



WHERE HAVE ALL THE MAINTENANCE PROFESSIONALS GONE?

PRESENTED BY:

ZACH HOWELL

BEAR CONSULTING SERVICES

State of the Industry

Apartment Maintenance positions are sitting open and unfilled with no clear pipeline of new workers prepared, qualified, or even interested in filling the open positions.

34,000 open general maintenance positions in the US on Indeed

152,000 general maintenance positions annually will become open and available due to maintenance workers leaving their current industry or from stopping work due to injury or retirement.

The need for Qualified Maintenance Technicians is forecast to increase 8% annually as properties age and more units are being built over the next 3-5 years.



What is the Cause of this Crisis

Covid Impacts

Pre-Covid – in 2018 the industry was already being squeezed on the Maintenance Employee front. It was considered the #3 concern in a nationwide NAA study of the nations largest Management Firms and a “Growing Concern” for the upcoming 2019 forecasts.

2020- When Covid hit the US hard it had an easing impact on the Maintenance employee front. Most properties in the industry restricted unit access and the need for immediate Maintenance took a back seat to only “high priority” tasks.

Eviction Moratorium- again due to the inability of residents to be evicted during the pandemic unit turnover numbers were reduced and the immediate need for trained maintenance employees was eased.

Industry Norms

Little Technical Training for new hires or even existing Maintenance Technicians.

Little to no career path for Maintenance team members.

Little to no Qualification or skill verification when seeking and placing Maintenance employees.

Compensation based on property budgets.

No Industry recruitment approach

Very little incentive, bonus, or retainment approach for the Maintenance staff.

Generational Impacts

Tech Savvy prospects are not interested in Maintenance Work

Don't work well with their hands, Don't like getting dirty.

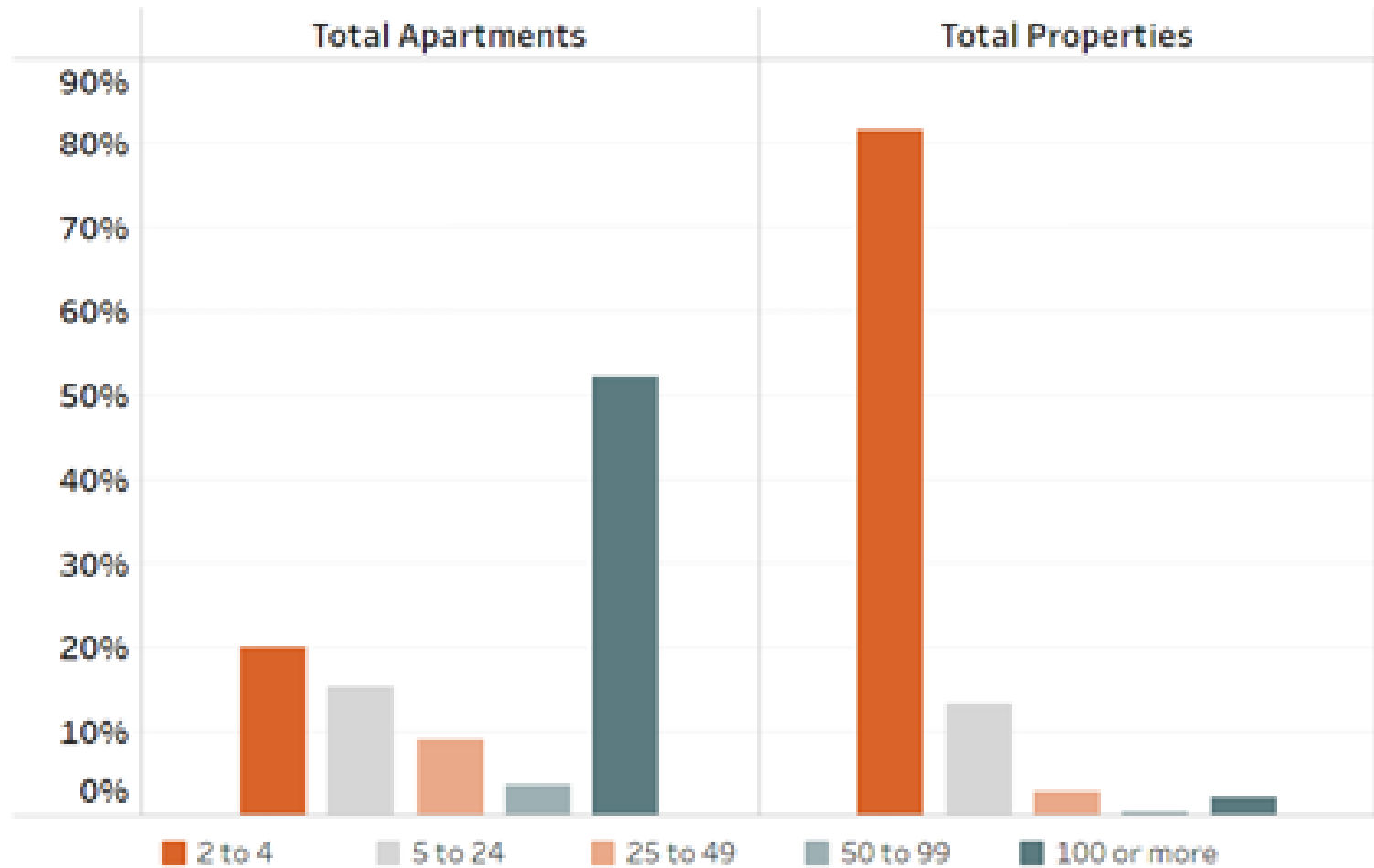
Not completely comfortable interacting with others / strangers conversationally.

