

Recruitment and Retention Amid an Installation Labor Crisis

Ed Metcalf

edm@metcalfadvisory.com



The next 50 minutes...

- Keys to recruitment and retention
- Share research on labor crisis
- Survey says
- Do something!



1) Keys to recruitment and retention

- Sellers' market: The best candidates are being be very selective
- Be prepared to pay market prices
- Your company culture is on trial
- Provide clear career paths
- Invest in upskilling existing resources
- Are you really checking enough technology boxes?
- What's your cause?
 - Social justice is a tangible value to younger people



What most motivated employees to switch jobs in 2021?

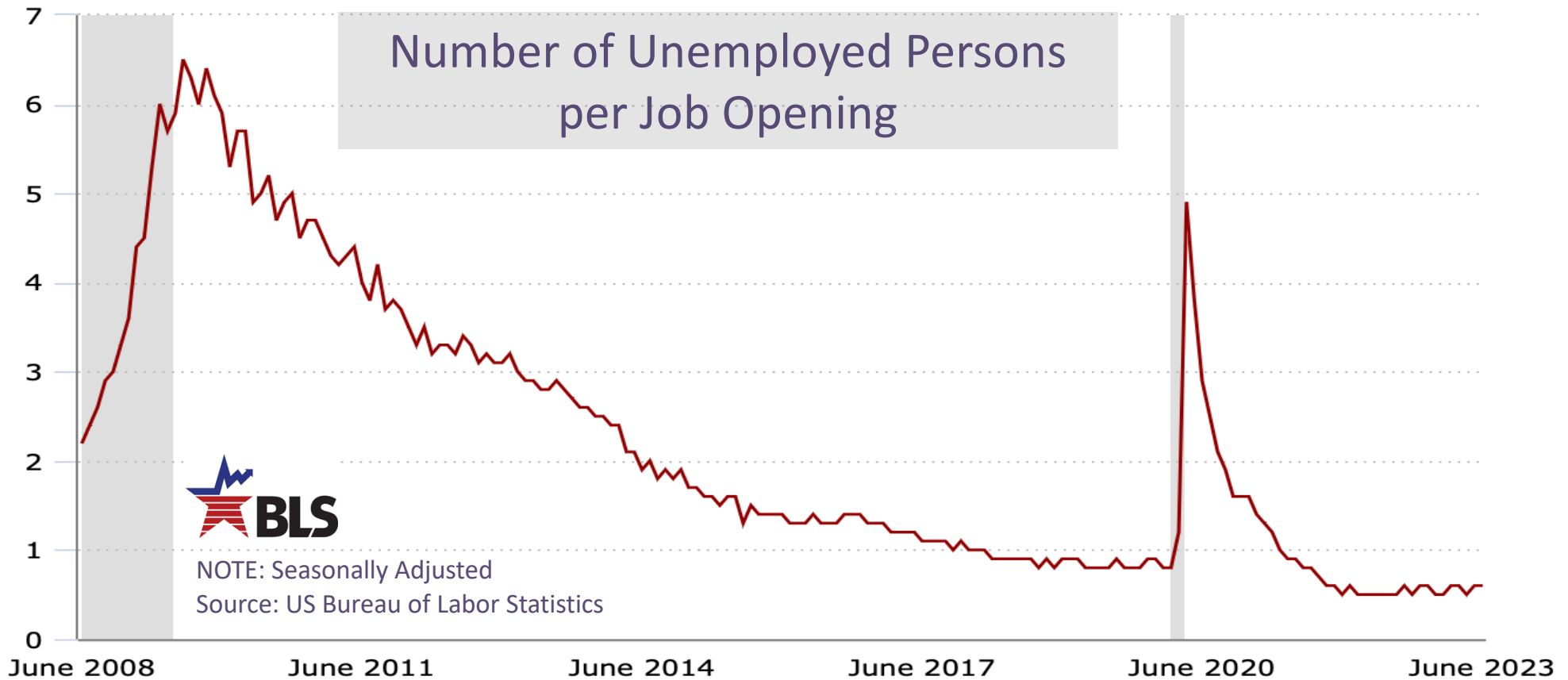
- 64% Significant increase in pay/benefits (was 41%)
- 61% Greater work/life balance. Wellness (was 19%)
- 58% A job that plays to employee's strengths
- 53% Greater stability and job security
- 42% A more diverse and inclusive organization (new)

GALLUP

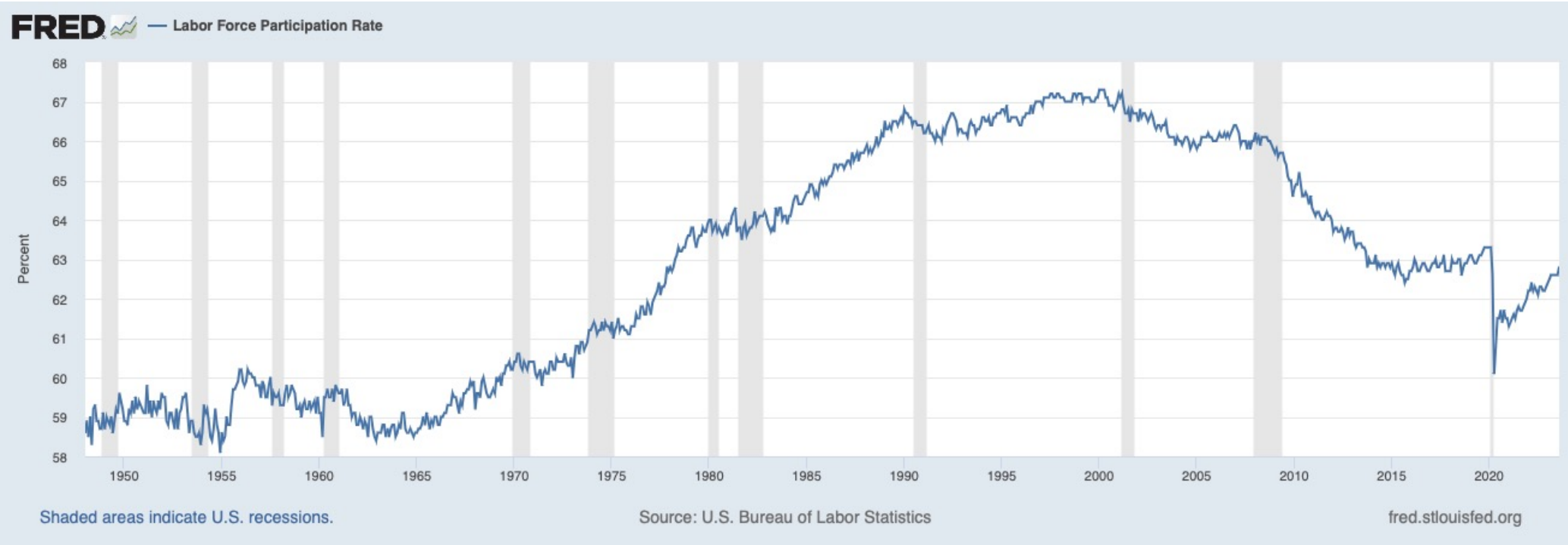
Source: Gallup Organization N=13,085 US employees



