



CONSTRUCTION CONTRACTORS
AND TRADES



WORKFORCE DEVELOPMENT PROGRAM



TRAIN

YOUR FUTURE

Building Advantage is your campaign to promote union contractors and trades people in southeastern Wisconsin.

Never before has your union membership been more influential. With Building Advantage, you'll have the tools to effectively communicate the benefits and quality of union-based construction within our communities. Together, we will create a strong future for the union workforce.



YOUR GUIDE TO BUILDING A STRONG WORKFORCE

More than 50 percent of our current craft workers will retire in the next decade.

How will you replace that loss of skilled labor?

This kit is a guide to starting and running a successful apprenticeship program in your company. The future of our industry depends on our ability to provide a highly skilled workforce to meet the demands of employers competing in a global economy.

The average age of our craftworkers is 40.7 with 11.3 years of experience. More than one-third of our craft workers are over the age of 45. Since most area workers take advantage of the opportunity to retire at 55, we have only 10 years of working life left on 1/3 of our workforce and 15 years on half of it.

Seventeen percent of the journey workers who are working with a new apprentice today will be eligible to retire before that apprentice completes the program. The situation is even more severe as the baby boomers look at retirement. More than 50 percent of our current craft workers will retire in the next 15 years.

But most construction crafts expect to increase employment numbers by only 14 percent to 25 percent between now and 2012. Plus, the apprentices graduating each year replace only between 40 percent and 60 percent of those retiring. This does not include the substantial numbers of workers leaving the industry in other ways.

If your firm doesn't train starting now, you will have no future workforce.

Apprenticeship is a time-honored, proven strategy that ensures exceptional workers by combining on-the-job training with related theoretical and practical classroom instruction. The apprenticeship method of training – with a skilled worker passing on craft knowledge to another – is almost as old as recorded history. The Wisconsin Bureau of Apprenticeship Standards ensures that working apprentices, program sponsors/employers and the public have a clear understanding of apprentices' training and expectations to ensure ongoing quality.

If the program is to be successful, it must have the full backing of your management team, and it must be driven from the top-down. Apprenticeship should be a part of your company's strategic planning process, and it is as important to your company's success as your superintendents, project managers, marketing and safety programs.

TOMORROW'S GREATEST LEADERS ARE CREATED TODAY

Most construction crafts expect a 14 percent to 25 percent increase in employment numbers between now and 2012. Where will you find the skilled labor to meet this need?

Apprenticeship provides your company with many benefits, including:

- ▶ Skilled workers trained to industry/employer specifications to produce quality results
- ▶ Reduced turnover
- ▶ A pipeline for new skilled workers
- ▶ Increased diversity among workers
- ▶ Reduced worker compensation costs due to an emphasis on safety training
- ▶ Lowered "crew costs," making your company more competitive when bidding jobs by allowing you to blend in the lower apprenticeship pay rates with your journeyman workers (see next page).
- ▶ Allowing you to compete and meet requirements on public projects where apprenticeship ratios and usage are becoming commonplace.
- ▶ Individuals who are mentored by your best craftsmen in the skills that are needed for the type of work you do.
- ▶ Loyalty to your company because you brought them into the business, rather than hiring from a union hall.





TAKE ADVANTAGE OF LOWER CREW COSTS

When apprentices work with experienced workers, they learn highly technical skills from their mentors. However, on a typical day, they also assist with non-technical tasks that don't require the full capabilities of the journey worker.

In these instances, your organization gains a financial advantage by using apprentices because you can lower your crew costs to bid competitively. If you have a 3-to-1 ratio of journey workers to apprentices, you can alter your labor rate by nearly 9 percent.

For example:

A journeyman carpenter currently costs \$38.57 per hour plus FICA, worker's comp and unemployment costs. A first-year carpenter apprentice costs you \$24.90 per hour plus FICA and benefits.

Four journeymen cost a total of \$154.28 (38.57×4) per hour. But three journeymen plus one apprentice cost only \$140.61 per hour. This is because the three journey workers cost \$115.71 (38.57×3) but the lower apprentice costs only \$24.90, reducing hourly wages by \$13.67 per hour, or 8.9 percent.

How many projects could you win with an almost 9 percent labor advantage over your competitor?

