors	2,899,800	2,888,400	2,842,400	11,400	57,400	2.0%
Heavy & civil engineering	1,206,500	1,203,900	1,180,600	2,600	25,900	2.2%
Residential	**3,286,300**	**3,285,400**	**3,319,600**	**900**	**-33,300**	**-1.0%**
Residential building	924,700	926,400	932,900	-1,700	-8,200	-0.9%
Residential specialty trade contractors	2,361,600	2,359,000	2,386,700	2,600	-25,100	-1.1%
Average Hourly Earnings						
All private industries	$37.53	$37.41	$36.28	$0.12	$1.25	3.4%
Construction	$41.20	$41.01	$39.47	$0.19	$1.73	4.4%
Average Weekly Hours						
All private industries	34.3	34.3	34.2	0.0	0.1	0.3%
Construction	39.2	39.3	39.0	-0.1	0.2	0.5%
Unemployment Rate						
All private industries (SA)	4.3%	4.3%	4.3%	0.0pp	0.0pp	
Construction (NSA)	4.1%	3.8%	3.5%	0.3pp	0.6pp	

Source: U.S. Bureau of Labor Statistics, Associated Builders and Contractors. Note. SA: Seasonally adjusted. NSA: Not seasonally adjusted steady at a perfectly acceptable 4.3% in May. This is an indication of broader economic resilience, albeit one that is not necessarily encouraging for the construction industry.

"The combination of a stable labor market and resurgent inflation suggests that rate hikes are now more likely than rate cuts over the next several quarters, and high borrowing costs and tight lending standards will continue to weigh on construction activity during the months ahead," said Basu.

Construction Employment Growth **May 2025 v. May 2026**



Source: U.S. Bureau of Labor Statistics, Associated Builders and Contractors

***Includes Residential Building and Residential *Includes Nonresidential Building, Nonresidential STC, and Heavy and Civil Engineering*

Construction Materials Prices Surge 2.6% in May, Up Nearly 10% Year Over Year

Construction input prices increased 2.6% in May compared to the previous month, according to an Associated Builders and Contractors analysis of U.S. Bureau of Labor Statistics Producer Price Index data released on June 11. Nonresidential construction input prices increased 2.4% for the month.

Overall construction materials prices are 9.6% higher than one year ago, while nonresidential construction input prices are 9.7% higher. Prices increased in 2 of the 3 energy subcategories last month. Crude petroleum prices increased 11.8% and unprocessed energy materials increased 6.9%. Natural gas prices were down 18.2% in May.

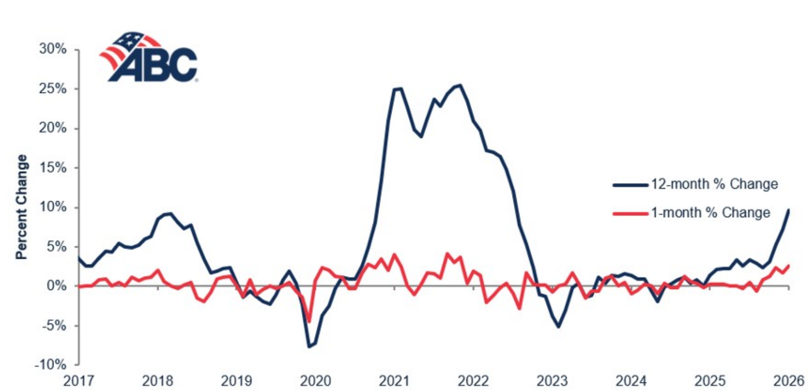
"Construction input prices surged again in May and are now up nearly 10% year over year," said ABC Chief Economist Anirban Basu. "Oil prices, pushed higher by the ongoing Iran conflict, made a significant contribution to the rise in overall materials prices, yet the greater concern is the continuing price growth in tariff-affected inputs like iron, steel and copper. Contractors remain optimistic that their profit margins will expand over the next six months, according to [ABC's Construction Confidence Index](), yet it appears likely that materials price escalation and stubbornly high borrowing costs could eventually weigh on profitability."

Producer Price Index **May 2026**

	1-Month % Change	12-Month % Change	Change Since Feb 2020
Inputs To Industries			
Inputs to construction	2.6%	9.6%	55.5%
Inputs to multifamily construction	1.5%	7.3%	52.8%
Inputs to nonresidential construction	2.4%	9.7%	56.4%
Inputs to commercial construction	1.6%	8.0%	55.7%
Inputs to healthcare construction	1.5%	8.0%	55.2%
Inputs to industrial construction	2.0%	9.2%	52.7%
Inputs to other nonresidential construction	2.7%	10.4%	57.1%
Inputs to maintenance and repair construction	3.0%	10.2%	54.0%
Commodities			
Adhesives and sealants	-0.1%	2.5%	42.1%
Brick and structural clay tile	0.0%	1.3%	34.3%
Concrete products	0.3%	3.0%	45.7%
Construction machinery and equipment	0.2%	3.5%	37.2%
Construction sand, gravel, and crushed stone	0.4%	5.7%	54.4%
Copper wire and cable	7.3%	24.2%	93.9%
Crude petroleum	11.8%	78.2%	128.5%
Fabricated structural metal products	1.0%	8.1%	71.7%
Gypsum products	0.0%	-0.7%	48.4%
Hot rolled steel bars, plates, and structural shapes	-3.1%	10.0%	51.3%
Insulation materials	0.4%	0.0%	48.3%
Iron and steel	1.4%	7.0%	70.8%
Lumber and wood products	0.1%	2.3%	29.6%
Natural gas	-18.2%	-27.1%	6.1%
Plumbing fixtures and fittings	-0.2%	6.6%	32.4%
Prepared asphalt, tar roofing and siding products	1.8%	-1.2%	44.0%
Softwood lumber	0.5%	4.8%	23.8%
Steel mill products	2.1%	6.7%	86.0%
Switchgear, switchboard, industrial controls equipment	0.6%	10.8%	76.2%
Unprocessed energy materials	6.9%	47.3%	116.4%

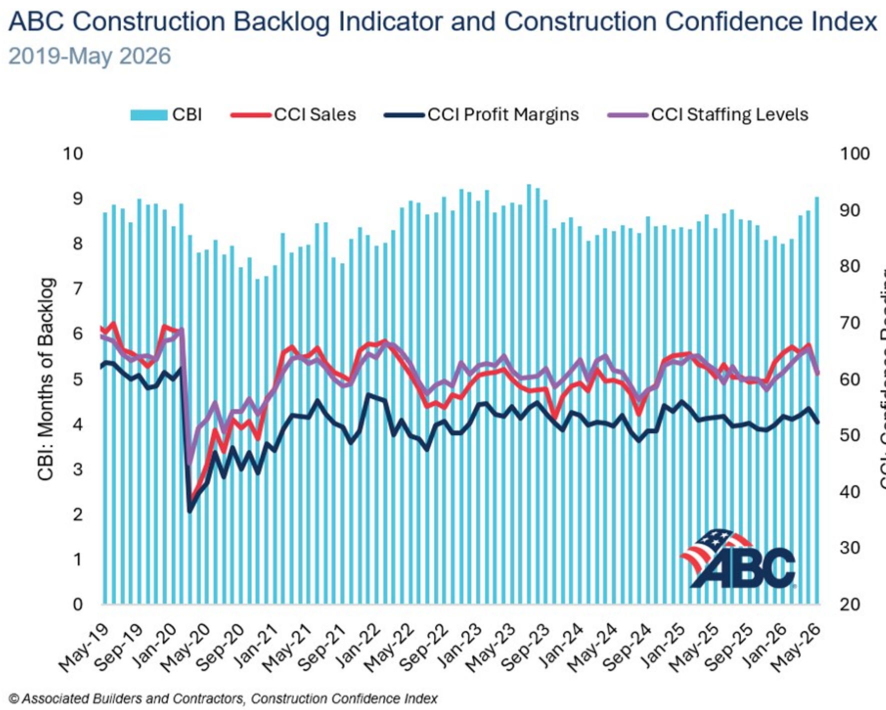
Source: U.S. Bureau of Labor Statistics, Associated Builders and Contractors

Producer Price Index Percent Change Inputs to Construction Industries
May 2017 Through May 2026



Source: U.S. Bureau of Labor Statistics, Associated Builders and Contractors

ABC's Construction Backlog Surges in May, Contractor Confidence Slips



Associated Builders and Contractors reported today that its Construction Backlog Indicator rose to 9.1 months in May, according to an ABC member survey conducted May 20 to June 3. The reading is up 0.3 months from April and 0.7 months from May 2025.

View ABC's Construction Backlog Indicator and Construction Confidence Index for May. View the full Construction Backlog Indicator and Construction Confidence Index data series.

Backlog for the month increased in every region except for the South. Despite the monthly movement, the South remains the region with the longest backlog and the largest year-over-year increase in backlog.

ABC's Construction Confidence Index readings for sales, profit margins and staffing levels fell in May. The readings for all three components remain above the threshold of 50, indicating expectations for growth over the next six months.

"Backlog rose to a nearly three-year high in May," said ABC Chief Economist Anirban Basu. "This increase largely reflects the massive data center investments taking place across the nation, as the 14% of ABC members under contract to work on data centers continue to have much higher backlog (11.6 months) than those that are not (8.6 months). The way this boom is disproportionately benefiting larger contractors helps to explain why contractor confidence slipped in May even as backlog continued to climb."

Construction Starts Swell 34% in May

Total construction starts improved 34.1% in May to a seasonally adjusted annual rate of $1.78 trillion, according to ***Dodge Construction Network***.
Nonresidential building starts grew by 17.8%, nonbuilding starts increased 91.9%, and residential starts fell 2.1% over the month. On a year-to-date basis, total construction starts were up 12.7% through May.

Nonresidential starts were up 12.3%, nonbuilding starts improved by 32.9%, and residential starts were down 4.9% over the same period. For the 12 months ending May 2026, total construction starts were up 12.5% from the 12 months ending May 2025. Residential starts were down 4.6%, nonresidential starts were up 11.7% and nonbuilding was up 33.2%.

"Megaproject starts within healthcare, manufacturing, utilities and data centers drove sizeable gains across the month," stated Sarah Martin, Director of Economic Research at Dodge Construction Network. "Outside of this activity, however, pockets of weakness across institutional construction, warehouses and residential construction remain."

Nonresidential

Nonresidential building starts improved 17.8% in May to a seasonally adjusted annual rate of $647 billion. Commercial starts were up 0.8% over the month, driven by the 20.2% m/m increase in offices and data centers, while all sectors experienced declines; parking garages (-53.6% m/m), hotels (-36.8% m/m), warehouses (-17.0% m/m), and stores (-6.2% m/m). Institutional starts gained 17.4% over the month, supported by the 138.8% m/m surge in healthcare construction and offset by the -15.1% m/m decline in education starts. Manufacturing construction rebounded 116.1% m/m in May, alongside the start of the $5 billion Rivian Electric Vehicle Plant. On a year-to-date basis through May, nonresidential starts are up 12.3%. Commercial and industrial construction gained 32.9%, while institutional starts are down 8.8% over the same period.

For the 12 months ending May 2026, total nonresidential starts were up 11.7% compared to the 12 months ending May 2025. Commercial starts were up 26.6%, institutional starts decreased 4.1%, and manufacturing starts were up 32.4% over the same period.