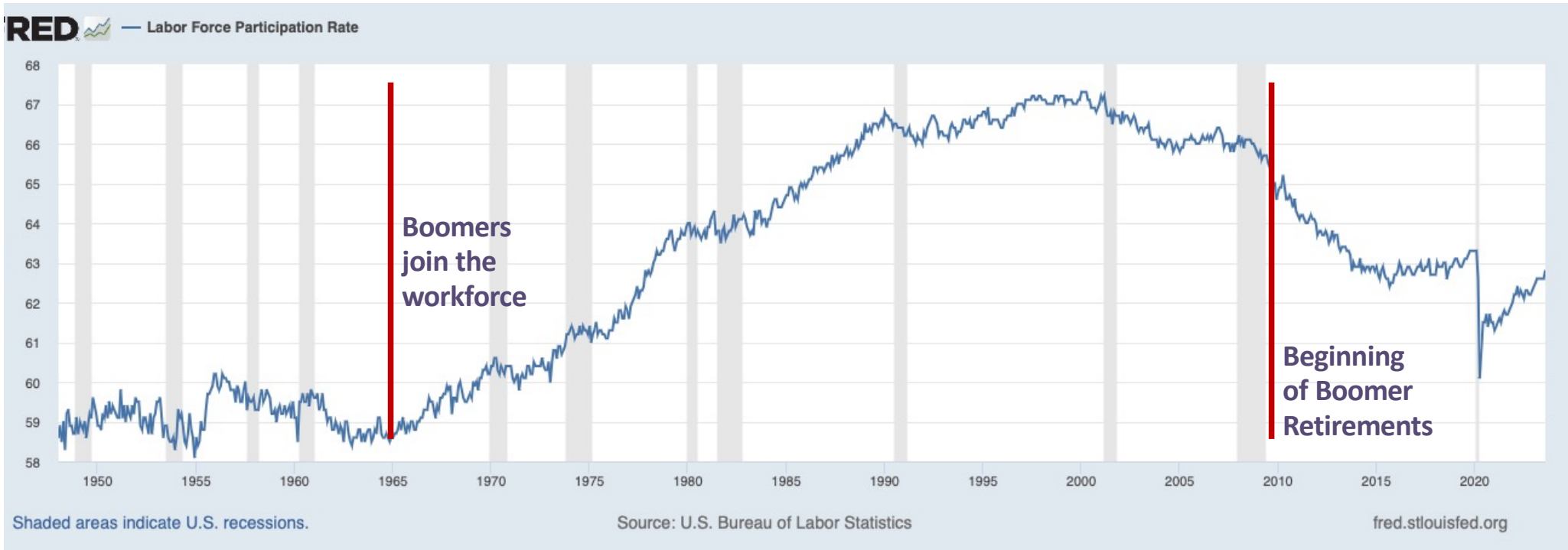
2) Now about that labor crisis...



