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Can better branding aid building industry's labor shortage? Orlando leaders think so

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Pounding hammers and digging trenches: That's likely what comes to mind when young workers think of construction jobs.

Combine that with the hot Florida sun, and a labor shortage is likely to occur.

That's what the Central Florida building industry is facing now.

"I think the construction industry has a branding problem," said Steve Davis, CEO of Welbro Building Corp., at *Orlando Business Journal's* Aug. 1 Commercial Builders Industry Outlook.

"It's not promoted at all at the high school level, and when we bring in teachers from schools, they're often amazed at the kinds of jobs there are



JIM CARCHIDI

Standing: Bob Lipscomb, Clark Keator, Scott Lyons, Jeff Forest, Ken Kupp, Lance Walker Jr., Robert High, Matt Gilbert, Ron Davoli, Dan LaMorte, Jason Albu, Richard Haines and Michael Waldrop; seated: Richard McCree Jr., Tim Keating, Tim Dwyer, Steve Davis and David Lamm

in a viable construction business. Everyone thinks it's all trades people and laborers, but there are some significant opportunities."

In fact, the uptick in Central Florida's construction activity helped create some meaningful careers, said [Dan LaMorte](#), vice president at [Turner Construction Co.](#)

"There's been increased opportunities for our people to grow into the next position," he said. "We take lots of time to mentor and train to know who's ready for that next step when the opportunity comes."

Orlando construction leaders have turned to local community colleges like [Seminole State College of Florida](#) and to recruiting veterans to mend the shortage of labor.

[Michael Waldrop](#), president and CEO of Blue Cord Design & Construction LLC, said he's recruited 16 veterans and has seen a "tremendous return." "It may require you going out on a limb because their resume may not line up with what you were looking for, but they're kicking butt. Their leadership level is so high that with some time and training, you can get something great."

However, local construction firms still are coming up short in terms of workers.

"Our kids don't work with their hands anymore, but their thumbs," said [Tim Keating](#), owner of [R.C. Stevens Construction Co.](#)

Here, insights from 18 local construction executives on labor and other challenges facing the local building industry are shared, plus business strategies and where there soon may be more development activity.

What's keeping C. Fla. builders busy

Here are the sectors where Central Florida commercial builders are seeing the most activity:

Mixed-use projects with live, work, play elements

Senior living

Retail

Health care

Industrial

Food and beverage

Public schools

What are the biggest challenges your firm is experiencing?

"The municipal bureaucracy has become mind-numbing and the worse I've seen in 25 years to get a project started. Corporate bureaucracy is bad, too. Getting a permit for a small project can take up to six months. Not only permitting, but banking, too. Some of our clients spend \$1 million in legal fees to close deals. It takes a lot just to bring projects online."

— **David Lamm, CEO of Lamm & Co. Partners**

"We're seeing a lot of partial inspections that slow down projects. If we build a four-story apartment building, municipal inspectors are doing one floor at a time. The inspection then becomes a four-day process, and when you times that by 20 projects, that adds a lot of time. They're just overwhelmed with the amount of work they have. We're all busy in this room. We have some clients who have gone to private inspection services to relieve the burden from the municipality, but that's an added cost for our clients."

— **Lance Walker Jr., president of Walker & Co.**

"We spend a lot of time looking at who we're doing business with. We have to make sure it falls within their workload and that they have the skilled labor to bring to the job. We have to spend more time asking additional questions than we did before because it's all affecting time and quality of our projects."

— **Dan LaMorte, vice president of Turner Construction Co.**

“While the market activity has increased since the recession, the amount of people has not. A lot of people left and haven’t come back. That makes supervising a project and subcontractor performance a lot harder today than before.”

— **Steve Davis, CEO of Welbro Building Corp.**

“Wages are starting to increase, but the labor all left during the recession. There’s a supply-and-demand issue. It’s slowly starting to come back, but we’re still hurting.”

— **Richard McCree Jr., CEO and president of McCree General Contractors & Architects**

What types of commercial projects does Central Florida most need?

“More corporate space. There are no big blocks of corporate real estate available. The challenge is who’s going to build that to attract the right companies to Orlando? We can initiate conversations with companies, but they ask, ‘Where can we put our office?’ If we find them potential space in a new project, usually that space still is two years away from being available.”

— **Matt Gilbert, senior vice president at Skanska USA Building Inc.**

“More modern office space. I drove by what we used to build in the ‘80s with a millennial, and that person said, ‘I’ll never work there.’ They don’t want to be in any place that doesn’t have windows all over and maybe even a break space with some greenery. The whole market segment will change as a result of that.”

— **David Lamm, CEO of Lamm & Co. Partners**

"We need buildings focused on millennials who are in internet companies and that type of industry that's growing more and more. There are lots of companies doing great things with technology that need space, but when they look at our current Class A space, it's like a 100-year-old building in their mind."

— **Robert High, president of H.J. High Construction**

"The International Drive area and other tourist areas always can use more retail. We've been very busy in those areas."

— **Jason Albu, CEO of Albu & Associates Inc.**

"I think we could use more diversification of light industrial, but I don't know if we're going to see it happen."

— **Ron Davoli, president and CEO of Wharton-Smith Inc.**

How have you tweaked your business model in preparation of another recession?

"I had a mentor tell me at one point, 'I hope in your career you can experience a real recession.' I could not fathom the fact that someone would wish us harm and struggle, but going through a recession experience has made everyone in this business smarter, leaner, quicker, financially conservative and cautious enough to have the capital and not work off of credit lines."

— **Michael Waldrop, president and CEO of Blue Cord Design & Construction LLC**

"We found you have to stay more focused on the right deals for your company, as opposed to getting involved in various ones. It's more about staying focused on what your business plan is and those specific clients you want to do business with. That's where we shifted our focus."

— **Matt Gilbert, senior vice president of Skanska USA Building Inc.**

"We've been expanding our horizons. We're trying to grow our general building market in Central Florida. We're also now in Tampa, and Charlotte probably will be next."

— **Ron Davoli**, president and CEO of Wharton-Smith Inc.

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