

'Best position we've ever been'

Worker Shortage



LAST IN A 5-PART SERIES

■ Giving employees satisfying work is key to avoiding employment problems

By ERICK PETERSON and SUZANNE ROIG
EO Media Group

HERMISTON — Not every company is feeling the employment pinch equally, according to some local construction companies and at least one economist.

People at N.W. Crane Service Inc. and other companies say they are not having the same problems with staffing as in other industries. And when they do have personnel issues, they are not related to the pandemic.

"We're blessed," said Ryan Karlson, logistics manager at N.W. Crane Service in Hermiston. Though he credited much of his success to luck, his company's achievements in hiring and maintaining staff seem to be more than a fluke.

First, he said, crane businesses attract a special sort of person. Karlson's company employs 12 crane operators and drivers. Karlson is himself an experienced crane operator and knows a thing or two about this type of worker.

Crane operators, he said, are excited by the challenge of their work. Often, prior to beginning their careers, they looked up at cranes while doing other construction, and they wanted to get behind the controls of the huge machines.

This desire, he said, is sometimes hidden deep in their hearts. When they finally talk to an employer about crane work, and they learn about the opportunities, they are excited. And when they get a job, often they do not want to leave it.

Being able to offer employees a challenging, fulfilling and enjoyable job, then, accounts for part of N.W. Crane's employment success. This is not the end of the explanation, however.

A major reason Karlson has been able to foster loyalty is because he offers in-house certifications, which employees appreciate.

Certificates are important for crane operators. Many work sites, including ones owned by Amazon, allow only certified workers. And many employers, Karlson said, require employees to find and



Ben Lonergan/EO Media Group

Workers with N.W. Crane Service Inc., of Hermiston, unload parts of a crane while assembling it Monday, Sept. 27, 2021, at Kadlec Regional Medical Center in Richland, Washington. The crane service is among several companies that have managed to avoid the staffing problems plaguing other industries as a result of the pandemic.

pay for their own certificates.

He said he suspects his employees appreciate their training, but also other perks. He offers insurance and vacations. Depending on their experience, a new driver can earn \$20 to \$22 per hour. His crane operators can earn \$23 to \$40 or more.

These are nonunion jobs, but Karlson said employees can benefit from not being union members. Union employees, he said, might have to wait years before they can receive crane training. This is not the case for his workers — they can start training right away.

Turnover, then, is low, according to Karlson. His workers appreciate their jobs and the benefits of their labor, so they work well, but this is not all. They did not just start working hard when they joined his company; they started as good workers.

Karlson relies on pre-employment interviews to screen potential employees. Even if he has to do interviews by Zoom, rather than in person, he likes to be able to look a potential employee in the eye. He said he tries to figure their abilities and their character. If he thinks an employee will be a good fit, he said, they usually are.

Karlson said his company is "in the best position we've ever been," and this is during a pandemic when many other companies are struggling to retain or to find employees.

N.W. Crane has experience in worker relations, which Karlson attributed to its humble beginnings. The company grew as part of N.W. Metal Fabricators Inc., a company owned by his father, Kerry Karlson. His father was doing well with metal fabricating, but he saw the need for cranes. When he started operating his own crane, more and more employers approached him

for help. He added a second crane, which led to more.

By 2005, the crane side of the business was large enough to justify a separate business, and N.W. Crane Services was born. It began operating on its own property, separate from the fabrication company where it started.

A family operation that has developed since Ryan Karlson's father first came to Hermiston with his family in 1986, the companies treat their workers like family, and that approach has "gone a long way" to inspiring employees to stay, he said.

Having experienced workers is vital, Karlson said, because their jobs are no small feat.

He has nine cranes. The smallest weighs 40 tons. The largest tops out at 550 tons. He recently had this biggest crane on site at Lamb Weston. It took 15 semitrailers to move the crane and a 60-ton support crane to put it together. Taking it down, after the job, takes his staff 5-1/2 hours of coordinated, skilled and difficult work.

"They're amazing," Karlson said of his employees.

Economists: Prepare for headwinds to temper growth

To say it's been a tough year to be a business owner would be an understatement.

The rise and the fall of COVID-19 cases, risk levels that opened and closed businesses, new safety protocols and a severe labor shortage have forced many business owners to rethink and retool their operations. Some industries — such as health care and leisure and hospitality — have been hit hard by the pandemic and a lack of workers. Other industries haven't felt a thing, economists say.