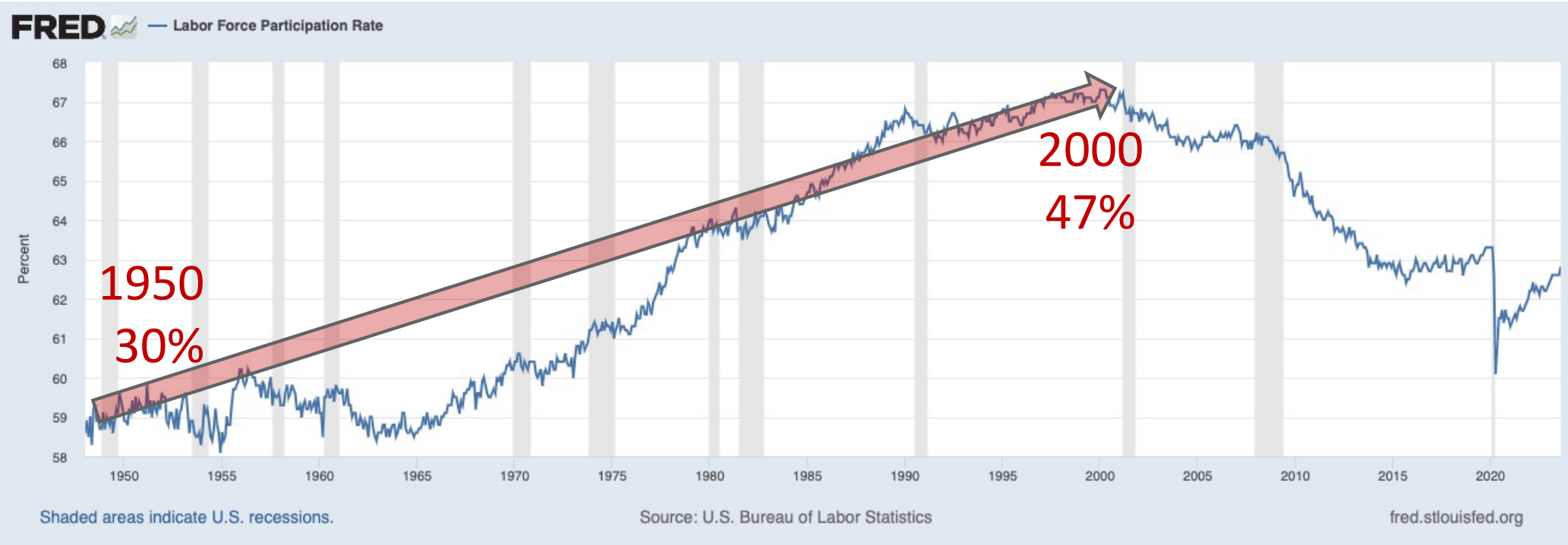
Labor Participation Rate, 1948-2023



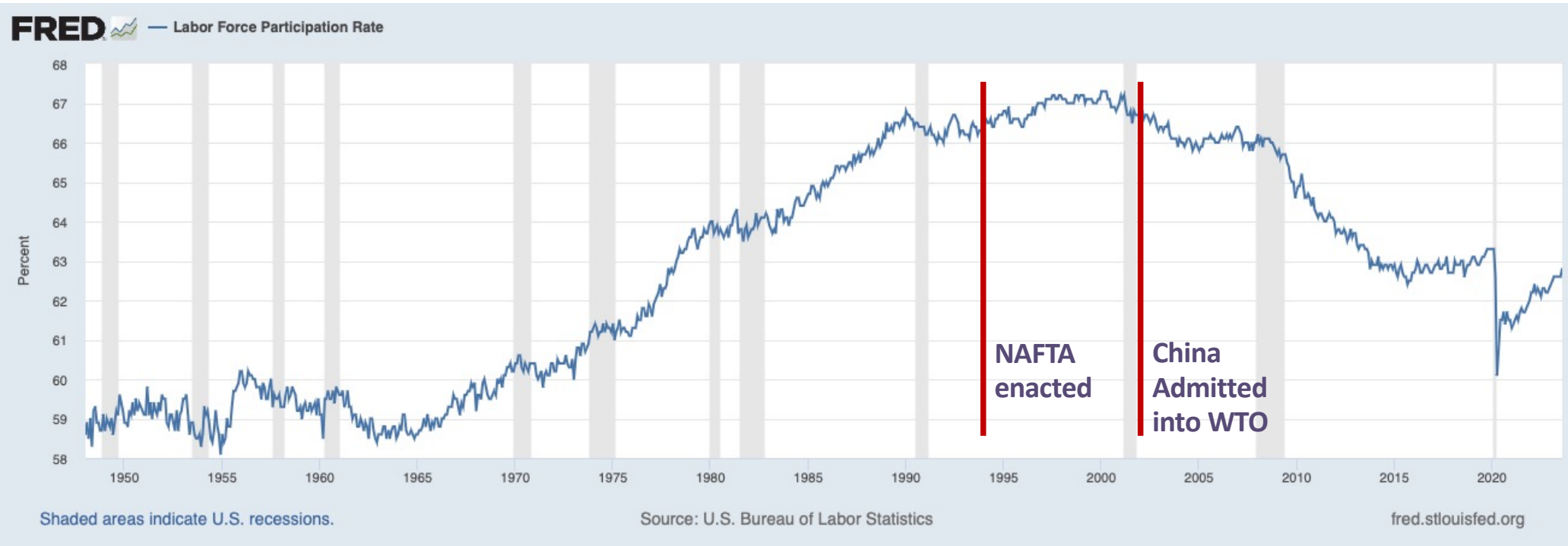
Demography in Action



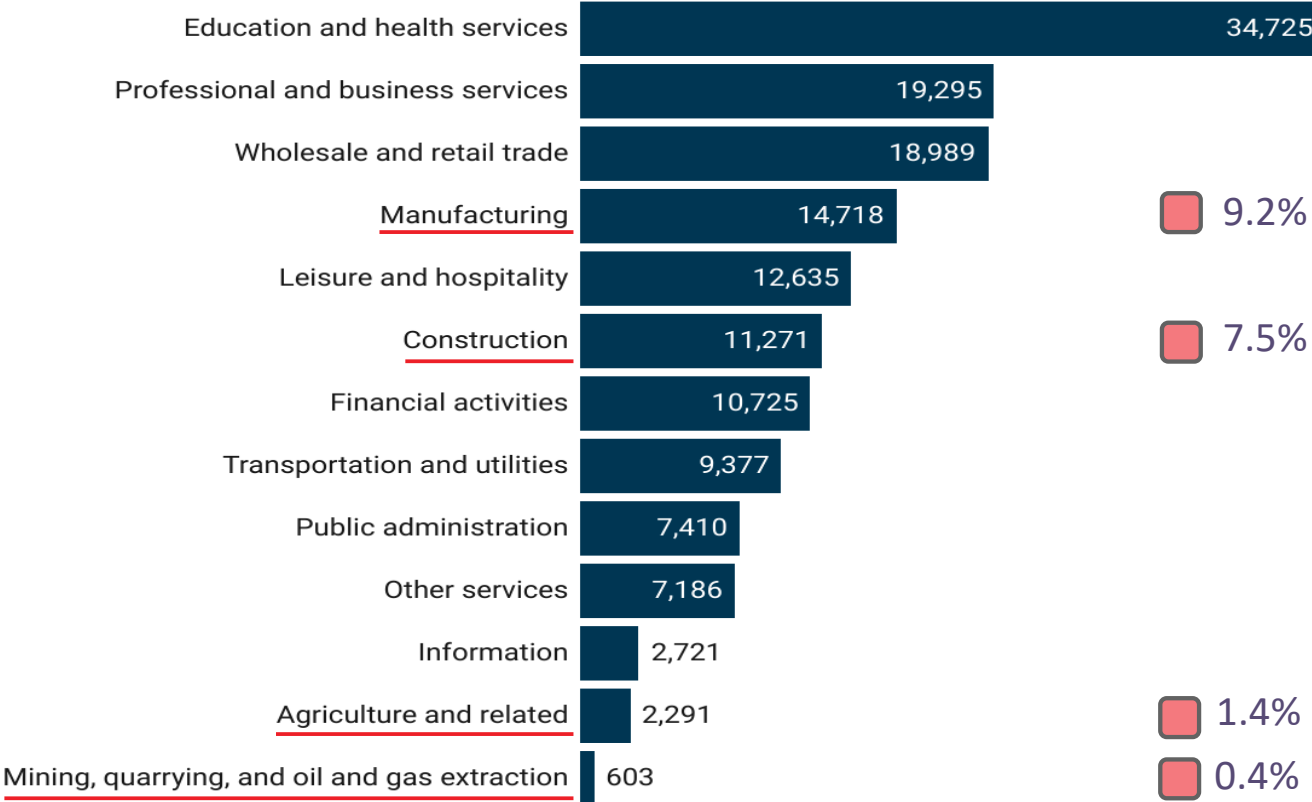
Women as a % of US workforce



Globalization and the Labor Participation Rate



Number of employees by industry, US 2022



Source: Calculated from US Bureau of Labor Statistics data

Labor Surplus Areas*, by State

Top 10

CALIFORNIA	142
MAINE	84
TEXAS	67
PUERTO RICO	65
MICHIGAN	49
NEW JERSEY	39
ILLINOIS	38
PENNSYLVANIA	32
MASSACHUSETTS	27
WASHINGTON	24

Bottom 10

FLORIDA	1
IOWA	1
MARYLAND	1
MINNESOTA	1
NORTH DAKOTA	1
OKLAHOMA	1
RHODE ISLAND	1
SOUTH DAKOTA	1
UTAH	1
WISCONSIN	1

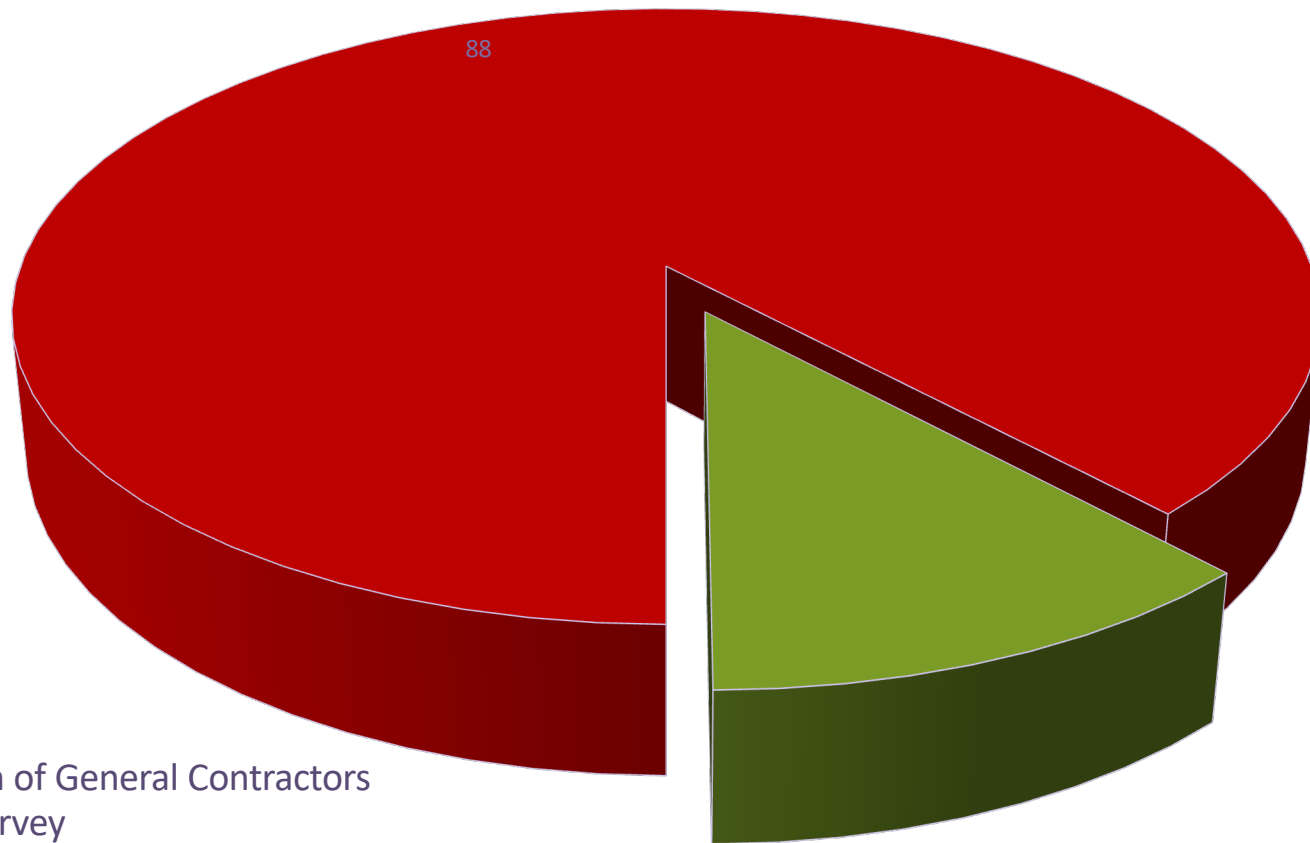
*Labor Surplus Areas (LSAs) are geographic areas with an unemployment rate 20% greater than the national average