BE A PART OF SOMETHING BIGGER. BE A MENTOR.

The average age of our craftworkers is almost 41 years old with over 11 years of experience.

How will you tap into that expertise?

Mentors are a key component of the apprenticeship program. Being a mentor is a wonderful opportunity for an experienced journey worker to share knowledge and contribute to the success of a fellow employee.

Mentors guide apprentices through their first year in the industry. They show apprentices the ropes, bring them up-to-date on the organization's culture, listen to concerns and make appropriate recommendations. Mentors may also be able to generate ideas for the apprentice to work smarter and/or guide apprentices to the proper people for information.

For apprentices to learn and adapt to the needs of your organization, they should be assigned to the same mentor for the duration of their apprenticeship.

Mentors should meet with apprentices on the apprentice's first day. We suggest that mentors have lunch or dinner with apprentices and their significant others to discuss what to expect from a career in construction, including weather, appropriate clothing and saving money for unpaid rainout days or slow times.

Apprentices should shadow mentors for the first six months of employment. Then they should meet at least monthly and mentors should be available whenever necessary.

The goal of the program is to help build stronger employees by sharing knowledge and talents. It is vital for new employees to receive the support they deserve, and they should not hesitate to ask their mentors for more time or assistance if necessary.

It is important for mentors and apprentices to develop a good relationship. If, for some reason, the mentor or apprentice does not agree with the alliance, either party may approach the supervisor to request a change.

Although a formal apprenticeship program lasts for three to five years, many mentor/apprentice relationships develop into lifelong friendships.

TIPS FOR A SUCCESSFUL PROGRAM

There are four keys to a successful program. How will you maximize each opportunity?

By following these tips, you can help increase the likelihood of a skilled workforce for today and tomorrow.

▶ **Top-Down Management Buy-in**

As with any strategic initiative, management support is critical to your success. Apprenticeship is the process of passing down skills from a more experienced journey worker to an apprentice. The training journey worker's goal is to train the apprentice to where he or she has the opportunity to be as good as the "master." To accomplish this, the trainer needs to know they will be rewarded and reassured that their job is not in jeopardy.

▶ **Financial Incentives to Program Administrators**

The leadership team must decide what ratio of apprentices to journey workers they want the organization to support, and then provide an incentive to the general field superintendent to meet those goals. Incentives could include cash bonuses for meeting the ratios, extra time off or mileage reimbursement at a higher rate than usual.

▶ **Apprenticeship Report Cards and Appreciation**

For any person to learn, they must receive feedback about their performance. It is recommended that your organization develop a weekly report card for the mentor or foreman to complete.

▶ **Tool Assistance Purchasing Program**

New apprentices should be given a list of tools expected for them to have. If possible, the company should provide the tools and deduct the cost through payroll over a given period of time.

With a little effort and investment, you can implement an apprenticeship program to ensure qualified workers and keep your organization going strong.

The Building Advantage promotional campaign is jointly sponsored by union construction contractors and trades people in southeastern Wisconsin through the **Construction Labor Management Council of Southeast Wisconsin, Inc.** Its mission is to promote the benefits of union construction to the construction industry and consumers, and to attract a strong future workforce.

Together, we're building a bright future.

EMPLOYER ASSOCIATIONS

Allied Construction Employers Association
Associated General Contractors of Greater Milwaukee
National Electrical Contractors Association – Milwaukee
Plumbing, Mechanical, Sheet Metal Contractors Association
Plumbers and Professional Contractors

UNIONS

Boilermaker's Union, Local 107
Bricklayers and Allied Craftsmen Union, Local 8
Bricklayers District Council
Bridge, Structural & Ornamental Iron Worker's Union, Local 8
Regional Council of Carpenters
Electrical Workers Union, Local 494
Elevator Constructors Union, Local 15
Heat & Frost Insulators Union, Local 19
Laborers International Union, Local 113
Operating Engineers Union, Local 139
Operating Plasterers & Cement Masons International Union, Local 599
Painters & Allied Trades, District Council No. 7
Plumbers Union, Local 75
Roofers Union, Local 65
Sheet Metal Workers Union, Local 18
Sprinklerfitters Union, Local 183
Steamfitters Union, Local 601
Tile & Terrazzo Layers Protective Union, Local 5



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