The largest nonresidential building projects to break ground in May were the $5 billion Rivian Electric Vehicle Plant in Social Circle, Georgia, the $3.0 billion Nebius Data Center (Buildings 1 & 2) in Birmingham, Alabama and the $2.8 billion World Trade Center Commercial Tower in New York, New York.

MONTHLY CONSTRUCTION STARTS

(Billions of Dollars, Seasonally Adjusted Annual Rate)

	May-26	Apr-26	% Change
Nonresidential Building	$647	$549	17.8
Residential Building	$373	$381	-2.1
Nonbuilding Construction	$758	$395	91.9
Total Construction	$1778	$1,325	34.1

RECENT 12MO CONSTRUCTION STARTS

(Unadjusted Moving Totals, in Billions of Dollars)

	May-26	Apr-26	% Change
Nonresidential Building	$514	$460	11.7
Residential Building	$370	$388	-4.6
Nonbuilding Construction	$453	$340	33.2
Total Construction	$1,337	$1,188	12.5

Nonbuilding

Nonbuilding construction starts surged 91.9% in May to a seasonally adjusted annual rate of $758 billion. Triple digit gains in highways and bridge starts (+111.3% m/m) and utilities construction (+195.6% m/m) drove gains, while environmental public works (-18.3% m/m) and miscellaneous nonbuilding (-13.1% m/m) slowed down. On a year-to-date basis through May, nonbuilding construction was up 32.9% alongside the 125.9% year-to-date growth in electric power/utilities and 12.1% growth in highways and bridges. The remaining sectors, however, are seeing declines. Environmental public works are down 5.5% year-to-date, and miscellaneous nonbuilding starts are down 12.1% over the same period.

For the 12 months ending May 2026, total nonbuilding starts were up 33.2%. Environmental public works fell by 2.5% compared to the 12 months ending May 2025. Highway and bridge starts were up 9.5%, miscellaneous nonbuilding starts were up 23.8% and utility/gas starts increased 121.6% over the same period.

The largest nonbuilding projects to break ground in May included the $13.5 billion LNG Export Facility in Hackberry, Louisiana, the $4.2 billion SR 400 Express Toll Lanes (Phase 3) project in Sandy Springs, Georgia and the $4.1 billion Brent Spence Bridge (Corridor #116649) project in Convington, Ohio.

Residential

Residential building starts fell by 2.1% in May to a seasonally adjusted annual rate of $373 billion. Single family starts fell 1.0% m/m, and multifamily starts fell 3.7% m/m. On a year-to-date basis, residential starts are down 4.9%, with single family starts down 9.4% and multifamily starts up 3.6%.

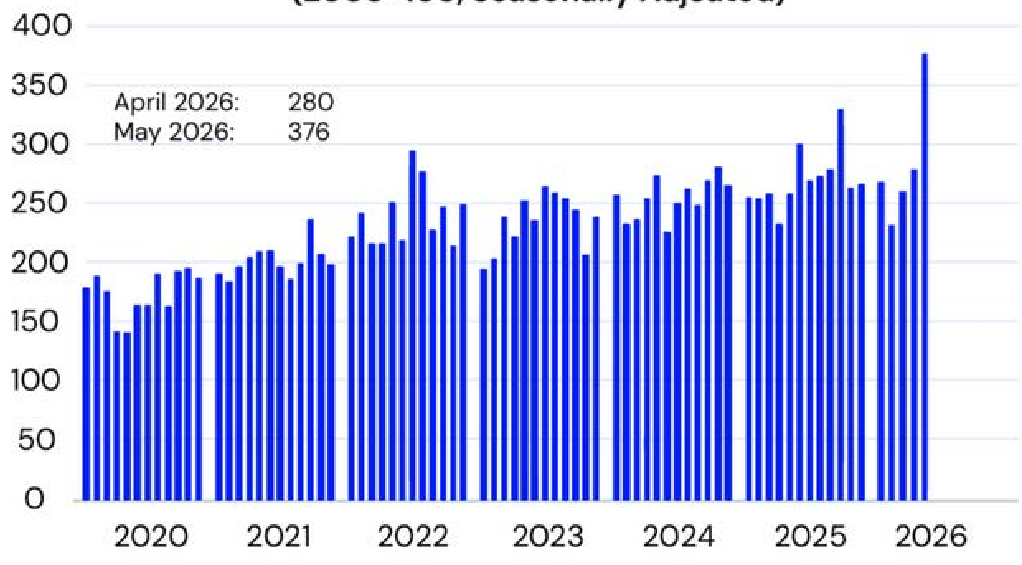
For the 12 months ending May 2026, total residential starts fell 4.6%. Single family starts fell 13.5% compared to the 12 months ending May 2025, and multifamily starts increased 12.7% over the same period.

The largest multifamily structures to break ground in May were the $867 million 111 Wall Street Residential Conversion in New York, New York, the $633 million River's Edge Continuing Care Retirement Community (Phase 1) in Bronx, New York and the $271 million Cherry Lane Residential Tower (Phase 1) in Denver, Colorado.

Regionally, total construction starts in May rose in every region except the Midwest; the Northeast (+33.5% m/m), the South Atlantic (+36.5% m/m), the South Central (+87.6% m/m), and the West (+24.4% m/m). The Midwest declined by 8.4% between April and May.

THE DODGE INDEX

(2000=100, Seasonally Adjsuted)



Pro™

TURN EVERY PURCHASE INTO SAVINGS

Stack your savings with The Home Depot. Earn rebates when you add your preferred payment methods and unlock additional offers that help stretch your budget. The more you spend, the more you save—making every purchase work harder for you.

- Ensure the correct email and mailing address is added to your Pro Xtra profile
- Add the corresponding agreement code to your Pro Xtra profile
- Add all payment methods used to make purchases
- Spend the minimum within each rebate period

Learn More

welcome

NEW ASA MEMBERS!

Welcome to ASA —we're glad to have you join our community of dedicated subcontractors and industry partners. Together, we share resources, advocate for a stronger business environment, and create opportunities to learn, grow, and succeed. We look forward to welcoming you at upcoming events and hearing your voice and your priorities in shaping the future of our industry.

- 369 Design LLC
- Advanced Drywall Solutions
- Advanced Roofing & Sheet Metal LLC
- AVEX LLC
- BETCO Scaffolds
- BETCO Scaffolds
- Century Sign Builders
- Choate USA
- Construcolor USA
- Controlled Environment Systems LLC
- Dewalt- Stanley Black & Decker
- Doggett Heavy Machinery
- Egnyte
- Embroid'em
- Encore Fence
- ESC Consultants
- Gatsby Glass of Southlake
- Gratr Landscapes
- Guadalupe Readymix
- Hall Underground LLC
- Hancock Whitney Bank
- Integrated Demolition and Remediation.
- Jefferson Bank
- Jobs In Construction
- Landmark Construction
- MDM Scaffolding Services, Inc.
- Menefee Drywall
- Morris Technology Solutions
- NCS Credit
- Oak Cliff Glass
- Performance Contracting Inc.
- Power Plumbing LLC
- Precision Tradescraft
- Prima International LLC
- Prism Electric, LLC
- Sarah Moseley
- Sherwin Williams
- Specialized Construction Services
- The Site Setters
- Travis Companies
- Vantage Bank Texas
- Walls and All
- Walthall Oil Company
- Winco Masonry

The Only Insurance Plan Guaranteed to Pay Off

by Chris Cordon, Affinity Benefits

Every insurance policy you own is a bet you're hoping to lose.

You pay for car insurance and pray you never crash. You pay homeowner's and hope the house never burns. Health, disability, the warranty on the dishwasher. Same deal every time. You hand over money each month for the privilege of never needing the thing you bought.

Life insurance is the only one that is guaranteed to be used at some point.

Not because every policy pays out. Because the event it covers is the single most certain thing in your financial life. You will, someday, die. Your car might never get totaled. Your house might never flood. The actuarial table, though, has a 100% hit rate on all of us. Eventually.

That's a strange thing to sell. It's also why it matters more than the stuff people buy without blinking.

The Bill That Comes First

When someone dies, it doesn't wait for grief to finish. There are things to do right away.

The median funeral with a viewing and burial now runs $8,300. Add the vault most cemeteries require and you're near $10,000, just for the first week. (National Funeral Directors Association.)

That's before the mortgage payment due on the first. Before the car loan, the tuition, the groceries, the electric bill that doesn't care the household just lost half its income. Or all of it.

Funeral and memorial fundraisers are among the most common categories on GoFundMe, more than 125,000 of them a year. Sit with what that means. Families handed a five-figure bill they never planned for, passing a digital hat to bury someone they love.

The Paycheck Doesn't Go On

This is the part people underestimate.

If the primary paycheck in your house disappeared tomorrow, one in four American households would feel the financial hit within a single month. Not a year. A month. (LIMRA, 2025 Insurance Barometer.)

And nearly half of American adults carry no life insurance at all.

Most of us insure a $30,000 car without a second thought, then leave uninsured the thing that pays for the car, the house, and everything in them. The income. A 40-year-old earning $70,000 will run roughly $2 million through the household before retirement. That's the real asset. That's what walks out the door.

The Cost Illusion

Ask people why they don't have coverage, or enough of it, and the top answer is "it's too expensive."

It usually isn't.

Three out of four adults overestimate the price of life insurance, often by a wide margin. A healthy 35-year-old can get a $500,000, 20-year term policy for somewhere around $25 to $30 a month. (LIMRA 2025 Insurance Barometer; ValuePenguin and NerdWallet rate data, 2024–2025.)

That's a streaming subscription and a couple of coffees. For half a million dollars that arrives exactly when a family has lost the person who used to earn it. People spend more than that on a phone plan they complain about.

What This Actually Buys

Strip away the jargon. Term, whole, universal, riders. Life insurance does one plain thing. It replaces a paycheck and pays a bill at the worst possible moment, so the people left behind get to grieve instead of liquidate.

It keeps the kids in the same house. It keeps the mortgage current. It buys time, the one thing a grieving family never has enough of.

That isn't a sales pitch. That's the job.

What ASA Members Can Do

You don't have to become an insurance expert. You have to ask three honest questions.

First: if my income vanished, how long would my family actually be okay? If the answer is "a few months," you've found the gap.

Second: how much coverage do I really have? Add up all of it, the policy through work and anything you bought years ago. Planners generally point to ten times income as a working target. Most people land well short.

Third: when did I last check the number? Coverage bought when you were single and renting may not fit a mortgage and two kids.

If you've been avoiding this because you assumed it was unaffordable, get one real quote before you decide. The number tends to surprise people. ASA members have access to coverage and guidance through ASA Advantage, which is a reasonable place to start.

Every other policy you own is a bet against something that might happen. This is the one built around something that will. Worth getting right.

About the Author

Chris Cordon is a Benefits Consultant at Affinity Benefits, the program administrator for ASA Advantage.

EXCLUSIVE ASA MEMBER BENEFIT

ASA Members Gain Preferred Access to PlanHub®

Solutions for Subcontractors

Find qualified opportunities and connect directly with GCs.

PlanHub gives ASA member subcontractors visibility into real GC-posted bidding opportunities, helping them focus on projects thait align with their trade, location, and capacity.

planHub® 0 ASA advantage

ASA has partnered with PlanHub to help subcontractors like you connect with the right projects and partners.

Built specifically for the construction industry, PlanHub makes it easier for subcontractors to discover opportunities, build relationships with general contractors, and stay organized throughout the bidding process - all from one platform.