Source: US Department of Labor <https://www.dol.gov/agencies/eta/lssa>



85% of US construction firms are hiring -
88% of those can't find enough qualified applicants for trade roles



Source: Association of General Contractors
2023 Workforce Survey

Ken Simonson, AGC Chief Economist

“The biggest takeaway from this year’s Workforce Survey is how much the nation is failing to prepare future workers for high-paying careers in fields like construction. **It is time to rethink the way the nation educates and prepares workers.**”



Source: Association of General Contractors
2023 Workforce Survey



Retailers: 88% Strongly or Somewhat Agree

**“I cannot grow my business
without adding more flooring installers”**

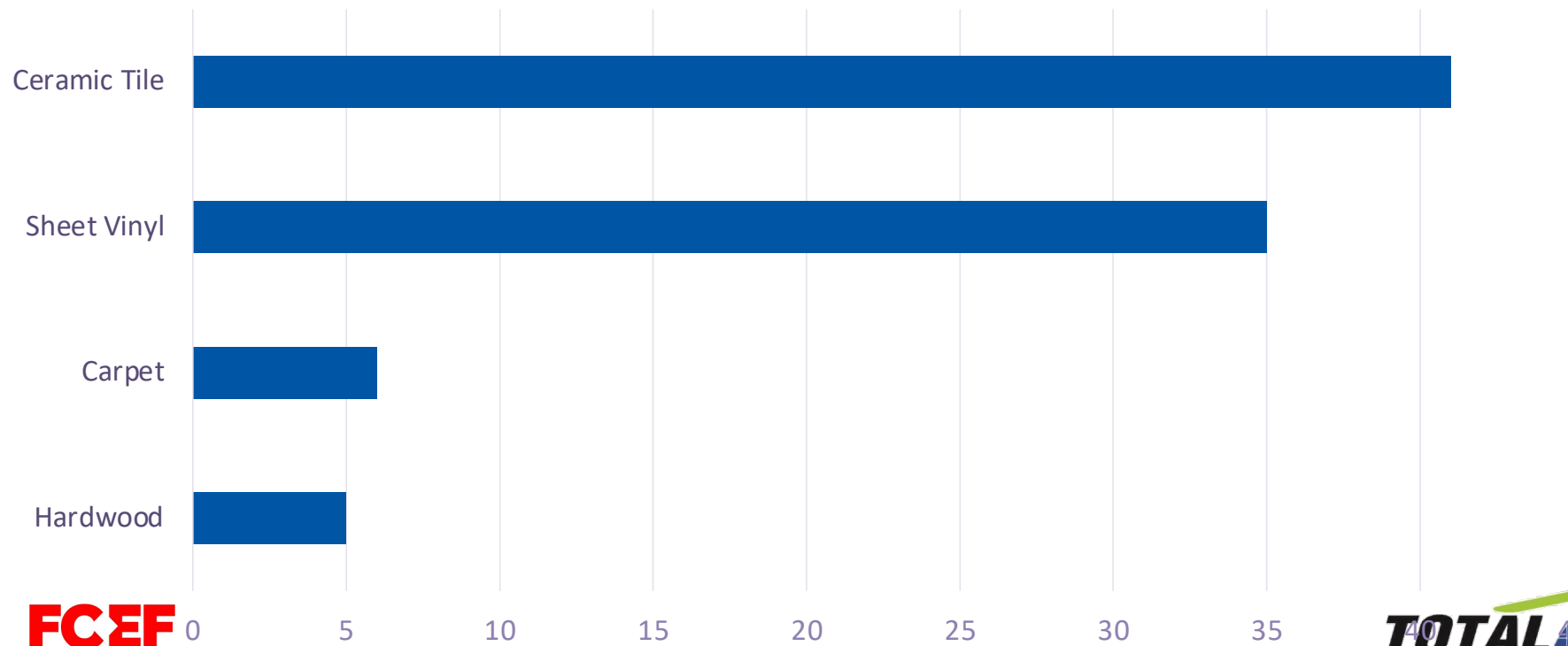
FCEF

FLOOR COVERING EDUCATION FOUNDATION

Source: FCEF 2023 Retailer Survey (n=434)



In the past year, 26% of flooring retailers dropped one or more flooring categories

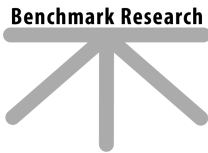
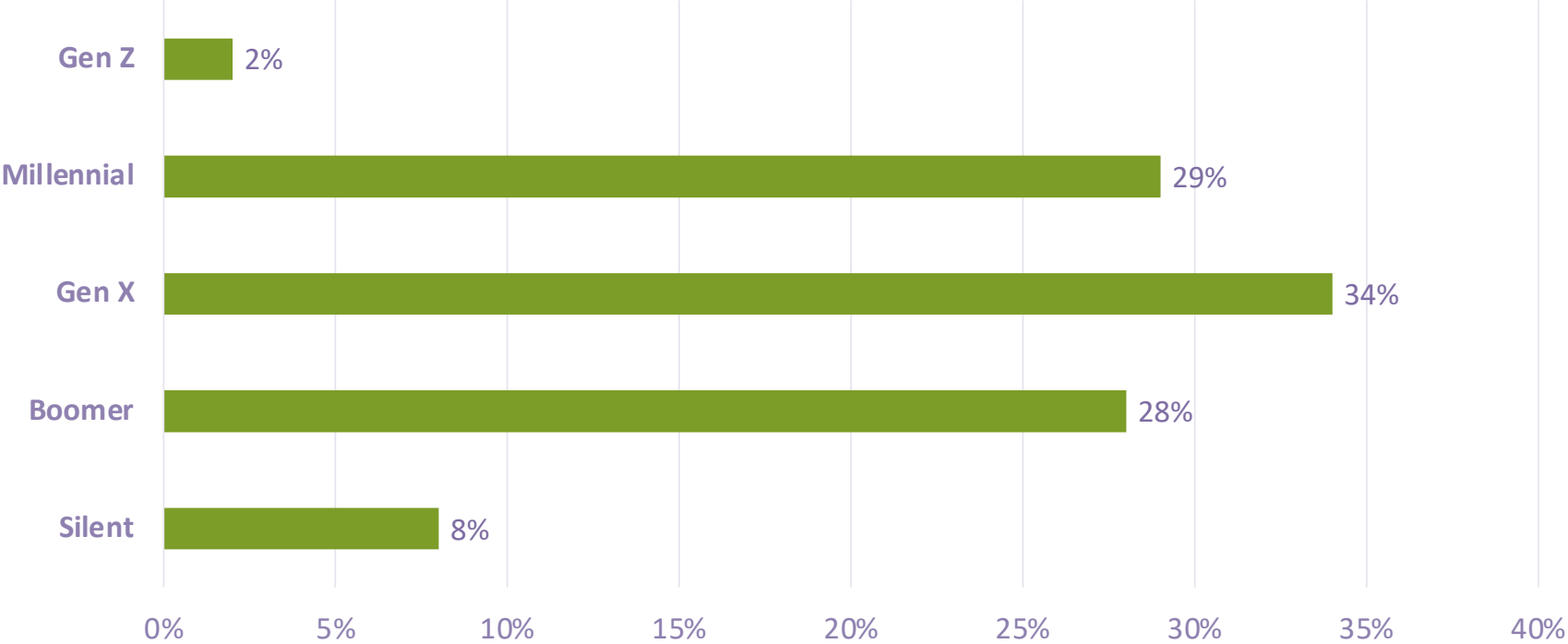