View Maintenance as beneath them or blue collar, low wage, could be doing something else easier, safer, less stressful for the same or more money.

Not critical thinkers, real world problem solvers.

Don't take criticism well, feel entitled, afraid to make mistakes

Distribution of Apartments by Size of Property



Source: Rental Housing Finance Survey, U.S. Department of Housing and Urban Development and U.S. Census Bureau. Updated 6/2020.

When Were Apartments Built?



Source: NMHC tabulations of 2019 American Community Survey microdata, US Census Bureau. Updated 11/2020.

Current Numbers



22 Million apartment Units in the US



Roughly 168,000 Maintenance positions nationwide



130 apartment Units per Maintenance Position if all positions were filled.



Due to current Maintenance shortage that per position average is closer to 170 Units per current maintenance employee no matter what their skill or experience level.

For what its Worth

Typical Apartment Maintenance Compensation

National Averages:

Entry Level: \$27,000/year \$14.06/hr

5 years experience: \$33,000/year \$17.19/hr

8+ years experience: \$40,200/year \$20.94/hr
(national average 2019)

Entry Level Manager: \$67,500/year \$35.20/hr
(national average 2019)

For Comparison: The following are all \$20.00/hr jobs

Warehouse Package Handler

Mailroom Clerk

Call Center Representative

Production and Assembly

Grocery Clerk

Pressure Washer

Covid 19 tester

Industry Shift (THE - SPLIT)

Highly Skilled (compensated)

- Onsite Maintenance Manager
- perform maintenance duties
- oversee Turn sequencing
- perform PM schedules
- work with Vendors
- small Project Management
- resident interaction-retention
- ongoing training / certification

Maintenance Contract

- No full time onsite Maintenance
- perform maintenance duties under a defined service contract
- perform Turns within the contract
- no maintenance payroll
- no workers comp
- reduce risk to management
- pass liability to contractor

What Can be Done

National Approach to Maintenance profession recruitment into the industry.

Increased compensation base for entry to experienced Maintenance professionals

Increased new hire training and career path planning to make Maintenance a long term career choice.

Focus on existing maintenance personnel and shore up staffing internally before seeking outside recruiting.

Develop and implement standardized training methods and thresholds for each level of the maintenance career path inside the industry with corresponding compensation levels.

What to Do / Where to Look

Develop and implement high school level hands on technical training curriculums throughout the country.

Develop an industry recognized compensation standard based on merit and proven skillsets.

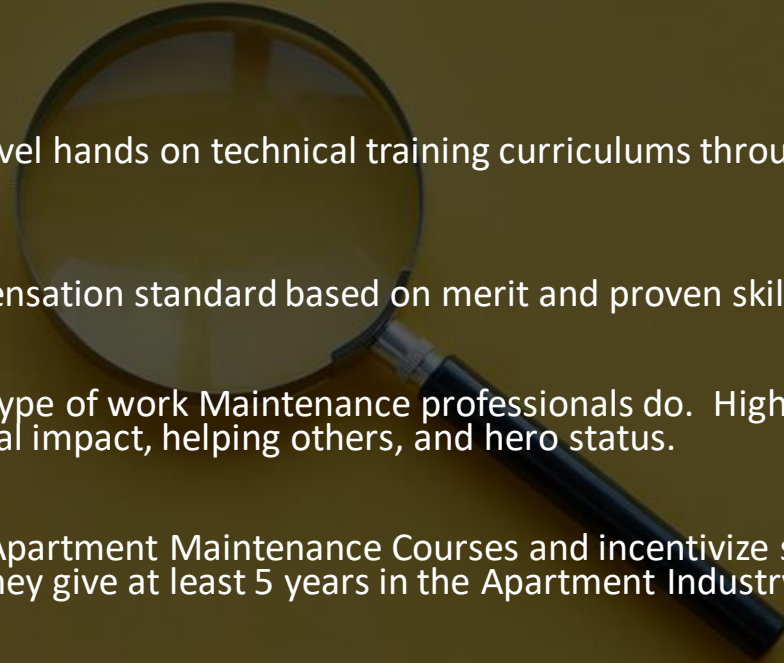
Create a new narrative related to the type of work Maintenance professionals do. Highlight their Creativity, problem solving ability, social impact, helping others, and hero status.

Design Community College Minors in Apartment Maintenance Courses and incentivize students with full student loan payback when they give at least 5 years in the Apartment Industry.

Recruit in High Schools and trade schools for those who don't plan on moving on to higher education.

Focus on Women and their ability to be trained within the Maintenance portion of the Industry.

Develop bi-lingual training for multiple backgrounds and create a potential path to citizenship via hard work, good income, and stable housing within the industry.



THANK YOU

FEEL FREE TO USE ANY PORTION OF THE PRESENTATION

ANY OTHER QUESTIONS

ZACH@BEARCS.COM