Stronger Together. Building Success.

PlanHub is the project intelligence platform built to help subcontractors bid smarter and grow with confidence.

KEY BENEFITS FOR ASA MEMBERS

Find More of the Right Projects

Access more project opportunities and early insights to stay ahead of the competition.

Research with Confidence

Get deeper project intel, including scopes, documents, contacts, and timelines.

Connect with Key Decision Makers

Build relationships with GCs, owners, architects, and suppliers.

Never Miss an Opportunity

Set custom alerts and get notified about new projects that match your work.

Simplify the Bidding Process

Manage bids, due dates, and documents all in one place.

Win More Work

Save time, improve your hit rate, and grow your business with confidence.

Built for Subcontractors

PlanHub is designed specifically for subs-because we understand your work.

Exclusive Member Benefit

ASA members receive preferred access and special pricing on PlanHub.

Activate Your ASA Member Benefit

Start your PlanHub journey today.

@ planhub.com/partners/asa

Subcontractor Methods for Protection from Material Price Escalation

by Marc J. Felezzola and Angela Harrod, Babst Calland

Although supply chain issues and material costs gained considerable attention during the COVID-19 pandemic, these are hardly new to the construction industry. Contractors and subcontractors have long grappled with ways to protect themselves from rising material costs and delays in material orders, particularly for long-term projects. There are several effective ways of handling the highly common occurrence of material costs rising during a project and delays or long lead times in material orders.

1. Early material purchase and owner payment for material storage

To properly price a project, a subcontractor must know the scope of work and the necessary materials. Because material prices can increase—particularly in multi-year projects—some subcontractors may purchase all necessary materials at contract execution to lock in the quoted price. However, this method comes with its own challenges, as project materials may be voluminous, and therefore expensive to store.

Subcontractors can overcome this expense by including a provision in their contracts that requires the contractor to pay for storage of the materials. This saves subcontractor warehouse space and storage expense while ensuring that the specified materials can be purchased at their quoted prices.

Early procurement of materials can also introduce additional hurdles for design and/or scope changes. Subcontractors should make sure that their contracts are clear regarding who is responsible for costs related to design changes, such as restocking fees when returning materials, disposal of materials that are no longer applicable to the project and cannot be returned, and replacement materials.

Whether and to what extent the contractor will agree on this approach will likely depend upon the contractor's negotiations with the owner. For instance, some owners may not be willing to store (or pay for) swaths of material for years at a time, and some materials cannot be stored for long periods of time. However, where possible, the approach of ordering the materials as promptly as possible with owner and contractor payment for stored materials and storage costs allows subcontractors some insulation from material cost increases. If adopting this approach, subcontractors should be sure to maintain insurance upon the stored materials to protect against casualty while in storage.

2. Allow for replacement of specified materials with those of like kind and quality or a corresponding time adjustment if specified materials become unavailable

Certain materials cannot be purchased in advance. For instance, some projects require custom-made products which must be fabricated to as-constructed field measurements. Alternatively, items such as concrete, mixed paints and other chemicals have a shorter shelf-life and should be used upon delivery. Fuel is also not purchased in advance because it is generally purchased on an as-needed basis. Purchasing materials in advance may also impact the availability of warranties provided by manufacturers and/or suppliers.

A subcontractor may protect themselves from situations in which it cannot purchase materials ahead of time by incorporating a clause in their contracts that allows replacement of specified materials with those of like kind and quality. Such a provision allows subcontractors to opt for less expensive alternatives, particularly in cases where specified materials have increased in price, in order to manage project costs without impacting the quality of the work being performed.

Similarly, a subcontractor may include a provision entitling it to time adjustments when the contractor (or owner) requires or prefers a specific product that will be more expensive than a product of like kind and quality. Instead of rush ordering and paying a premium, and/or paying extra due to supply shortages, tariffs, or other force majeure conditions, it may be preferable for the subcontractor to receive a time extension and wait for products to come on what may be a slower-than-standard timeline. Given recent uncertainty over the imposition of government-imposed tariffs and other delays resulting from global conflict, contractors may prefer a time extension to avoid ordering during a potentially temporary price increase.

Inclusion of this clause has the added benefit of providing some protection for subcontractors from liquidated damages or other project delay costs. The clause can be drafted to list or incorporate excusable reasons for delay or substitution, such as supply-chain disruptions stemming from governmental acts, extreme weather, or similarly uncontrollable events. Being able to opt for a comparable product can help a subcontractor keep a project on schedule and budget. Again, however, a subcontractor's ability to negotiate such a clause into its contract with the contractor may be dependent on the contractor's ability to negotiate similar language into its prime contract.

3. Include a material price-escalation or time-adjustment clause in the contract

Some subcontractors include a material price-escalation clause in their contracts, which directly insulates them from material price increases. In such instances, the subcontractor reserves the right to charge more than originally quoted when a material price increase occurs.

This option can be unappealing to contractors (and owners) who prefer a fixed project cost. Subcontractors can sometimes reach a compromise with contractors (and contractors with owners) wherein the material price-escalation is only passed up the contract chain once a certain threshold of increase has occurred. For instance, a contract may entitle a subcontractor to a change order or price adjustment only when the cost of specially identified material, product, or equipment has increased by more than three, five, or ten percent since the quote was issued.

The ***ConsensusDocs® Document 200.1*** is a standard material price escalation clause that subcontractors can adopt or add to their contracts for this purpose.

4. A time and materials contract

The contract form may provide as much insulation as the specific provisions it includes. A subcontractor may opt for a time and materials contract, which is an agreement where the contractor pays the subcontractor for the costs incurred by the subcontractor in performing the work plus a markup for overhead and profit. A time and materials contract ensures payment of labor costs and the actual cost of materials, regardless of price increases. While this provides full insulation from material price escalation, it generally requires the subcontractor to provide detailed records to the contractor to justify costs. Furthermore, subcontractors have to share pricing with contractors, which can limit the subcontractor's discretion to build in profit margins or improve upon anticipated margins through efficiencies during the project. If a subcontractor and contractor agree to payment on a time and materials basis, the contractor would also benefit from any price decreases, however unlikely those are to occur. A subcontractor considering this type of contract must then weigh insulation from material price escalation with these drawbacks.

As the above options demonstrate, there are various ways subcontractors can seek contractual protection against price escalation. Unfortunately, however, regardless of which approach a subcontractor chooses to pursue, the subcontractor may be unsuccessful if the contractor is unable to negotiate similar language or payment mechanisms with the owner. Thus, to the extent possible, subcontractors should raise the notion of price escalation protections with the contractor as early as possible to enable the contractor to broach the same with the owner prior to execution of the prime contract.

About the Authors

Marc J. Felezzola is a shareholder at Babst Calland. He focuses his practice on complex construction-related matters. Marc serves as outside general counsel for owners, developers, design professionals, and construction companies, and frequently represents them in a variety of commercial and construction-related disputes including construction bid protests, construction defect claims, differing site condition claims, delay and inefficiency claims, payment and performance bond claims, mechanics' lien claims, as well as all other types of payment and contract performance disputes. Contact Marc at 412-773-8705 or **mfelezzola@babstcalland.com.**

Angela M. Harrod is an associate at Babst Calland. Angela has a broad range of experience representing corporate clients in matters including breach of contract, unfair trade practices, and complex litigation. She represents contractors, subcontractors, owners, developers, design professionals, and construction companies in a wide range of matters arising from complex construction and development projects. Contact her at 412-394-5688 or aharrod@babstcalland.com.

FEATURE

You Cannot Choose a Career You Have Never Seen

Why Exposure May Be Construction's Most Important Workforce Strategy

by Angie Simon, Maxim Consulting Group

"You cannot choose a career you have never seen."

That simple reality may be one of the biggest reasons the construction industry is facing a workforce crisis today.

Across the country, subcontractors are struggling to find skilled workers. Experienced tradespeople are retiring faster than they can be replaced, project demand continues to grow, and competition for talent has never been greater. According to Associated Builders and Contractors, the construction industry will need to attract an estimated 349,000 net new workers in 2026 just to meet demand for construction services. In 2027, that number is projected to grow to 456,000 new workers as construction spending is expected to increase.

But while the workforce shortage is real, so is the opportunity.

After spending more than three decades in the construction industry, I have become convinced that this challenge is not simply about hiring. It is about exposure. It is about perception. And it is about whether young people ever get the chance to see what a career in construction can truly offer.

For years, our industry has faced a growing disconnect with the next generation. Many students graduate from high school without ever stepping onto a jobsite, using tools, meeting a tradesperson, or learning about apprenticeship opportunities. Shop classes disappeared from many schools. Four-year college degrees became the default expectation. Meanwhile, careers in construction became largely invisible to many students, parents, and educators.

The result should not surprise us.

Young people cannot pursue opportunities they have never been exposed to.

The good news is that I have also seen firsthand what happens when that exposure does occur.

Over the last several years, I have had the opportunity to work directly with high school students through hands-on construction programs and summer camp experiences. Many of these students arrive with little or no understanding of the skilled trades. Some have never used a tape measure. Some have never held a drill or welding torch. Many assume construction careers are dirty, low-skilled jobs with little opportunity for growth.

Then something changes.

The moment they begin building something with their own hands, you can see their perspective shift. Confidence grows. Curiosity grows. Pride grows.

I have watched students who were initially hesitant become fully engaged after completing their first project. I have seen young people discover talents they did not know they had. I have seen students who never considered construction begin asking how to join apprenticeship programs and pursue careers in the trades.

Hands-on experiences change lives.

That is why exposure matters so much. A brochure may provide information. A presentation may create awareness. But when a student actually builds something, solves a problem, works alongside a craft professional, or sees a fabrication shop in action, the opportunity becomes real.

Construction is a hands-on industry. It should not surprise us that hands-on experiences are often the most powerful way to introduce young people to it.

This is also why workforce development cannot start when companies are desperate to hire. It must become a long-term investment strategy for our industry.

The subcontractors who will thrive in the next decade are not simply the ones offering the highest wages. They will be the companies investing in mentorship, training, culture, and early workforce exposure today.

This does not require every contractor to create a massive workforce program. There are many ways companies of all sizes can help build the future pipeline. Contractors can partner with local schools, host jobsite tours, support internships and summer programs, participate in apprenticeship outreach, encourage employees to mentor young people, and invite students and parents into training centers and fabrication shops.

Sometimes a single experience can completely change the direction of a young person's life.

But exposure is only the first step. If we want young people to enter our industry and stay, we also have to pay attention to what happens after they walk through the door.

Retention is workforce development, too.

A young person's first experience in construction matters. Their first foreperson matters. Their first crew matters. The way they are welcomed, trained, corrected, encouraged, and included can determine whether they see construction as a lifelong career or just a short-term job.

We cannot afford to bring young people into the industry and then lose them because they do not feel supported. The next generation wants to learn, contribute, and understand how their work connects to something bigger. They want feedback. They want opportunity. They want to know there is a path forward.

That does not mean we need to lower standards. In fact, it means the opposite. We need to teach the standards clearly, model professionalism, and create environments where young workers can ask questions, learn from mistakes, and develop pride in their craft.

For subcontractors, this is both a cultural issue and a business issue. When companies invest in mentorship and training, they build stronger crews. When they help young employees understand the "why" behind the work, they improve safety, productivity, and quality. When they show people a future, they increase the likelihood those people will stay.