FCEF
FLOOR COVERING EDUCATION FOUNDATION

Source: FCEF 2023 Retailer Survey (n=434)



% Consumption of Floor Covering, by Generation: 2021



Source: Calculated from US Bureau of Labor Statistics data



Change in Americans' Confidence in Major U.S. Institutions, 2021-2022

Now I am going to read you a list of institutions in American society. Please tell me how much confidence you, yourself, have in each one -- a great deal, quite a lot, some or very little.

	2021	2022	Change
	% Great deal/Quite a lot	% Great deal/Quite a lot	pct. pts.
Small business	70	68	-2
The military	69	64	-5
The police	51	45	-6
The medical system	44	38	-6
The church or organized religion	37	31	-6
The public schools	32	28	-4
Organized labor	28	28	0
Banks	33	27	-6
Large technology companies	29	26	-3
The U.S. Supreme Court	36	25	-11
The presidency	38	23	-15
Newspapers	21	16	-5
The criminal justice system	20	14	-6
Big business	18	14	-4
Television news	16	11	-5
Congress	12	7	-5

Institutions are ranked from highest to lowest confidence in 2022.

[Get the data](#)

GALLUP®



3) US Floor Covering Installation Labor Study

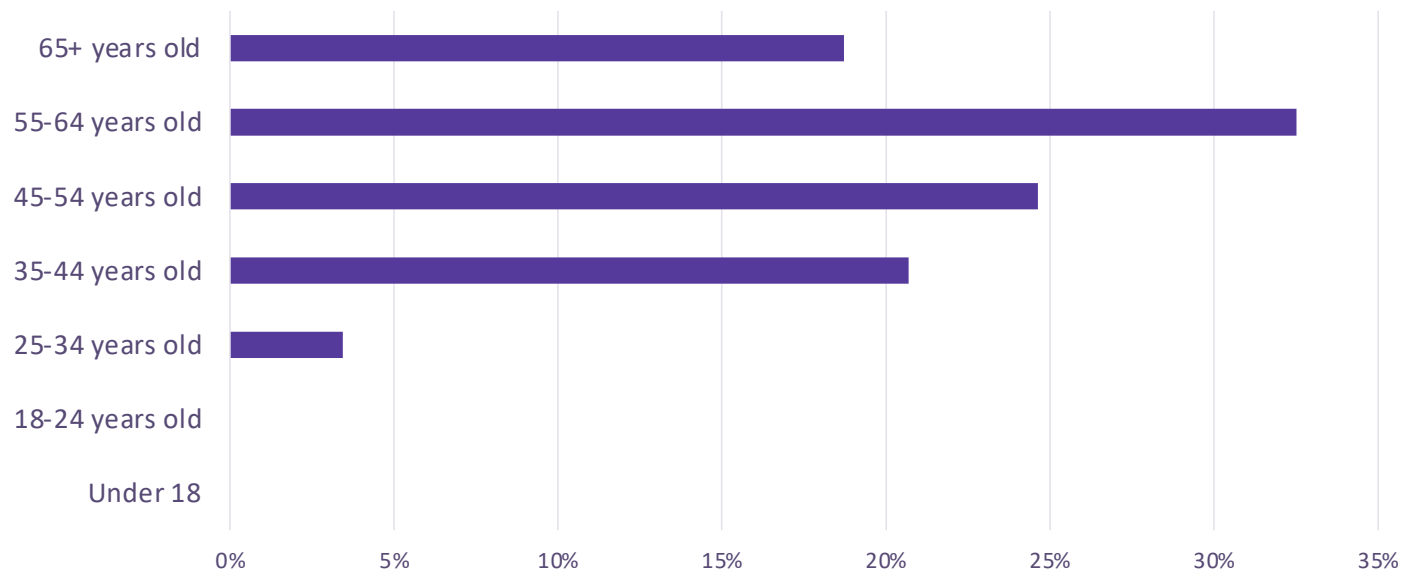
- Benchmark Research = Ed, Mitch Metcalf, Skyler Dougherty
- Expand knowledge base about industry (+ validate other surveys)
- Identify and create panels of motivated volunteers
- Status
 - Fielded Phase one in late September
 - Fielding will continue through winter
 - Next level results presented at Coverings 2024 (Atlanta)

Benchmark Research



Age of Respondents

US Floor Covering Installation Labor Study 2023. N=183



Benchmark Research



Source:
Benchmark Research US Floor Covering Installation Labor Survey, 2023
(fielding, current n=209)



Focus in current role

ALL: FOCUS OF CURRENT ROLE		Total
Q2.7: What is the main focus of your current role? Choose one. - Selected Choice	Total Count (Answering)	n=193
	Contracting or installation labor	45.6%
	Retailing (including installation)	28.0%
	Other (please specify)	12.4%
	Retailing (not including installation)	5.7%
	Manufacturing only	3.1%
	Distribution only	2.6%
	Manufacturing and Distribution	2.6%

Benchmark Research



Source:
 Benchmark Research US Floor Covering Installation Labor Survey
 (fielding, current n=209)



Frequency by Flooring Product Category

ALL: FLOORING INSTALLATION FREQUENCY BY CATEGORY (Display)		
Q2.6: In your current role, how often do you work with each category of flooring?	Total Count (Answering)	n=190
	Ceramic tile/stone	Weekly 75.3%
	Vinyl, LVT or LVP	Weekly 52.8%
	Carpet, broadloom	Weekly 40.4%
	Carpet, tiles	Weekly 30.6%
	Engineered wood	Weekly 29.3%
	Laminate	Weekly 28.3%
	Hardwood	Weekly 27.7%
	Vinyl, sheet	Weekly 22.9%

Benchmark Research



Source:
Benchmark Research US Floor Covering Installation Labor Survey
(fielding, current n=209)