In response, small businesses have raised wages and bumped up benefits to

draw works, which often requires raising prices to offset these new costs. A job that paid a minimum wage of \$9.25 an hour in 2016 now pays \$12.75 an hour, according to the Oregon Bureau of Labor and Industries. For the past five weeks, EO Media Group explored the effect of the labor shortage on businesses, industries and workers young and old.

The Oregon Employment Department reported that the state regained nearly two out of three jobs lost in spring 2020 when government mandates restricted or closed business operations. A record level of job openings were reported in April and June in Oregon and across the country. Businesses reported 98,000 job vacancies at any given time between April and June.

In addition, there were about 32,500 Oregonians between April and June who said they couldn't work because of child care concerns or health concerns related to COVID-19.

EO Media Group asked regional economists Christopher Rich and Gail Krumenauer to project the economic outlook for their areas and Damon Runberg, the state's economist, to comment (ON) Oregon's future economy. Their answers have been edited for clarity and brevity.

Q: What is the economic vision for Oregon going forward now that the initial impacts of the pandemic-related shutdowns are behind us?

A: Krumenauer: I think the general, common theme is that we'd all hope to see continued recovery and/or economic expansion, but we have already seen higher inflation in recent months. It's due in part to worker wages rising, in part to higher demand (this summer for things like air travel and accommodations), and also in

their business operations due to COVID, and in trying to hire more workers when the labor market is so tight (lots of job openings, relatively low unemployment, and some workers still facing barriers to taking jobs).

Q: What are some of the things employers are doing to encourage workers to return to the workforce?

A: Krumenauer: For one, employers have raised wages. Those wages have risen by more than 2% in Oregon over the past year. Three out of five offered health benefits, and half offered retirement benefits. One out of 10 of employers offering health insurance, and one out of five offering retirement benefits, cited worker hiring and retention advantages related to those offerings. Half of Oregon's private firms offered paid holidays, and half offered paid vacation days. One-third offered at least one of the following: flexible work schedules, production or performance bonuses, paid professional development training and life insurance. Some employers have relaxed experience requirements.

Employers also are layering help wanted signs with other efforts such as referral incentives, signing bonuses, posting with online job boards, and working with recruiters outside of their immediate geographical area.

Eastern Oregon outlook by Christopher Rich: "The largest uncertainty in Eastern Oregon's regional outlook is currently COVID-19. Prior to the pandemic, the region saw prolonged job growth beginning to slow due to a tight labor market. One of the largest concerns employers voiced was a need to hire workers and a lack thereof. Industries at the top of the list were health care and social assistance, manufacturing, retail trade, leisure and hospitality, and transportation. Total employment reached a peak of 70,570 jobs in October 2019 and the average annual unemployment rate for the region had fallen to a low 4.7%. The January through August average unemployment rate for the region was 5.3%."

Q: Will businesses have to continue to pivot to stay ahead of this current labor crisis?

A: Krumenauer: As for businesses pivoting, or rather continuing to adjust their hiring strategies, yes, I think they've already been incredibly innovative in changing

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As Umatilla County schools restart, so do COVID-19 outbreaks

By ANTONIO SIERRA
East Oregonian

UMATILLA COUNTY — The continued surge in new COVID-19 cases in Umatilla County is beginning to take a toll on the local education system.

On Wednesday, Sept. 29, Blue Mountain Community College announced it was putting its Pendleton campus under quarantine, moving all classes and services online through Oct. 13. The BMCC campuses in Hermiston, Boardman, Milton-Freewater and Baker City remain fully open.

In an interview, BMCC President Mark Browning said college leaders made the decision after a staff member

tested positive for the virus.

"It's the safest thing to do," he said.

According to Browning, the staff member got tested after learning they had been exposed to someone who already tested positive for COVID-19. Their test came back positive on Sept. 28, despite being vaccinated and asymptomatic. Browning said it is Blue Mountain's only confirmed case, but the college wanted to quarantine the campus to prevent any further spread and sanitize its facilities.

The county's two largest K-12 school districts have avoided a large-scale return to distance learning, but they still are feeling the impacts of COVID-19.

In the Pendleton School District, Superintendent Chris Fritsch said the district is experiencing an uptick in students in quarantine after Round-Up week, which the district has typically granted students and staff as a day off. In a Sept. 28 interview, Fritsch said 125 students were in quarantine, either because

they had tested positive for COVID-19 or because they had been exposed to the virus. The Oregon Health Authority issues weekly reports on outbreaks in schools, and its most recent report from Sept. 22, documented eight Pendleton students and two staff as contracting COVID-19 since the start of the school year.

Still, Fritsch said he thinks the beginning of the school year has gone well considering Pendleton started its school year as COVID-19 was peaking around the state.