The construction industry also has a powerful story to tell — but we have not always done a good job telling it.

Today's construction careers offer technology, innovation, entrepreneurship, teamwork, financial stability, and meaningful work. Young people are often surprised to learn about the opportunities available in BIM, advanced manufacturing, robotics, prefabrication, project management, service, estimating, safety, and skilled trades leadership.

These are not dead-end jobs. They are careers that can support families, create business owners, and provide lifelong opportunities.

We also need to do a better job speaking to parents and educators. Many of them care deeply about helping young people succeed, but they may not understand what modern construction careers look like. They may not know about apprenticeship programs, earning while learning, career advancement, or the many leadership paths available in our industry.

If parents and educators only see construction through an outdated lens, students will too. Changing perception requires us to invite them in, share real stories, and show the professionalism, skill, technology, and opportunity that exist in today's construction industry.

At the same time, our industry must continue broadening who feels welcome in construction. The future workforce already exists in our schools and communities. We simply need to create more pathways for students from all backgrounds to see themselves in these careers.

That includes young women, underserved communities, and students who may not see traditional college pathways as their best option. Too often, talented young people are overlooked simply because nobody introduced them to the opportunities available in the trades.

Workforce development is no longer someone else's responsibility. It belongs to all of us — contractors, associations, educators, unions, industry leaders, and business owners alike.

The workforce crisis will not be solved overnight. But it can be solved.

I believe the future of our industry is incredibly bright if we are willing to invest in it. Every time a student discovers confidence through hands-on learning, every time a contractor opens their doors to young people, and every time we help someone see a future in construction, we strengthen the future of our industry.

The next generation is out there.

Our responsibility is to help them see the opportunity, welcome them into the industry, and give them a reason to stay.

Because you cannot choose a career you have never seen.

About the Author

Angie Simon, P.E. is a Director with Maxim Consulting Group, where she facilitates peer groups and works with construction industry leaders to share best practices, solve business challenges, and strengthen company performance. Angie spent 35 years with Western Allied Mechanical, including serving as President and CEO, and is a former SMACNA National President. She is also the Co-Founder and President of Heavy Metal Summer Experience, a workforce development program that introduces high school students to careers in the skilled trades through hands-on learning and industry mentorship. More information about Heavy Metal Summer Experience can be found at **www.hmse.org**

FEATURE

Rethinking Waste Glass: Turning Yesterday's Bottles into Tomorrow's Building Materials

by Mary Klett, ASA Communications Team

ACE Glass Aggregates, also known as **ACEFGA**, was founded with a clear purpose: to turn waste glass into sustainable building materials while cutting landfill waste and helping build a cleaner future. At the center of that mission is the company's primary product, ultra-lightweight foamed glass aggregate, or UL-FGA.

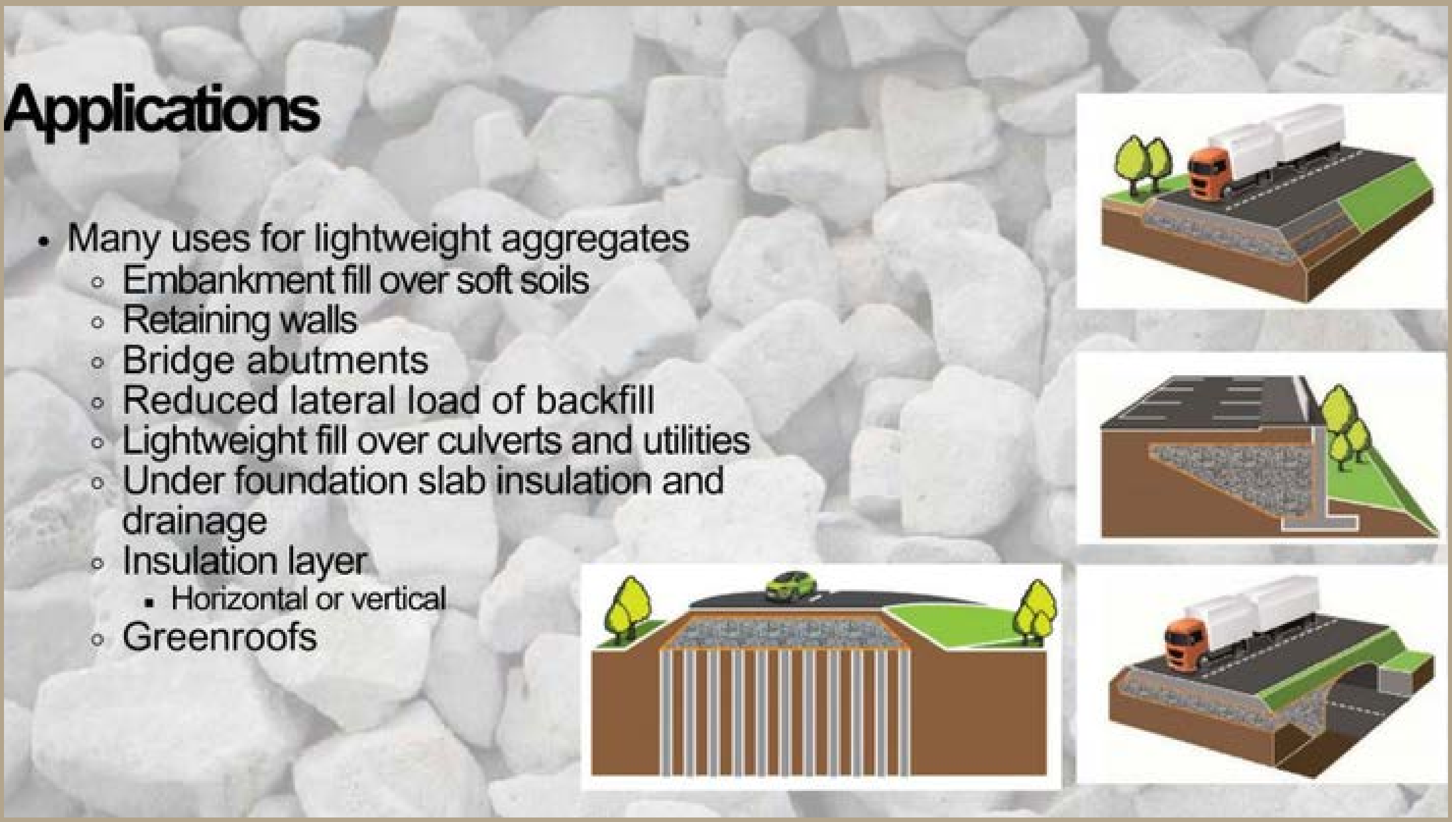
UL-FGA is manufactured from recycled post-consumer glass through a high-temperature expansion process. The result is a closed-cell, pumice-like material that is lightweight, moisture resistant, insulating, and structurally stable. Rather than allowing discarded glass to be stockpiled or sent to landfills, **ACEFGA** gives that material a second life in infrastructure and construction projects.

The company's origins were driven by both sustainability and market demand. Years ago, the founder, Courtney, Little, began looking for meaningful ways to recycle glass beyond traditional disposal or storage methods. That search led to Austria, where advanced foamed glass aggregate manufacturing technology had already been proven and used successfully in Europe.

From that experience, ACEFGA recognized a major opportunity in the United States. As infrastructure owners, engineers, departments of transportation, and contractors look for more sustainable and high-performance materials, foamed glass aggregate offers an alternative that meets both environmental and engineering needs.

Demand has grown steadily because UL-FGA provides several advantages over traditional materials.

- lighter in weight
- easier to transport
- moisture resistant,
- insulating
- environmentally sustainable
- structurally stable



These qualities make it especially attractive for projects where reducing load, improving drainage, or simplifying installation can have a major impact on cost and performance.

While traditional aggregates may sometimes appear less expensive upfront, foamed glass aggregate can create substantial project savings. Its lighter weight can reduce structural loads, lower transportation costs, improve drainage and insulation, and speed up installation. In some cases, UL-FGA can eliminate the need for more expensive engineered alternatives entirely.

One example is the I-30 project in North Little Rock, where UL-FGA was used to cover utilities. Other solutions would have required structural concrete encasement or bridge construction. By using UL-FGA, the project team found a more cost-effective solution that saved significant time and money.

ACEFGA is seeing strong interest in a wide range of specialty applications, including

- roadway and highway base construction,
- lightweight fill, geotechnical stabilization,
- retaining wall backfill,
- drainage systems,
- roofing systems,
- green infrastructure,
- flood mitigation, and
- sustainable commercial construction.

ACEFGA's foamed glass aggregate is designed primarily for performance rather than appearance. Its value lies in its engineering benefits, sustainability, and ability to solve difficult construction challenges.

Looking ahead, ACEFGA sees foamed glass aggregate moving well beyond a niche market. As the construction industry places greater emphasis on sustainable infrastructure, lower-carbon materials, landfill diversion, and circular economy practices, adoption of recycled glass aggregate is expected to grow nationwide. Similar technologies have been used in Europe for decades, and the U.S. market is now beginning to scale.

By transforming post-consumer glass into a lightweight, durable, and sustainable building material, ACE Glass Aggregates is helping redefine what waste can become — and giving contractors, engineers, and infrastructure owners a practical tool for building smarter, cleaner, and more efficiently.

FEATURE

Rethinking the Labor Gap: Why Productivity May Matter More Than Headcount

by Yael Meretyk Hanan, Pelles.ai

For years, the construction industry's response to labor shortages has centered on one goal: find more people. It's an understandable focus. After all, you can't build projects without skilled people in the field, experienced project managers in the office, and estimators capable of turning opportunities into work.

The challenge is that many contractors have spent the last several years chasing the same limited pool of talent. Even companies with strong recruiting and retention programs continue to struggle to fill key positions, from field labor to project management and estimating.

That raises an important question: What happens when there simply aren't enough people to hire? The answer isn't to stop investing in recruiting. Skilled people will always be the foundation of successful construction businesses. However, as labor shortages continue to impact the industry, contractors may need to start looking beyond headcount alone and ask a different question: How much more can your existing team accomplish?

In today's market, productivity has become just as important as workforce size. The companies that continue to grow won't necessarily be the ones with the most employees. They'll be the ones that help their people get more done with the time they already have. That shift in thinking is important because the labor shortage isn't only a workforce challenge. It's also a productivity challenge.

Every estimator knows what it's like to spend hours digging through bid documents instead of building estimates. Every PM has lost valuable time searching for specifications, tracking down information, or updating paperwork. Every foreman has experienced the frustration of waiting for answers while work in the field keeps moving. When skilled labor is hard to find, those lost hours matter more than ever. This is where technology is creating new opportunities for contractors.

Technology as a Force Multiplier

For most subcontractors, growth has traditionally required one thing: more people. More estimators to bid work. More PMs to oversee projects. More foremen to supervise crews. More office staff to keep up with the growing volume of documentation and communication that comes with every project. The problem is that adding people isn't always possible.

Technology offers another way to grow. Rather than replacing workers, modern construction technology helps contractors get more value from the teams they already have. Think of it as adding capacity without adding headcount.

A PM who can successfully manage six projects instead of four creates capacity. An estimator who can review more opportunities without sacrificing accuracy creates capacity. An office team that spends less time handling paperwork and more time supporting projects creates capacity.

That's the real opportunity. The goal isn't to replace people. The goal is to remove the friction that keeps good people from doing their best work.