Educational attainment

EDUCATIONAL ATTAINMENT (Display)		Total
Q2.3: What is the highest level of education you have completed?	Total Count (Answering)	n=202
	Some high school or less	1.5%
	High school diploma or GED	23.3%
	Associates or technical degree	7.9%
	Some college, but no degree	32.7%
	Bachelor's degree	25.7%
	Graduate or professional degree (MA, MS, MEd)	7.9%
	Prefer not to say	1.0%
	4 or more years college	33.7%
	Less than 4 years college	65.3%
	High School or Less	24.8%

Benchmark Research

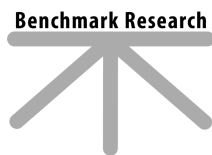


Source:
Benchmark Research US Floor Covering Installation Labor Survey, 2023
(fielding, current n=209)



Vocational Education

ALL: VOC ED = YES, VOC TYPE (Display)		Total	Under 45	45-54	55+	
Total Count (Answering)		n=115	n=22	n=30	n=63	
Q2.5: Which high school shop or vocational classes did you complete? Choose all that apply. - Selected Choice	Wood shop	Trade-oriented	78.3%	72.7%	73.3%	82.5%
	Metal shop	Trade-oriented	43.5%	22.7%	50.0%	47.6%
	Automotive shop	Trade-oriented	32.2%	27.3%	43.3%	28.6%
	Home economics	Other	38.3%	31.8%	60.0%	30.2%
	Typing/clerical	Other	35.7%	31.8%	33.3%	38.1%
	Coding/computer science	Other	9.6%	18.2%	16.7%	3.2%
	Other		24.3%	27.3%	30.0%	20.6%
	Trade-Oriented		153.9%	122.7%	166.7%	158.7%
	Other		83.5%	81.8%	110.0%	71.4%
	Trade Weight Index		1.8	1.5	1.5	2.2



Source:
Benchmark Research US Floor Covering Installation Labor Survey, 2023
(fielding, current n=209)



2022 revenue: commercial vs. residential

ALL: COMPANY REVENUE: COMMERCIAL v RESIDENTIAL (Display)			Total
Q5.1: Thinking about 2022, how does your company's total revenue split between commercial and residential projects?	Total Count (Answering)		n=174
	Your Company's 2022 Revenue	Mostly Commercial	17.8%
		Somewhat More Co	6.3%
		Roughly EqualComr	9.2%
		Somewhat More Re	14.4%
		Mostly Residential	52.3%
	Your Company's 2022 Revenue	More Commercial/	33.3%
More Residential		66.7%	

Benchmark Research



Source:
Benchmark Research US Floor Covering Installation Labor Survey
(fielding, current n=209)



Years experience in floor covering industry

ALL: YEARS EXPERIENCE IN FLOORING (Display)		Total	Under 45	45-54	55+
Total Count (Answering)		n=193	n=47	n=47	n=99
Q3.1: How many total years experience, in any role, do you have in the flooring business?	Years				
	≤9	8.3%	23.4%	6.4%	2.0%
	10 - 14	6.2%	12.8%	8.5%	2.0%
	15 - 19	7.8%	23.4%	4.3%	2.0%
	20 - 24	16.6%	31.9%	19.1%	8.1%
	25 - 29	8.3%	8.5%	19.1%	3.0%
	30 - 34	17.1%	0.0%	34.0%	17.2%
	≥35	35.8%	0.0%	8.5%	65.7%
20+ Years %	77.7%	40.4%	80.9%	93.9%	
Average (Years)	27.6	16.2	24.9	34.2	

Benchmark Research



Source:
Benchmark Research US Floor Covering Installation Labor Survey
(fielding, current n=209)



Career experience includes paid installation

CONT/INST: EVER DONE PAID INST? (Display)		Total
Q3.2: Does your career experience include paid installation of flooring products?	Total Count (Answering)	n=105
	Yes	61.9%
	No	38.1%

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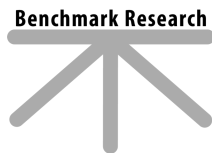


Source:
Benchmark Research US Floor Covering Installation Labor Survey
(fielding, current n=209)



Career choice influences

ALL: CAREER CHOICE INFLUENCES (Display)		Total
Q3.3: What would you say most influenced your initial decision to go to work in the flooring industry? Choose all that apply. - Selected Choice	Total Count (Answering)	n=190
	Entered into a family business	33.2%
	Nothing in particular, just landed here	25.3%
	My desire to work with my hands	24.7%
	Friends in flooring were a strong influence	23.2%
	Relatives in flooring were a strong influence	15.8%
	Other (please specify)	14.7%
	Recruited into an apprenticeship program	2.6%
	Recruited at a job fair	0.5%



Source:
 Benchmark Research US Floor Covering Installation Labor Survey
 (fielding, current n=209)



Initial training in trade

- Subgroup data still developing
- OJT #1 response, by far
- <5% entered through apprenticeship

Benchmark Research



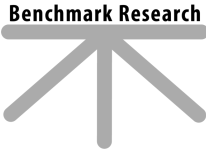
Source:

Benchmark Research US Floor Covering Installation Labor Survey
(fielding, current n=209)



Satisfaction with compensation

ALL: SATISFACTION w COMP (Display)		Total
Q4.2: I am paid fairly for the work I do.	Total Count (Answering)	n=175
	Strongly disagree	4.0%
	Disagree	6.3%
	Neither agree nor disagree	21.1%
	Agree	42.3%
	Strongly agree	26.3%
	Agree	68.6%
	Disagree/ Don't Agree/Don't Know	31.4%



Source:
 Benchmark Research US Floor Covering Installation Labor Survey
 (fielding, current n=209)



Feel pay is linked to performance

ALL: PAY LINKED TO PERFORMANCE (Display)		Total
Q4.3: My pay is clearly linked to my performance.	Total Count (Answering)	n=170
	Strongly disagree	4.7%
	Disagree	7.6%
	Neither agree nor disagree	17.1%
	Agree	34.7%
	Strongly agree	35.9%
	Agree	70.6%
	Disagree/ Don't Agree/D	29.4%



Source:
 Benchmark Research US Floor Covering Installation Labor Survey
 (fielding, current n=209)



Continuing education practices

ALL: CONTINUING EDUCATION (Display)		Total
Q9.1: What forms of continuing education do you pursue to improve and expand your job skills?	Total Count (Answering)	n=171
	Self-study	76.0%
	Manufacturer seminars/workshops	65.5%
	Attend industry trade shows	62.6%
	Distributor seminars/workshops	54.4%
	Online trainings	53.8%
	Association seminars/workshops	51.5%
	Company-sponsored trainings	25.1%
	None	7.0%

Benchmark Research



Source:
Benchmark Research US Floor Covering Installation Labor Survey
(fielding, current n=209)



Love roles more than the industry

ALL: SATISFACTION CURRENT ROLE (Display)		Total
Q10.1_NPS_GROUP: Satisfaction in your current role	Total Count (Answering)	n=171
	Detractor	14.6%
	Passive	41.5%
	Promoter	43.9%
	NPS	29%
ALL: SATISFACTION WITH INDUSTRY (Display)		Total
Q10.2_NPS_GROUP: Your satisfaction with working in the flooring industry	Total Count (Answering)	n=161
	Detractor	17.4%
	Passive	45.3%
	Promoter	37.3%
	NPS	20%

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Source:
Benchmark Research US Floor Covering Installation Labor Survey
(fielding, current n=209)



