



The contractor's guide to building stability and fueling growth through workforce agility

A QUICK GUIDE



The construction industry is navigating a perfect storm of intense competition, market volatility, and a critical skilled labor shortage. To not only survive but thrive in this environment, contractors need a new playbook. This guide is designed to provide exactly that.

We will blend strategic insights with practical steps, focusing on a powerful solution we see working for contractors every single week: building a more agile workforce. An agile workforce strategy is your key to unlocking growth while simultaneously reducing risk. By executing this strategy effectively, you will see a direct, positive impact on your bottom line.

As we dive in, we will cover:

- ✓ The critical importance of understanding local market trends for staffing your projects successfully.
- ✓ How to navigate the growing complexity and uncertainty of worker compliance.
- ✓ The significant benefits of leveraging contingent labor to create flexibility and resilience.



A looming crisis and a golden opportunity

The data paints a stark picture for the future of skilled labor in the trades. In 2025, the construction industry as a whole faced a deficit of nearly 440,000 workers, and 2026 offers little relief.

LET'S EXAMINE THE NUMBERS:

The retirement wave

Nearly 20% of today's skilled trades workforce is approaching retirement age. This translates to hundreds of thousands of experienced professionals across construction, manufacturing and maintenance.

The recruitment gap

Far fewer new workers are entering the trades than needed to replace those leaving, with apprenticeship and training pipelines falling well short of demand.

The resulting deficit

The industry is facing a growing labor shortfall of hundreds of thousands of skilled workers just as infrastructure spending and private development accelerate.

Intense competition

Tens of thousands of employers nationwide are now competing for the same shrinking pool of qualified tradespeople.

Skyrocketing demand

The demand for skilled trades roles is rising faster than the overall labor market, driven by construction growth, reshoring of manufacturing, and aging infrastructure.

This combination of a shrinking workforce and exploding demand is precisely why a new approach is non-negotiable. To build business stability and fuel growth, you need a strategy designed for this new reality: a workforce agility strategy.

More than just a labor shortage

While the skilled labor shortage is a pervasive issue, it's far from the only challenge threatening your projects and profitability. You are likely also grappling with:



Market volatility and supply chain issues

Unpredictable material costs and availability can derail even the most carefully planned projects.

Permitting and material delays

Administrative and logistical holdups compress timelines and create scheduling nightmares.

Tariff fluctuations

Uncertainty around tariffs makes it difficult to forecast project costs accurately.

Compliance risks

Navigating prevailing wage, OCIP/CCIP enrollments and complex payroll reporting adds a layer of administrative burden and legal exposure.

These factors collectively tax your bottom line and lead to a phenomenon we call the "Skilled Trades Roller Coaster." This stressful cycle occurs when:

- You're managing multiple projects with evolving workforce needs.
- Delays cause timelines to truncate and project phases to overlap unexpectedly.
- You're forced to retain (and pay) workers on one project while scrambling to staff another.

The hidden costs of this roller coaster are substantial. Beyond the time and expense of finding, onboarding, and dispatching workers, you face:

- Costs of bad hires
- Increased overtime
- Significant travel and per diem expenses

These not-so-hidden costs of project delays can severely impede your ability to grow. So, what is the solution to breaking this cycle?



The solution: workforce agility

The formula for modern success is straightforward

Workforce Agility = Sustainable Growth + Risk Reduction

An agile workforce strategy empowers you to scale your crew up or down with ease as project demands change, without incurring the traditional costs and risks of a static, full-time team. It enables you to scale confidently, reduce compliance risks, and access qualified tradespeople quickly.

HOW DOES IT WORK IN PRACTICE?

Instead of front-loading your payroll with a large full-time team in hopes of being ready for anything, you engage in proactive project planning to build a “bench” of pre-vetted, contingent workers. These skilled tradespeople are available to fill project-based gaps as they arise, exactly when and where you need them.

THERE ARE TWO PRIMARY PATHS TO ACHIEVING THIS:

1. Internal management

Some contractors build internal processes and dedicate team members to run an agile workforce program.

2. Partnering with experts

Many contractors opt to work with a specialized contingent labor partner, like PeopleReady Skilled Trades (PRST), to handle the heavy lifting of recruitment, compliance and payroll.

Whichever path you choose, the core premise remains the same. With an agile workforce at your disposal project delays no longer devastate your bottom line and you can react to changes with speed and confidence.

Most importantly, project owners love contractors who deliver quality work on time. The more projects you complete successfully, the more you will be asked to bid on, creating a powerful cycle of growth and reputation building.

Key steps to building agility include:

Assessing your project pipeline:

Look ahead to forecast your labor needs.

Diving into data:

Assess market labor conditions, especially when entering new markets.

Creating a contingent labor bench:

Develop a pool of trusted, flexible workers.

Partnering for flexibility:

Consider staffing experts to augment your efforts for greater speed and scalability.

Navigating a complex compliance terrain

Any discussion of workforce strategy would be incomplete without addressing compliance. Whether you build your agile workforce internally or with a partner, managing compliance is critical to avoiding costly penalties and project delays.

THE LANDSCAPE IS COMPLEX AND INCLUDES:

- ✓ Accurate classification and reporting are essential for public works and federally funded projects.
- ✓ Navigating owner-and contractor-controlled insurance programs requires meticulous attention to detail.
- ✓ Managing multiple pay rates, deductions and certifications across different regions is a significant administrative challenge.
- ✓ Staying current on employment eligibility and documentation requirements is crucial.