The Capacity Advantage

The most successful contractors aren't just looking for ways to cut costs. They're looking for ways to create capacity. Capacity is what allows an estimator to bid another project this week. It's what allows a PM to take on another job without working nights and weekends just to keep up. It's what gives a foreman more time to plan work and support crews instead of chasing paperwork and waiting for answers.

Traditionally, increasing capacity meant hiring. Today, technology offers another option.

When information is easier to find, communication happens faster, and routine administrative work becomes more efficient, teams get valuable time back. Those hours can then be spent on the work that actually drives projects forward.

Something as simple as quickly finding the latest drawing revision can save time. Faster communication between the field and the office can prevent delays. Automating repetitive tasks can free up hours every week for project teams.

None of these improvements sound dramatic on their own. Together, however, they can have a meaningful impact on how much work a company can take on and how effectively teams can manage it.

For contractors facing labor shortages, that additional capacity can be just as valuable as adding another employee.

The Rise of Artificial Intelligence

While technology has been helping contractors improve workflows for years, artificial intelligence is opening the door to a new set of opportunities. AI has certainly generated plenty of attention. Some of that attention has been helpful, and some of it has created unrealistic expectations. The reality is that the most valuable uses of AI in construction aren't futuristic. They're practical.

The best AI tools aren't replacing experienced professionals. They're helping them spend less time sorting through information and more time applying their expertise. Consider how much information subcontractors deal with on a daily basis. A bid package can contain hundreds of pages of specifications, drawings, addenda, and supporting documents. Contracts continue to grow in complexity. Emails, RFIs, submittals, and meeting notes accumulate quickly throughout the life of a project. Reviewing, organizing, and finding information inside all of those documents takes time, often a lot of it. AI can help reduce that burden.

Today, AI tools can summarize specifications, identify relevant scope requirements, pull key information from contracts, organize project documents, generate first drafts of reports, and answer questions based on project information. None of these tasks directly install conduit, pipe, ductwork, or equipment. Yet they consume a surprising amount of time every day.

For an estimator, AI may mean spending less time searching through specifications and more time evaluating opportunities. For a PM, it may mean finding answers in minutes instead of spending half an hour digging through emails and PDFs. For office teams, it can reduce the amount of repetitive documentation work that often piles up during busy periods.

In many ways, AI acts like an additional team member focused on information and administrative tasks. It can handle much of the initial legwork, allowing experienced professionals to focus on judgment, decision-making, coordination, and execution.

Technology should handle more of the busywork. Your best people should spend their time solving problems, serving customers, and helping projects succeed.

The Best Contractors Think Differently

When you look at the highest-performing contractors, one pattern appears again and again: they rarely rely on a single breakthrough to drive growth. Instead, they are constantly looking for ways to get a little bit better.

A better estimating process. Faster access to information. Clearer communication between the office and the field. Less time spent searching for documents. Fewer mistakes. Less rework. None of those improvements are dramatic on their own. The value comes from how they add up over time.

An estimator who can bid one more project each week creates opportunity. A PM who spends less time hunting for information has more time to manage risk and keep jobs moving. A foreman who gets answers faster can spend more time supporting crews and planning work.

Those gains may seem small in the moment, but they stack up quickly. A few minutes saved here. An hour recovered there. One less mistake. One faster decision. Over months and years, those small improvements can create a meaningful gap between companies.

Technology doesn't create that mindset. The best contractors already have it. What technology does is help accelerate it. The companies getting the most value from technology today aren't chasing the latest trend. They're looking for practical ways to save time, reduce friction, and help their people do their best work.

Looking Beyond Headcount

The labor shortage isn't likely to disappear anytime soon. Retirements, workforce demographics, increasing project demand, and growing project complexity will continue to put pressure on contractors across the industry.

Recruiting, training, and workforce development will remain essential. There is no substitute for skilled people. At the same time, the industry's conversation about labor needs to expand beyond hiring alone.

The companies that come out ahead won't necessarily be the ones with the biggest workforce. They'll be the ones that help their teams accomplish more with the people they already have.

Technology, automation, and AI are giving contractors new ways to do exactly that. By reducing time spent on paperwork, improving access to information, and helping teams work more efficiently, these tools create something every contractor needs more of: capacity.

In an industry where every hour matters, creating that capacity may be one of the most effective ways to address the labor gap.

About the Author

Pelles.ai is the leading AI platform for trade contractors. From estimating to project execution and closeout, Pelles transforms contractors' knowledge, documents, and workflows into AI-powered systems. Pelles is a proud ASA silver member. Yael Meretyk Hanan is the CEO & Co-Founder of Pelles.ai and a recovering construction lawyer.

Train Your Best People. Keep Your Best People

Investing in leadership training paid off in retention at Chamberlin Roofing & Waterproofing

by Cathy Tyler, NCCER

When you face a workforce shortage, you likely focus your energy on recruitment. Contractors often treat the labor crisis purely as a hiring problem, spending immense resources to bring new talent into the company. However, if your new hires leave just as quickly as they arrive, your recruitment efforts fail to solve the core problem. To resolve your labor shortage, you must lower employee turnover.

In 2022, Chamberlin Roofing & Waterproofing — a premier commercial roofing and waterproofing subcontractor employing more than 800 professionals — was struggling with retention. On average, only one out of every four new hires remained with the company after 12 months. Chamberlin leadership decided to put intentional effort into fixing that.

They started with a comprehensive mentorship program to pair high-potential employees with seasoned veterans. The goal was to provide a transparent career path filled with more responsibility, better pay and clear advancement.

The mentor and mentee spend a year working closely together and setting structured goals. Additionally, the mentee participates in formal leadership training from the National Center for Construction Education and Research (NCCER). After completing Mentoring for Craft Professionals and Fundamentals of Crew Leadership, mentees who show they have developed the skills to lead others move onto the Construction Foreman Certification Program.

Target Frontline Management Challenges with NCCER Curriculum

The Construction Foreman Certification Program is a rigorous, turnkey training solution designed specifically to develop the leadership, communication and planning skills new or emerging field leaders need to succeed on any jobsite.

The program consists of five modules:

- Leadership and Supervision: Explores the direct connection between field leadership and project success. Foremen learn concrete strategies for managing diverse team dynamics, resolving on-site conflicts, coaching workers and managing crew performance.
- Communication: Addresses the exact communication breakdowns that delay projects. This module delivers practical techniques to improve field interactions, from giving clear orders to coordinating effectively with project managers and other trades.
- Productivity: Focuses entirely on the logistics of a profitable project. Foremen dive deep into operational processes critical to efficiency, including crew scheduling, site planning, and the structured management of tools, materials and jobsite logistics.
- Quality: Teaches the financial and operational necessity of doing work right the first time. It provides foremen with strategies to communicate quality requirements clearly to their crews and eliminate costly rework.
- Safety, Health and Environment: Shifts safety from a checklist to a leadership priority. Participants learn hazard recognition, immediate remediation, safety education and the supervisor's role in creating a zero-incident culture.

To earn NCCER's Construction Foreman Certification, learners must prove their competency. The rigorous program-level assessment is designed to evaluate their knowledge and readiness.

Alongside the curriculum, Chamberlin's Director of Training and Development, Bradley Rowan, reinforces the training with personalized biweekly one-on-ones, thorough progress reviews and practical role-playing exercises that mimic the daily pressures site leaders face.

This structure clearly works. Since launching this intentional leadership training in 2022, Chamberlin's overall 12-month retention rate for new hires skyrocketed by nearly 50%, rising from a low of 26.67% to an impressive 73.30% in 2025.

And among the employees who have completed these leadership programs over the past two years, 91% remain with the company today.

Not only are they staying, but they are developing into leaders more quickly. The structured program allows Chamberlin to condense years of informal field trial-and-error into a targeted framework. "We're able to upskill people in a year instead of what would normally take five," Rowan says.

This accelerated timeline does not sacrifice quality. While the national average passing rate for the Foreman Certification assessment is 76.86%, Chamberlin's personnel achieve an impressive 88.9% pass rate — demonstrating that these future leaders are mastering the material just as fast as they are moving through the ranks.

When craft professionals see an employer actively funding and mapping out their personal evolution from field worker to supervisor, loyalty follows naturally. Employees routinely praise the shift, noting that Chamberlin has successfully fostered an ecosystem where asking questions is celebrated and the "culture of wanting to grow" is deeply embedded.

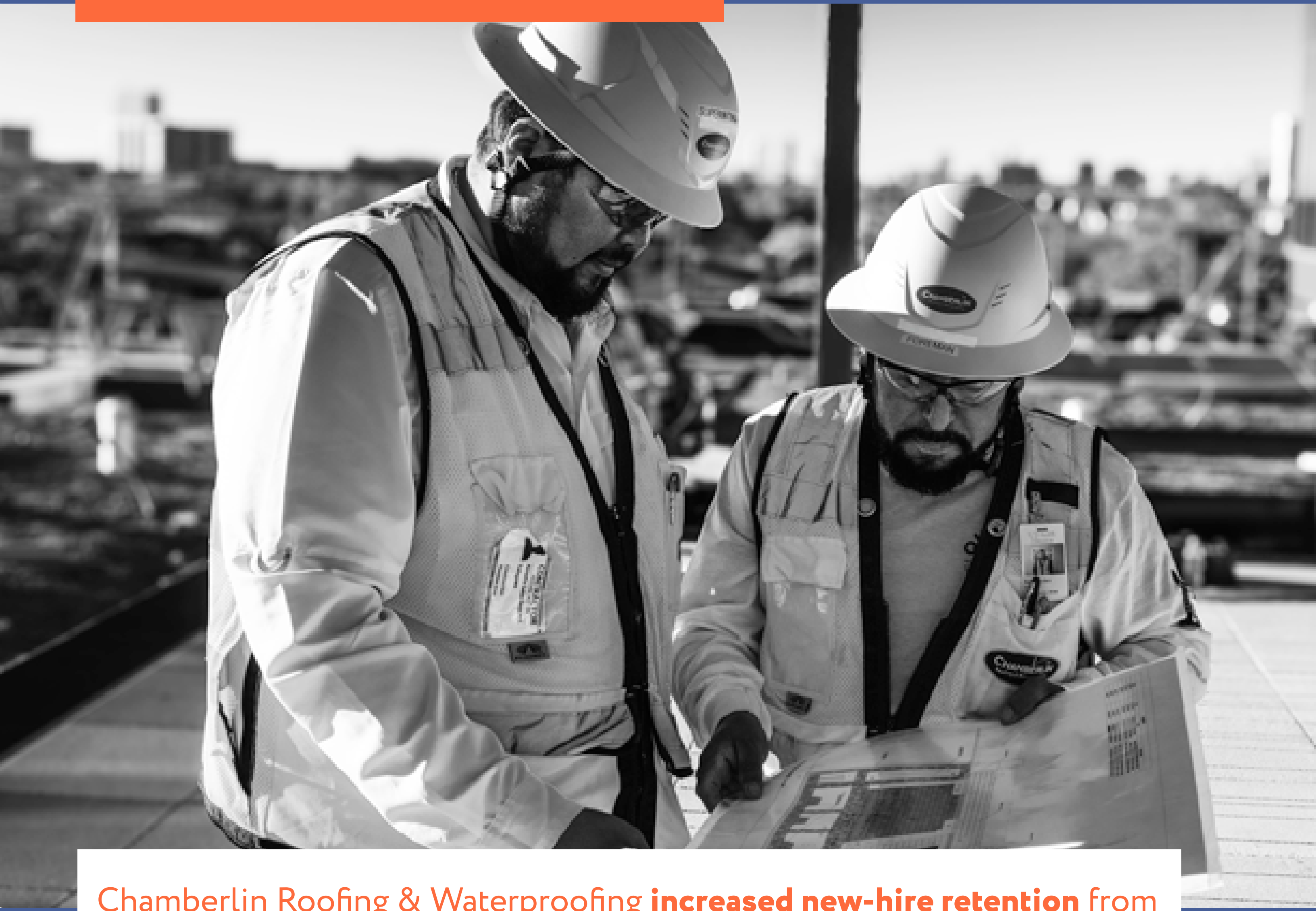
Chamberlin's success proves that addressing the labor shortage isn't just about widening the recruitment funnel — it's about plugging the holes at the bottom of it. By deploying a structured leadership path built on NCCER standards, subcontractors can simultaneously solve their operational leadership gaps and protect their most valuable assets: their people.