Not a strong recommendation

ALL: RECOMMEND INDUSTRY? (Display)		Total
Q10.3: If you were advising a friend who is thinking about changing careers, how likely would you be to recommend the flooring industry as a fit for that friend?	Total Count (Answering)	n=171
	Extremely likely	18.7%
	Somewhat likely	40.4%
	Neither likely nor unlikely	25.1%
	Somewhat unlikely	7.0%
	Extremely unlikely	8.8%
	NPS-ISH	3%
	Likely	59.1%
	Unlikely/ Not Sure	40.9%

Benchmark Research



Source:
Benchmark Research US Floor Covering Installation Labor Survey
(fielding, current n=209)



And now for some really good news

ALL: ENGAGE w PUBLIC SCHOOLS (Display)		Total
Q12.2: Would you be willing to engage in promotion of flooring industry career opportunities within your local schools?	Total Count (Answering)	n=168
	Yes	42.9%
	Maybe	45.8%
	No	11.3%
ALL: ADVOCACY (Display)		Total
Q12.5: Would you be willing to engage in advocacy at the local, state and national levels to secure resources for installation education, training, and hiring?	Total Count (Answering)	n=167
	Yes	43.1%
	Maybe	43.1%
	No	13.8%

Benchmark Research



Source:
Benchmark Research US Floor Covering Installation Labor Survey
(fielding, current n=209)



And some even better news

INST: HIRE FROM TRAINING (Display)		Total
Q12.3: Would you be willing to hire into entry level positions graduates of recognized industry basic training programs?	Total Count (Answering)	n=65
	Yes	56.9%
	Maybe	33.8%
	No	9.2%
INST: LOCAL APPRENTICESHIP (Display)		Total
Q12.4: Would you be willing to explore participation in a local apprenticeship program?	Total Count (Answering)	n=65
	Yes	47.7%
	Maybe	44.6%
	No	7.7%

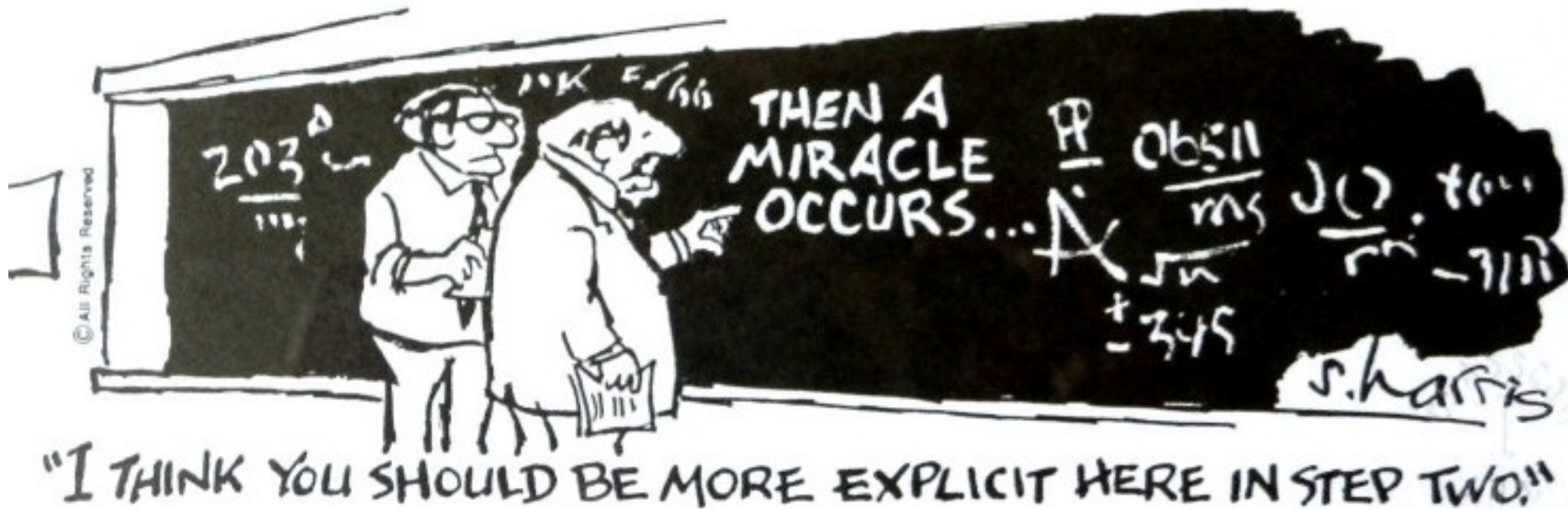
Benchmark Research



Source:
Benchmark Research US Floor Covering Installation Labor Survey
(fielding, current n=209)



4) So, let's talk about how to solve the labor crisis...



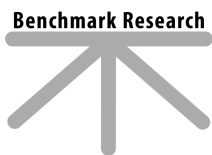
Tools we can use

- Existing education and training programs
- Expand apprenticeship
- Strengthen value of certification
- Organize/Advocate

