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A broad recovery, slow in arriving

After rough job market in 2009, some improvement expected this year

Charlotte Business Journal - by [Julie Bird](#) Contributing writer

Need a construction job? You might just have a chance this year, when construction employment is expected to grow from 2009 lows. Modest employment growth is being projected for other industry sectors as well.

UNC Charlotte economist John Connaughton projects statewide construction employment will grow 3.4% by year's end. Wholesale trade shows even more promise, with 5.4% employment growth. Other hot job areas include services; finance, insurance and real estate; retail trade; transportation and warehousing; and government.

In a struggling economy, hot is a relative term. All but the government sector lost jobs last year in North Carolina. Construction shrank most of all, eliminating one of every five jobs. Manufacturing was down 12%, while transportation and warehousing fell 10.5%, according to Connaughton's latest quarterly forecast.

In construction, the **Associated Builders and Contractors Inc.** trade group knows demand for skilled labor will grow. The question is how much and how fast. The organization's Carolinas chapter opened a training center last week in Charlotte to supply skilled labor to a recovering market.

The center is starting off with apprentice electricians, with plans to expand to HVAC, mechanical and plumbing programs. More than 80 electrician apprentices are enrolled in the four-year program.

"Construction companies have cut back all across the board," acknowledges Tim Eldridge, vice president for workforce development at ABC. "But companies are continuing to train people. They know the economy's going to turn around. No one wants to bid on a big job and not have a work force to sustain it."

The littlest bit of good news is welcome after a punishing 2009. Connaughton projects growth for eight of the 10 nonfarm sectors of the N.C. economy, with an overall employment increase of 0.8%. Last year, employment dropped more than 3% statewide, raising the jobless rate to 11.2% in December.

"A lot of areas are going to improve over the course of 2010," says Mark Vitner, senior economist at Wells Fargo Securities. The gains will be modest, he says, but there also should be "far fewer weak spots."

Wholesale trade and distribution is expected to grow because businesses are rebuilding inventory. Truck manufacturer Daimler Trucks North America has recalled workers, suggesting demand for transportation services will grow, Vitner says.

The financial-services sector also is due for an upswing. "I would expect more companies to announce plans to open and expand here," Vitner says, particularly in financial services. "We have the skills they need to get operations up and running quickly."

The economist also predicts growth in business and professional services, including temporary staffing jobs.

Companies slashed jobs from September 2008 to March 2009 to survive the recession. The rest of last year they reduced staffing through attrition, he says. Now they're starting to fill some of those jobs.

Recruiting companies are fielding requests for temporary and contract workers. Contract workers cost on average 17% less than full-time workers, says Amy Noland, principal partner at **AccruePartners Inc.**, a staffing-service firm.

Melissa McGuire, director of the **Sherpa** recruiting firm, says hiring practices are following the normal course when the economy sours. First, companies lay off temporary workers. They stop hiring full-time workers before reducing their ranks. Then, she says, they hire temporary workers again. The timing of that cycle varies by industry.

Even construction is going the temp route. Painful layoffs have left their mark on contractors, says Eric Byrd, regional manager for **Hardhat Workforce Solutions Inc.** His company provides skilled construction workers and laborers on a contract basis.

"When it is time to ramp up for a six-month project, the last thing they want to do is hire someone they'll have to lay off in a few months," he says.

Noland says companies are beginning to realize what they lost when they downsized. Now they're hiring strategically, bringing in staffers they think can help them move forward and grow.



photo NANCY PIERCE

The Carolinas chapter of Associated Builders and Contractors Inc. opened a training center in Charlotte last week. It's offering electrical-apprenticeship classes and will expand to other fields. Here, students are learning safety procedures for working underground. From left are instructor Dennis Rorie and students Erik Harley, Mark Powell and Chris Grady.

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Companies are particularly interested in workers with finance and accounting expertise, she adds. They want financial analysts who can help them figure out how to improve performance.

It's harder to find qualified workers than companies think, Noland says. The highest concentration of unemployment is among workers without college degrees. And, she says, many of those with college degrees lack a marketable skill set.

Career counselors at **Central Piedmont Community College** say companies seek candidates for sales, marketing and Web-development positions. They want employees who can help generate revenue, says Pat Nash, director of the college's career center.

Postings are coming in slowly, she says. Three years ago, the college listed 350 to 400 job openings on a typical day. In January, about 100 jobs were listed, up from 75 before the semester break.

Students in health-care fields remain in demand, Nash says. Bilingual skills are in demand for a variety of jobs. And automotive mechanics also are getting jobs, apparently because consumers are repairing their vehicles rather than buying new ones, she says.

Companies are "beginning to commit, but they're waiting to see what kind of revenues they're going to see for the quarter," she says. "There is an increase in the number of employers looking for interns, more than we've ever seen before. That could be a way of going temporary to permanent."

UNC Charlotte career counselors report similar demand for interns. Some employers had suspended internship programs to save money, but those are beginning to return.

Financial, information and engineering services listings are picking up, says Denise Dwight Smith, director of the university's career center. Companies also are posting education, nursing, accounting and civil engineering jobs. Otherwise, she says, employers seem to be in a holding pattern.

Job listings are down almost 40% from pre-recession numbers.

"I think every sector has really been hit," Smith says. "Three months ago, we were really hoping spring would represent something of a turnaround, but we haven't seen that."

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