The blueprint is out there for implementation. If you want to keep your best people, you have to be willing to train them.

About the Author

Cathy Tyler is the Director of Workforce Development at NCCER and has supported the organization's mission for 26 years. Throughout her career, she has led impactful partnerships with organizations such as FFA, COABE, and Hiring Our Heroes, while also serving in leadership roles with ACCE and TIVA to advance workforce development initiatives both locally and nationwide. She is passionate about building cross-secto partnerships, developing workforce solutions, and strengthening industry outcomes.

BUILD LEADERS.
KEEP TALENT.



Chamberlin Roofing & Waterproofing **increased new-hire retention** from **26.7% to 73.3%** by investing in NCCER's foreman leadership program.

NCCER's Construction Foreman Certification Program prepares emerging field leaders to improve communication, productivity, quality and safety—helping you build stronger a stronger workforce.

Invest in leadership. Retain your workforce.
Explore the program at nccer.to/asa.

NCCER®
National Center for Construction Education and Research

FEATURE

The Current Buzzword of Construction Recruiting: Retention and Belonging

by Brian Drucks, Where Trades Go

After 50 years in construction, I've learned that labor shortages are rarely caused by a lack of work. They're caused by a lack of people willing, prepared, and inspired to do the work. Today, the construction industry faces one of the most significant workforce challenges in its history. I submit my white hair as supporting documentation. In those years, I've learned that nothing changes and everything changes at the same time. But lately I have noticed a few major paradigm shifts. There is a proliferation of not-for-profits doing an incredible job of spreading the word to today's youth about the benefits of a career in construction. While most of the messaging focuses on savings, (less college debt), as well as "AI" won't take your job away, these are today's buzz words that resonate more with parents than the kids. There's a high probability that today's youth have never built a tree fort or a go-cart, maybe even never touched a hammer. Construction is as foreign to them as today's social media driven world is to me.

Maybe that's why I'm seeing reports of 30% retention.

I see two solutions: setting realistic expectations and mentoring. Young people need authentic exposure to construction before making a career decision. Too often, we sell the opportunity without showing the reality. I remember one of my first construction jobs as a kid, working for a mason in the blazing hot summer. My job was simple: carry cinder blocks to the masons. There was no pep talk or preparation that could have prepared me for the reality of raw hands, sore muscles, and bruised thighs. But that's construction. My suggestion for getting real-life exposure: we need a formal summer jobs program. Other professional careers have "internships", which has some cache to it. we need to create a moment of FOMO for the trades. It will save all sides a lot of time, money and disappointment. Today's challenge isn't simply finding workers. It's competing for attention. Every young person carries a device that offers endless entertainment, social interaction, and career alternatives. Construction is no longer competing against other trades. It's competing against every opportunity a young person sees on their phone.

Part two is the mentorship. I visited Google and NVIDIA's corporate headquarters this year. The money and the effort that they put into wowing both new hires as well seasoned employees is mind blowing. Jujitsu classes, world class restaurants, 1-hour free massages, how can we compete with only a uniform, maybe a tool bag and a coffee truck? We may not be able to offer free massages and gourmet cafeterias, but we can offer something just as powerful: personal mentorship. Yesterday was Father's Day and I heard a speech about the role of a father. It's to raise "Good" men and women, to make sure that our children have the tools to prosper without us. Seems like that's the same role businesses have in mentoring. We need to ensure we have an environment that is welcoming, nurturing and inspiring! I know many of the larger companies have HR departments and address this, but the truth is many, if not most, construction firms do not. Have you ever sat down with your seasoned employees and actually discussed an onboarding plan? What a difference it made in my own firm. We were the perfect example of the Peter Principle, assuming our best craftspeople automatically knew how to train and mentor new employees.

Another measurable shift is the reduction in candidate response rates to recruiting efforts. Regardless of one's views on immigration policy, labor availability has clearly tightened. Employers are holding onto workers longer, and many candidates appear less willing to change jobs even when opportunities exist. My firm is constantly running recruitment ads on paid platforms as well as social media. Historically, our recruiting efforts generated 100 to 200 responses and yielded three to five qualified candidates. Today, we're seeing only 20 to 30 responses from the same efforts. I do not necessarily connect the decline to candidates with illegal status as the reason. I see it more that companies are holding onto their existing staff, even when things slow down, because they're so afraid of not being able to replace them or bring them back when things pick up. I also see, and have experienced, people with legal status to work here, being afraid to put themselves out there. This situation as well as the aging demographics is not sustainable.

But like everything in life (and in the words of the Rolling Stones), you can't always get what you want, but if you try some time, you can get what you need.

The trades built this country, and they will continue to build its future. As a fourth-generation contractor and the owner of a technology company focused on workforce solutions, I remain optimistic. If contractors, educators, associations, workforce organizations, and policymakers work together, we can create a stronger pipeline for the next generation.

Years from now, today's young tradespeople will be telling their grandchildren about the opportunities, careers, and lives that the construction industry made possible.

About the Author

*A fourth-generation tradesman, Brian Drucks began his journey in the construction industry at just 14. Brian is the founder of Drucks Inc., a commercial painting contractor serving the Tri-State area, known for major projects such as Giant Stadium and the American Dream Mall. Alongside his success in construction, he's a seasoned entrepreneur in the tech space, having launched several software startups. His latest venture, *Where Trades Go*, is a mobile platform that connects tradespeople with jobs and training opportunities using a smart-matching algorithm—similar to how dating apps connect people.*

Sustainability Drives Design Decisions, Say Glass Industry Exhibitors at AIA26

by Norah Dick, Glass.org

The AIA26 Expo was held in sunny San Diego, June 11-12. The show floor featured around 600 exhibitors, including leading glass and fenestration industry companies. Company reps say that sustainability continues to drive architect interest in building products, while security and protection are also becoming major considerations. Booming sectors like healthcare and data centers are also shaping glass industry innovation.

Architects want sustainability with aesthetics

While federal considerations for sustainability may have shifted, glass and fenestration exhibitors say architects remain focused on multifunctional sustainable solutions that also perform aesthetically.

One of those solutions included YKK AP America's timber and aluminum-based façade solutions. Following their parent company's acquisition of German-based Seufert-Niklaus GmbH—a manufacturer of timber and aluminum systems—YKK AP showcased the new façade product at the show. Architects like the aesthetics of timber, says Steve Schohan, marketing and communications manager, as well as its thermal performance. Triple glazing will also be possible for the system, he says.

Mass timber's appeal has grown in the last 10 years according to representatives of Think Wood, a communications collective formed to provide information and resources about wood and mass timber products to builders. While aesthetics and sustainability are major factors, say reps—including wood's renewability and low embodied carbon—architects also appreciate its durability. Mass timber can be sanded and refinished during the life of the building.

Security and safety are major design considerations

Exhibiting glass industry companies showcased a range of security solutions, including glazing and hardware. Company reps for Action Bullet Resistant and U.S. Bullet Proofing say that architects are looking for better energy performance from security systems as well. Security is also expanding into behavioral health environments. Graham Architectural Products, a brand of Oldcastle BuildingEnvelope, showcased its recently released GT6300 Human Impact Window system designed for patient protection. Andreea Papas, vice president of marketing for Oldcastle BuildingEnvelope, says that security and protection are becoming major major design considerations. "Designers may not be implementing the most security on every project, but they're doing something, even if it's considering sightlines and safe pathways to exit."

This interest also requires education, Papas says, as knowledge about standards and testing of glazing products remains variable in the building community.

Data center construction implements security solutions

Several exhibitors also mentioned that they're seeing a greater demand for security products—including high performance glazing and security locks—for data centers. Nicole Bauer, senior marketing coordinator at Total Security Solutions says the company has seen increasing demand for forced entry protection for new projects. Reps for Assa Abloy similarly say they've seen increased demand for their security devices in new construction of data centers.

Data centers are part of the infrastructure that powers AI. Virginia and Texas have the largest number of both existing and planned data centers, according to Pew Research Center data published in April; as the leader, Virginia currently operates 398 centers, with 287 in planning. As of the reporting, 38% of Americans live within 5 miles of at least one data center, which tend to be built in clusters. In total, the U.S. operates 3,000 data centers, according to Pew, with that number likely to expand "substantially" in the coming years.

Builders of new data centers may be implementing preventative security solutions due to growing community concerns about the expanding construction. While high profile attacks on the physical structures themselves have not been reported, the home of an Indianapolis city council member who supported data center construction was attacked in April. Recent research from Gallup found that seven out of ten Americans oppose local construction of AI data centers.

About the Author:

This article originally appeared in Glass Magazine on June 16, 2026. Norah Dick is the editor for Glass Magazine. She can be reached at ndick@glass.org.

FEATURE

“Put the Rookie In; We Paid for Them So Let’s See What They are Worth”

How organizations persistently run a deficit in the personnel arena

by Gregg M. Schoppman, FMI Corp

No one has ever said, “If we lose <INSERT NAME>, we are in so much trouble…” Consider a championship football team. There are only 11 players on the field at any given time representing a team. However, whether collegiate or pro, the roster has 105 or 53 players, respectively, providing a certain level of depth. While losing the star quarterback is never an ideal situation, a team still has the capability to perform. For whatever reason, many construction organizations appear to consistently run a personnel deficit. As a full disclaimer, it is understood that a professional football team has a slightly different payroll and revenue structure than a normal construction firm. However, for all of the bluster on the enormous salaries and payrolls, they are consistent and relative with the competition and there is also a salary cap in place to maintain a level of competitiveness.

Now consider a construction organization. Regardless of the revenue, every “player” is playing the game. If there are ten project managers, there are 10+ projects accounting that each manager is married too. If one of those

managers was to leave— voluntarily or involuntarily—the fragile balance is disrupted. The organization can certainly find a free agent in the market to replace the departed, but there are concerns about learning the operational playbook on short notice, cultural assimilation, etc. One of the worst scenarios has an operational leader—CEO, President, COO, Director, Executive, etc.—taking over for the void left. What often begins as a stop gap measure: "Just until we find a replacement…" often becomes a long-term proposition. This is the equivalent of the head coach suiting up to fill in for an injured quarterback. Not sure about you but it might be interesting to see Andy Reid filling in for Patrick Mahomes instead of filming the silly insurance commercials.