Successfully managing this liability on your own is tough. A single misstep can lead to fines, back-pay disputes, and legal entanglements that damage your business.



Partnering for success and accelerating your growth

As you can see, building and managing an agile workforce involves significant legwork — from market analysis and recruitment to compliance and payroll. This is why many successful contractors choose to partner with proven contingent labor experts.

The right partner allows you to focus on running your business and executing projects, while they handle the complexities of workforce management. A partner like PRST can help you beat the skilled labor shortage by providing immediate access to a qualified, contingent workforce. Additionally, you can safeguard your operation from workforce-related risks and liability, including compliance management.

With the PRST solution you can implement an agile strategy to increase your scalability and operational flexibility, meet project labor demands faster, helping you adhere to compressed timelines.

Ultimately, the right partner doesn't just provide workers; they become a strategic ally in protecting and growing your business simultaneously.

Key takeaways

To build stability and fuel growth in today's market, focus on these three core actions:

1

Understand local market trends

Use data-driven analysis to inform your staffing strategies, especially in new regions. Knowledge is power when it comes to attracting and retaining talent — and accounting for market-rate wages.

2

Account for compliance changes

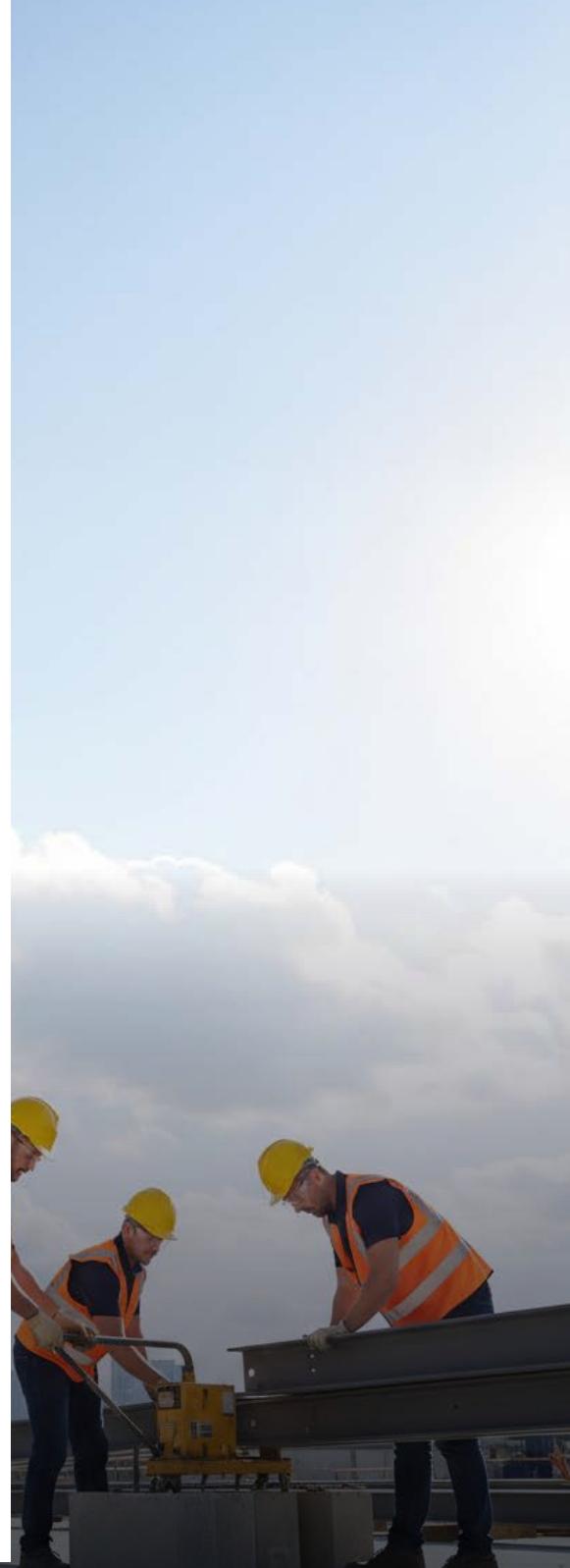
Proactively manage the complexities of prevailing wage, OCIP/CCIP, payroll reporting, and employment eligibility verification to avoid costly penalties and delays. Consider leveraging expert support to mitigate risk.

3

Leverage trusted partners for scalability and growth

You don't have to navigate these challenges alone. A specialized contingent labor partner can provide the flexibility, expertise, and speed you need to win more bids and execute them profitably.

By embracing workforce agility, you can step off the "skilled trades roller coaster" and onto a path of sustained, predictable growth.





Why choose PRST?

Specialized expertise: Our local recruiters are experts in sourcing, screening and testing tradespeople with specialized knowledge in all phases of construction.

Qualified tradespeople: Every tradesperson undergoes an extensive interview process with in-depth assessments so you can be confident they will get the job done right.

Reliability: We've honed our craft to ensure we deliver dependable tradespeople who show up on time with the right tools for the job.

A nationwide workforce: With locations across the U.S. and a traveling workforce, our recruiters are ready to connect you with the best skilled workers for your project.

A partner you can count on: Backed by the power of TrueBlue (NYSE: TBI), we offer unparalleled resources and experience.

Looking for skilled tradespeople for your next construction project?
Visit: skilled.peopleready.com/request-tradespeople