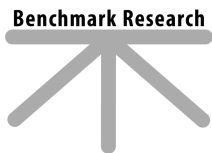
Benchmark Research



Support existing education & training programs



FCEF is a one-stop shop

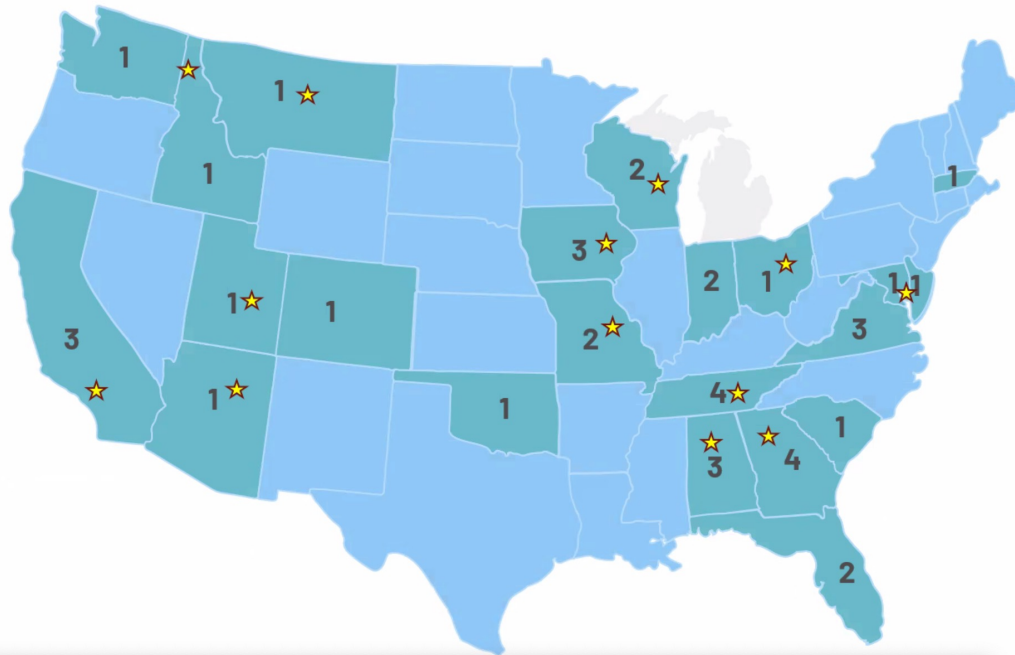


College Introduction & Meetings

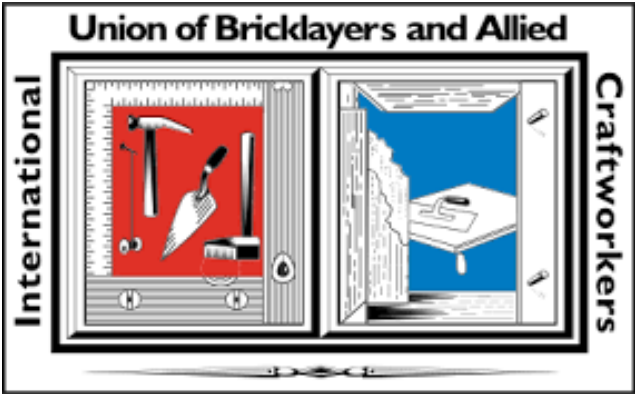
- **Alabama** (Alabama Technical College System)
 - Calhoun Technical College
 - Drake Technical College
- **Arizona**
 - Arizona Western College Yuma, AZ
- **California**
 - College of Marin Kentfield, CA
 - Dominican University of CA, San Rafael
 - Long Beach City College, Long Beach
- **Colorado**
 - Colorado Northwestern CC Craig, CO
- **Delaware**
 - Delaware Technical & Community College Dover, DE
- **Florida**
 - Eastern Florida State Cocoa, FL
 - Florida State Technical College, Jacksonville, FL
- **Georgia** (Technical College System of GA)
 - Albany Technical College Albany, GA.
 - Atlanta Tech Atlanta, GA.
 - Georgia Northwestern Tech College Dalton, GA.
 - Piedmont Technical College Atlanta, GA.
- **Idaho**
 - North Idaho College Coeur d'Alene ID
- **Indiana**
 - Ivy Technical College, Indianapolis IN
 - Lincoln Technical College Indianapolis, IN
- **Iowa**
 - Central C
 - Hawkeye
 - Kirkwood

TECHNICAL COLLEGE PROGRAMS

29



Expand apprenticeship in our trades



Own the domain: Certification



Benchmark Research



From mobilization to action

- Peer and social groups
- Industry
 - Organizations
 - Apprenticeship
- **Local**
 - **School boards, administrations, local schools, SkillsUSA**
- State & National
 - Legislation/funding



Share your views. Join the fight!



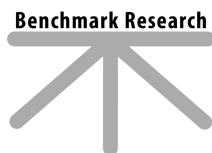
Take the US Floor Coverings Installation Labor Survey

Benchmark Research



Putting our money where our mouth is

ALL: DONATION DIRECTION (Display)		Total
Q14.1: To which industry training organization should we direct a donation in your name?	Total Count (Answering)	n=145
	CTEF Ceramic Tile Education Foundation	63.4%
	FCEF Floor Covering Education Foundation	31.0%
	NWFA National Wood Flooring Association	5.5%



Source:
Benchmark Research US Floor Industry Labor Survey (fielding, current n=209)



Action items - immediate

- Take the survey
- Get involved at local schools
 - Middle schools
 - High schools
- Influence your local school budget and priorities
 - Get copies of budget online
 - Speak at board meetings



Action items - practical

- Donate to support training initiatives
 - FCEF Floor Covering Education Foundation <https://fcef.org>
 - CTEF Ceramic Tile Education Foundation <https://www.ceramictilefoundation.org>
 - NWFA National Wood Flooring Association <https://nwfa.org>
- Commit to advance apprenticeship
 - Learn <https://www.apprenticeship.gov>
 - Check out state programs e.g., <https://apprenticeflorida.com>
 - Start a local collaborative



Cited resources (Page 1 of 4)

- AGC Workforce Survey (2023)
 - <https://www.agc.org/news/2023/09/06/new-survey-shows-significant-flaws-nations-approach-preparing-workers-construction-careers-and-how>
- Bureau of Labor Statistics – various reports
 - <https://www.bls.gov/oes/current/oes470000.htm>
 - https://www.bls.gov/oes/current/naics4_238900.htm#47-0000
 - <https://www.bls.gov/spotlight/2016/self-employment-in-the-united-states/home.htm>
- FCI Magazine: John Steier - Volunteer to instruct
 - part 1 <https://www.fcimag.com/articles/96543-contractor-spotlight-june-2022-steier-flooringjohn-steier>
 - part 2 <https://www.fcimag.com/articles/96583-contractor-spotlight-july-2022-steier-flooringjohn-steier?v=preview>



Cited resources (Page 2 of 4)

- Floor Trends magazine – DeGraaf Interiors Hosts First Retailer-Led, CFI Training
 - <https://www.floortrendsmag.com/articles/110775-degraaf-interiors-hosts-first-retailer-led-five-week-cfi-training>
- Forbes (2023) - small business statistics
 - <https://www.forbes.com/advisor/business/small-business-statistics/>
- Gallup (2021) - what motivates employees to move
 - <https://www.gallup.com/workplace/389807/top-things-employees-next-job.aspx>
- Gallup employee engagement
 - https://www.gallup.com/q12/?utm_source=google&utm_medium=cpc&utm_campaign=new_workplace_non_branded_employee_engagement&utm_term=survey%20employees&gclid=CjwKCAjw3oqoBhAjEiwA UaLtoKtXP 2XFgrodrepr6 bB191lv3hzdPRJ0nvlQf7o3zBDqLlhbEFRoC8 pIQAvD BwE



Cited resources (page 3 of 4)

- TileLetter – Making tile fun
 - www.tileletter.com/more-than-recruiting/
- WSJ – Workers are happier than they've been in decades
 - https://www.wsj.com/articles/workers-job-satisfaction-survey-c42addba?mod=Searchresults_pos3&page=1
- WSJ – Why America has a long-term labor crisis, in six charts
 - https://www.wsj.com/economy/jobs/labor-supply-economy-jobs-charts-3285a5b7?mod=Searchresults_pos1&page=1



Cited resources (page 4 of 4)

- WSJ – More high school grads forgo college
 - https://www.wsj.com/articles/more-high-school-grads-forgo-college-in-hot-labor-market-c052c773?mod=Searchresults_pos1&page=1
- WSJ – The era of ultracheap stuff is under threat
 - https://www.wsj.com/articles/asia-factories-consumer-goods-labor-prices-7140ab98?mod=Searchresults_pos1&page=1
- WSJ – Why Americans are having fewer babies
 - https://www.wsj.com/articles/why-americans-are-having-fewer-babies-3be7f6a9?mod=Searchresults_pos1&page=1
- Zeihan – US military recruiting crisis
 - <https://mailchi.mp/zeihan/the-recruiting-crisis?e=baf5f23394>



The Freedom to Invest in Tomorrow's Workforce Act

House Resolution 1477 – in House Ways and Means Committee

Chairman: Rep. Jason Smith (MO) 202.225.4404

Ranking member: Rep. Richard Neal (MA) 202.225.5601

<https://www.house.gov/representatives/find-your-representative>

Representative (Name) or (Name of Committee)

U.S. House of Representatives

Washington, DC 20515



The Freedom to Invest in Tomorrow's Workforce Act

Senate Bill 722 – in Senate Committee on Finance

Chairman: Sen. Ron Wyden (OR) 202.224.5244

Ranking member: Sen. Mike Crapo (ID) 202.224.6142

<https://www.senate.gov/senators/senators-contact.htm>

Senator (Name) or (Name of Committee)

United States Senate

Washington, DC 20510



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Contact us:

Ed Metcalf

edm@metcalfadvisory.com

203.641.0592



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