A Case for Bench Development

So, should we have four project managers riding the pine while the balance of the team runs work? In an ideal world, each manager or superintendent would have a back-up but in an extremely delicate economic model such that the construction world provides, the back-up will be an understudy. For instance, great organizations have progressively feathered in the role of the project engineer. The challenges is balancing that position's role as a support player and continuing the development of that future generation of project leaders. In most cases, the best source of bench strength comes from within in the form of "rookies." Great firms create a model that allows this less experienced cadre of associates in the form of the following:

- Mentorship—There has to be a feedback mechanism that creates on on-going dialogue about everything from performance to simply being a sounding board
- Deliberate Training—Training is not just a one-off event that occurs annually but rather a systematic program that supplements learning throughout a career.
- Career Progression—How does that rookie get an opportunity to play in the big leagues? How does one continue to take steps up the ladder?

Strategic Building

So, you want to grow at some modicum level of growth by the year 2030 but you haven't thought through the staffing considerations yet?

Consider this scenario:

Brand X Construction

- Revenue $50M
- Project Managers – 4
- Superintendents – 7
- 2030 Projection - $100M

There certainly is an argument to be made that the firm needs at least 4 more managers and 7 more superintendents. The firm could certainly aim to simply do higher revenue spread over the same number of projects annually (i.e. larger project size) but for this case we can assume a constant project size. Now consider this, what if the firm historically has an attrition rate of one manager/superintendent a year. In reality the team will need eight managers and 14 superintendents at a minimum. This also does not allow for promotions, retirements or successions. If this firm simply does the bare minimum in its hiring/development goals, it will be holding serve and barely address the strategic side of the business. The smart leaders realize that strategic growth is hardly just about securing more work but rather being a firm that makes talent acquisition and talent development the hallmark of their long-range strategic plan.

Additionally, we have to look at one of the fallacies of bench strength. Simply put, if a firm had the people, they will use the people. For instance, what if they do hire a junior manager with the intention of that person being a development project. But what if a project comes across the transom that was not anticipated. Rather than being disciplined and acknowledging a scarcity of resources within the firm, leaders quickly take the project, retorting, "Well, we have to cover these costs…" Think about our football team—they land an amazing draft pick and immediately think, "I guess we plan to run plays with 13-14 players each play…" It is one thing to provide that rookie a few plays as a developmental tool but it is another to drop them in the middle of a game—perhaps a losing game?—just because.

The good news is that revenue is growing but at what cost? The bench is back to zero depth and a rookie is thrust into the role of "starter" overnight. It is certainly not an easy feat to balance backlog in a world of slipping starts and kick-offs. On the other hand, too many leaders view bench depth as a sign of weakness or "being idle." It is one thing to have to insert a project engineer early because of a surprise resignation when compared to "finding a project" for that project engineer so they can earn their keep.

About the Author

As a principal with FMI, Gregg specializes in the areas of productivity and project management. He also leads FMI's project management consulting practice. He has completed complex and sophisticated construction projects in several different niches and geographic markets. He has also worked as a construction manager and managed direct labor. FMI is a unique and fast-growing firm of professionals passionate about creating a better future for engineering and construction, infrastructure and the built environment throughout North America and around the world. For more information on FMI, please visit www.fminet.com or contact Schoppman by email at gschoppman@fminet.com.

FEATURE

Marketing Should Be Part of Your Recruiting Strategy

by Valerie Jimenez, Bold Entity

Almost every contractor I know has sung some version of the same song: "We don't need marketing."

And when they're talking strictly about lead generation, that's often true. Many subcontractors have strong relationships, repeat customers, steady referrals, and more opportunities than they can realistically take on. In fact, for some companies, the sales pipeline is not the biggest constraint on growth.

The bigger constraint is ... people.

Projects have to be managed. Bids have to be prepared by careful, capable estimators. And of course, field work requires skilled tradespeople. If a company can't attract and retain the right people, growth becomes difficult to sustain.

In other words, the labor shortage isn't just an HR problem. It's a business development problem.

Luckily, smart marketing can help solve it.

Marketing is often misunderstood; most contractors think of it as something to do when you need more leads. But at its core, marketing is just a fancy word for communication – how the right audience understands who you are, what you value, **and why they should trust you.**

Yes, this applies to customers. But it also applies to employees.

The reality is, people you want to hire have choices. Some might be actively job-searching; others might be open to the right opportunity if it feels more aligned with their goals, values, or future. But before they submit an application, answer a recruiter's call, or agree to an interview, they'll search you up on Google, look at your website, and click on your social media pages.

That's where marketing becomes part of your recruiting strategy.

Recruiting is so much more than posting a job – it's about building enough trust, clarity, and interest that top professionals can imagine working for your company. So how do you use marketing to recruit top talent?

1. Strengthen your "About Us" and "Careers" pages.

Many subcontractors' websites are written almost entirely for customers. They explain services, capabilities, past projects, and markets served, but say very little about what it's actually like to work there.

That's a huge missed opportunity. Your "About Us" and "Careers" pages are powerful recruiting tools.

"About Us" should answer basic questions a candidate may have about your company. How long have you been in business? Who leads the organization? What kind of work do you do? What markets do you serve? What values guide the company? What is the firm known for? What does your team take pride in?

This information matters because candidates are looking for signals: is the company stable? Is leadership visible, and credible? Does the firm have a clear direction? Do you tackle interesting projects? Does your workflow align with what they want to do?

Your "Careers" page shouldn't simply be a place to list openings. Instead, it should also speak directly to the candidate experience by helping candidates picture your work environment.

Put up photos of real employees, job sites, training moments, and company outings. If you host employee appreciation events, show them. If you invest in safety training, show it. If you participate in community events, show them. If your field teams work on technically complex projects, show the work.

People trust what they can see.

Don't be scared off by this – every photo doesn't have to be perfect. Yes, professional photography is better, but if you use visuals that are authentic and intentional, candidates will get a real sense of what it's like inside your company.

Try this exercise: Visit your own career page, as if you were a job-seeker. Would you understand what kind of company it is? Do you get a sense of the work, the environment, the team? How easy is it to apply? Do you feel confident that somebody will actually evaluate your application? Don't ignore that last question: you'd be shocked at how many companies ignore the applications that come through their website, which means that great candidates – who have literally sought them out – fall through the cracks.

2. Show what makes your company different.

Here's how most subcontractors describe themselves: They do quality work. They're relationship-driven. They're family-oriented. They care about safety.

Those things may all be true. The problem is that they are also common.

Today's candidates are not only asking, "Can I get a job here?" they're asking, "Is this place right for me?" But when companies say the same thing, candidates have no real way to choose one over another.

How can smart marketing help answer that question? Start by identifying what actually makes your company different. Not what sounds good, but what is true.

Maybe your shop is known for taking on highly technical work. Maybe you have a strong training program that gives younger employees a clear path to advancement. Maybe you're deeply involved in the community. Maybe you're faith-driven. Maybe you're family-oriented in a way that shows up through policies, events, flexibility, or leadership decisions. Maybe your team is especially social and relationship-driven. Maybe your company enables people that want to be challenged to grow quickly.

The point isn't to appeal to everyone. The point is to be specific enough that the right people will recognize a fit.

A company that's intense, fast-moving, and performance-driven should not try to describe themself as relaxed and easygoing, just because that sounds appealing. A company that's deeply values-based should not hide those values because it's afraid not everyone will relate to them. A company that specializes in complex work should not market itself as if all projects are the same.

When companies are too generic, they attract generic interest. When they're specific, they help people self-select.

A practical way to uncover your "vibe" is to ask your current employees a few questions. Why did you choose to work here? Why have you stayed? What kind of person does well here? What surprised you about the company after you joined? What are you proud to tell others about your work? What would you want a future employee to know before applying?

Their responses can become the foundation of your recruiting message.

Now look at the work itself. What projects would make someone proud to be part of your organization? Are there project photos, case studies, or stories that show the level of complexity or craftsmanship involved? Are there team members who can give a quote about how they've grown because of the type of work you do?

The strongest recruiting messages are not invented. They're discovered inside the company – and then amplified.

3. Make sure your online presence matches your reputation.

Your reputation already exists. The question is whether your online presence supports it ... or weakens it.

Candidates will look at your website, LinkedIn, Facebook, Google Business Profile, employee reviews, project photos, videos, news, and leadership profiles. Each touchpoint sends a message.

If your shop is known for doing excellent work but your website and social media look dusty and outdated, that creates a disconnect. If you tout a strong culture but there are no photos of your team anywhere, that's a disconnect. It's an especially powerful disconnect if you say you care about people, but employee comments or online reviews suggest otherwise.

Candidates may not judge your company on one item alone, but they will look for patterns. Does the story feel consistent? Does this firm appear organized? Stable? Does it seem like leadership cares? Does the online presence match what the recruiter or hiring manager is saying?

This is especially important when you're recruiting people who already have jobs. Someone who is happily employed is taking a risk by considering a move, so they want to be confident that the opportunity is real, the company is stable, and the culture is what it claims to be.

One practical way to see your company through a candidate's eyes is to use an AI search tool to conduct a "brand audit" so that you know what a candidate might see, question, or notice, before they ever speak to your team.

Try this prompt:

"I am considering whether [Company Name] in [City, State] is a good company to work for. Using publicly available information, review the company's website, career page, social media, Google Business Profile, employee review sites, project history, leadership visibility, and any recent news or community involvement. Give me a short synopsis of the company's employment brand. Identify positive signals, potential concerns, inconsistencies, and anything especially interesting a job candidate may notice. Do not overreact to one negative review; instead, look for patterns. End with five questions a candidate might ask in an interview based on what you found."

This type of search won't tell the full story of a company's culture, but it can reveal what your public presence is communicating.

Next, ask AI: What would a candidate believe about us based only on what they can find online?

If the answer doesn't match the company you know, use marketing to close the gap.

Don't worry – this doesn't mean a subcontractor needs to post every day. It does, however, suggest that the public-facing presence should be more intentional, up-to-date, and consistent. One strong update per week can go a long way if it shows things like project progress, team wins, employee milestones, safety achievements, training, and community involvement.

It's also important to remember that your online reputation is not only about what you say about yourself, it's also about what others write. Companies need to pay attention to online reviews, community comments, and employee feedback, and respond appropriately whenever possible. Marketing can communicate a story, but it cannot cover up a problem. Your internal reality and your external messaging need to match.

Marketing can never replace HR, strong leadership, competitive compensation and benefits, ongoing training, or a well-defined culture. But it will make those things visible to the talent pool you need.

For subcontractors facing labor challenges, the solution is not just to post more jobs or call more recruiters. It's to ask a more fundamental question: Are we giving the right people enough reasons to choose us?

If the answer is unclear, marketing may be one of the most practical places to start.

About the Author

Valerie Jimenez is the Founder and CEO of ***Bold Entity****, a strategic marketing firm that helps commercial construction and industrial companies strengthen their positioning, visibility, recruiting, and business development outcomes. Her work has helped contractors reduce recruiting costs by up to 82%, improve market recognition ahead of successful ownership transitions, and reposition second generation companies for high growth. Bold Entity clients maintain an average of 35% annual growth by becoming better positioned to win the right opportunities.*

UPCOMING WEBINAR

ASA Health Advantage Plan: The Power of Buying Together

Tuesday, July 14, 2026
12:00 PM – 1:00 PM (EDT)

An outline of the ASA Advantage Health Plan and why now is the time to see what it looks like for you. An overview of the quoting procedure and ongoing service provided to membership. Presented by Chris Cordon.Chris Cordon is a Benefits Consultant at Affinity Benefits with 17 years of experience working with small businesses and trade associations. Winning multiple awards over the years for his leadership of building teams to help small businesses, he now sees his mission as interrupting the crushing volatility of health insurance premiums for small and mid-size employers.

Register Now

BOBYARD

HIGH-PERFORMANCE ESTIMATING

PURPOSE-BUILT MODELS, TRADE BY TRADE

[LANDSCAPING] [ELECTRICAL] [FINISHES]

AI TRAINED ON REAL BLUEPRINTS

Bid faster. → Win more.

AI specifically built for the trades that makes every estimator, every bid, and every workday count for more.

50–90%

LESS TIME ON EVERY TAKEOFF

FASTER BIDS. HIGHER WIN RATES. SAME TEAM

BOOK A DEMO

FEATURE

The Biggest Expansion of Federal Scholarship Money in 50 Years Is at Hand — and Almost Nobody Is Ready for It

Hundreds of millions are available, but states are scrambling to put the policy in place and half of consumers don't know about non-degree options

by Jon Marcus, Hechinger Report

At a time when polls show two-thirds of Americans think a higher education is no longer worth the price, Forsyth Technical Community College has a message for them.

"College," it says, "could cost you nothing."

The planned marketing slogan is a reference to the most dramatic expansion in more than 50 years of federal grants for education after high school — and the reality that few consumers know they could benefit from the kinds of programs for which hundreds of millions of dollars will be available as soon as this summer.

The lack of awareness is made worse by the fact that many states whose job it is to put the policy into place aren't yet ready, meaning only a comparatively limited number of consumers will initially be able to use the money for a relatively small number of programs.

"There's a huge awareness gap with people not understanding what it is, what programs are eligible and how much they can get," said Devin Purgason, associate vice president of student experience, marketing and outreach at Forsyth Tech, which is in Winston-Salem, North Carolina.

The new policy, known as Workforce Pell, widens the scope of federal Pell Grants by helping lower-income learners pay not just for associate or bachelor's degrees, but for **nondegree job training as short as eight weeks, which was previously not covered, in high-demand fields including nursing, phlebotomy, child care, truck-driving, welding, car repair and HVAC**. This at a time when two-thirds of registered voters think a four-year degree is no longer worth the cost.

Passed less than a year ago as part of the One Big Beautiful Bill Act, Workforce Pell has had to be set up so quickly that the National Governors Association calls it "one of the most consequential near-term policy challenges" states have faced.

While the provisions formally take effect July 20, states and institutions are allowed to get started as early as July 1. But most are still scrambling to figure out which training programs will satisfy the dozens of pages of eligibility requirements. The governors association has counseled members to approve only a limited number of the highest-quality programs at first.

"I don't know that this is going to be a ribbon-cutting kind of moment on July 1," said Autumn Rivera, senior policy specialist for state and federal education and workforce at the National Conference of State Legislatures. "It's one of those things where the states are trying to wrap their heads around this still."

One result is that, as significant of a change as Workforce Pell might seem, it is almost certain to start small. As few as several hundred out of the tens of thousands of nondegree programs on the market are likely at the beginning to meet the eligibility criteria — which include the requirements that at least 70 percent of learners successfully graduate and get jobs within six months that pay enough to justify the cost — the U.S. Department of Education has said.

As many as 28,000 may eventually qualify, Nicholas Kent, undersecretary of education, told a conference of education journalists.

More than half of nondegree programs in the trades and in business and about half in health are expected to be covered, but as few as four percent will make the cut in "public service and consumer" fields, which include such subjects as early childhood education, retail and culinary fields, fashion and interior design, the department estimates. In one state, North Carolina, a consultant hired to compare all kinds of community college nondegree programs with the requirements of Workforce Pell found that only about four percent were eligible.

While more than 4 million students a year take nondegree courses at community colleges alone, according to the American Association of Community Colleges, the Department of Education expects between 184,000 and 188,000 per year to benefit from Workforce Pell. The Congressional Budget Office projects the number will be closer to 100,000. That compares to 7.4 million recipients who get Pell Grants annually for bachelor's and associate degrees.

Still, payouts averaging about $2,200 each will become available beginning this summer to learners in nondegree programs who previously didn't have access to federal Pell Grants. These include courses leading to certificates, occupational licenses and certifications.

"It's a way that learners can really think about, 'Hey, I can go back and get that critical credential of value to become upwardly mobile,' " said Priscilla Camacho, chief legislative, industry and external relations officer at the Alamo Colleges District in San Antonio, Texas.

Like Forsyth Tech, Alamo is gearing up to promote its Workforce Pell-eligible programs — in its case, with a one-minute video that avoids complex insider lingo. "Your fast path to in-demand careers," it calls them, simply.

"Even though we offer these opportunities for short-term learning, the folks we talk to in focus groups don't see themselves as students," said Kristi Wyatt, Alamo's vice chancellor for strategic communications, marketing and brand experience. "Many of them are working adults with families, and they are looking for the quickest way of upskilling themselves."

The average age of people traditionally enrolled in nondegree courses is 38, according to research based on data from occupational training in Texas, which makes them harder to find and recruit than, say, students in high schools.

Surveys show that fewer than half of people who could most benefit from these nondegree programs know about them.

Not even college counselors and career advisers are prepared to advise consumers about the kinds of programs covered by Workforce Pell, a survey by the National College Attainment Network found. Fewer than one in 10 said they felt very confident about explaining the programs, while 40 percent said they were not very or not at all confident.

"A lot of these populations don't know this exists," said Rivera, of the association of state legislatures. "That's one of the main concerns our membership has raised."

There are other hurdles. The legislation left it mostly up to states to determine what fields are in highest demand and which programs meet the requirements, including graduates getting jobs and earning salaries that justify the cost of the training. At least a quarter of states haven't previously collected this data, research shows.

Where such information is available, it often is divided among different agencies, is incomplete and limited and excludes people who work for themselves or for the government or military, which are not part of the unemployment insurance system commonly used to track employment histories, an analysis by the consulting firm HCM Strategists found.

Without solid reporting about outcomes, advocates fear that the sudden infusion of federal cash could lead to the deceptive recruiting tactics and other risks to consumers that have historically characterized some nondegree programs.

In the past, "short-term programs were attractive to abusive colleges because they could churn a lot of students through in a short amount of time," said James Kvaal, undersecretary of education during the Biden administration and now vice president of the National Program at the Carnegie Corporation of New York.

Navigating the huge number of credential programs of all kinds has only gotten harder. There are nearly 1.9 million such programs offered in the United States, by 134,491 providers, including both degree and nondegree, according to the nonprofit Counting Credentials project.

Returns vary widely. One study by researchers at the University of Michigan and the Strada Education Foundation found that graduates from nondegree programs at community colleges in Texas earned about 4 percent more, two years after finishing, than they made before enrolling. But the increase for those trained in transportation and engineering technologies was two to four times higher, while learners who studied business, marketing, information sciences, communication and design saw essentially no gain at all.

A separate study of 23,000 nondegree credentials by the American Enterprise Institute and the Burning Glass Institute found that slightly more than one in 10 resulted in a 10 percent or higher increase in pay.

Still, there is pushback from providers — many of them for-profit schools — that teach programs almost sure to be disqualified from Workforce Pell. Eighty-three percent of the objections to it during a comment period were in defense of schools that teach those subjects, an analysis by higher education consultant Phil Hill and Associates found. Nearly 93 percent of cosmetology programs won't meet the requirements, for example, Hill has calculated.

Those with programs that likely will qualify, meanwhile, said they are eager to get started.

"The opportunity is going to be great," said Purgason, at Forsyth Tech. "I just think we're going to be very slow at this."

This story about Pell Grants for job training was produced by The Hechinger Report, a nonprofit, independent news organization focused on inequality and innovation in education. Sign up for our higher education newsletter. Listen to our higher education podcast.

The Hechinger Report is a nonprofit newsroom powered by reader support

About the Author

Jon Marcus writes and edits stories about all forms of education past high school, including who gets into college, how much it costs (and why), what people get for their money and the alternatives that are increasingly available. He is a longtime journalist who started covering higher education in Florida. His stories about higher education have since run in media including The Washington Post, The New York Times, The Boston Globe, Wired, the Times (U.K.) Higher Education magazine and NPR, and I have won or been a finalist for the National Headliner Awards, Mirror Awards, National Awards for Education Reporting, City and Regional Magazine Association, Deadline Club of New York City and others. I've also been a magazine writer and editor, and I cohost the NPR higher education podcast "College Uncovered" and teach journalism at Boston College. This article originally appeared in The Hechinger Report newsletter on Jun 11, 2026.

Jon Marcus at 212-678-7556, jmarcus@hechingerreport.org or jpm.82 on Signal.

UPCOMING WEBINAR

SALT Overview and Risk for Subcontractors

Tuesday, August 11, 2026
(12:00 PM - 1:00 PM) (EDT)

This session will provide an overview of state and local tax (SALT) issues that are particularly relevant to subcontractors, including an overview of relevant taxes. The presentation will address practical compliance strategies and highlight common audit issues. After this session, you will be able to:

- Identify key taxes that apply to subcontractors in different states and localities
- Recognize compliance risks and common audit triggers specific to subcontracting activities
- Apply best practices for documentation and exemption certificate management
- Understand recent tax trends relevant to subcontractors
- Implement strategies to minimize exposure and ensure ongoing compliance with evolving SALT requirements

This course is designed for subcontractors, construction and service industry professionals, project managers, controllers, accountants, and anyone responsible for tax compliance or risk management in organizations that perform work across state and local jurisdictions.

About the Presenters:

Thomas Miller, MBA, JD, LL.M., REDW LLC

Tom Miller leads REDW LLC's State & Local Tax (SALT) group, applying over 15 years of specialized experience to help businesses navigate the complex landscape of multistate taxation. From compliance to strategic consulting, he supports clients operating in all 50 states by identifying tax-saving opportunities and minimizing risk. Recognized for his diligence and knowledge of tax law, Tom has taken on leadership roles within the SALT practices of both global accounting firms and private industry. His broad exposure to indirect tax functions and multistate compliance issues gives him a well-rounded perspective and practical insight into the unique challenges businesses face across jurisdictions.

Thomas Boyle, JD, LL.M, REDW LLC

Tom Boyle brings over six years of experience in State & Local Tax, assisting businesses with complex multistate tax issues. He advises businesses on nexus studies, voluntary disclosure agreements, audit defense, reverse audits, and taxability analyses, helping them reduce risk and uncover savings opportunities. Tom's expertise spans both income and indirect taxes, including sales and use tax. As an attorney, Tom combines legal insight with practical tax strategies to guide businesses through compliance and planning challenges across multiple jurisdictions.

Register Now

AMERICAN
SUBCONTRACTORS
ASSOCIATION

DEFENDING OUR FUTURE

SUBCONTRACTORS LEGAL DEFENSE FUND

ASA's SLDF supports critical legal activities in precedent-setting cases to protect the interests of all subcontractors.

FIGHTING FOR THE RIGHTS OF THE CONSTRUCTION SUBCONTRACTOR COMMUNITY NATIONWIDE

ASA underwrites the legal costs of filing "friend-of-the-court" briefs to inform the Court regarding the broader impact of relevant cases throughout the country. We have won dozens of these cases since 1997, setting precedent for subcontractor operations and management today and into the future!

Donate Now
sldf.net