

AGC's Richard Hedgecock on Building More with Less in Commercial Construction

by **Arkansas Business Staff**

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Richard Hedgecock became the executive vice president of Associated General Contractors Arkansas, the state's largest commercial construction trade association, a year ago.

Hedgecock was a lobbyist for Occidental Oil & Gas Corp. of Los Angeles for six years in the 1980s, lobbying for the company at the California legislature as well as in a number of Southeastern states, from Mississippi to West Virginia. In 1990, he became vice president of government affairs for the Tulsa Metro Chamber of Commerce. After 12 years there, he was named chief of staff for U.S. Rep. John Sullivan, R-Okla. In that capacity Hedgecock managed the daily operations of the congressman's office and was chief policy adviser. He joined AGC Arkansas in December 2012.

He graduated from the University of Arkansas in 1983 with a Bachelor's of Science in Business Administration in Marketing.

What construction sector do you see the most growth in? Which sectors are struggling?

Voters in Arkansas understand the economic value that follows infrastructure investment, both in short-term job growth and future opportunities. The two recent packages approved by voters make our bridge and highway programs the envy of states across the nation, all while a potential crisis in federal highway funding continues to hover over all of us. There does exist, however, a general lack of vibrancy in the private-sector economy, particularly as it relates to commercial construction. Northwest Arkansas has rebounded faster than much of

the state, and there are some pockets of growth in the northeast and southwest but, overall, our numbers continue to lag.

What lessons do you take away from the Great Recession for the construction industry?

Booms and busts are the way of the world in the construction industry. Continually searching for ways to do more with less is the norm. That being said, the prolonged impact of the recession cannot be understated. Many Arkansas contractors closed their doors or consolidated operations with other companies. Like companies across the business spectrum, those that remain are uniformly healthier because they are pursuing a constant course of re-invention and technology investment.

Some in the construction industry predicted demand soon would exceed supply in some specific building trades such as electricians, plumbers and masons. Has that shortage come to pass? What is the industry doing to ensure that there are enough of these skilled craftsmen?

AGC Arkansas operates apprentice programs for electricians and carpenters that have been highly successful for many years. Yet the recession has had a wide-ranging impact on our future employment needs; younger workers left the industry as the work dried up and experienced workers are now reaching retirement age. Though not yet a problem for Arkansas contractors, this issue will be with us for many years to come. We must strengthen our partnerships with career tech schools to make sure the programs being offered match up to needs in the workforce — those already mentioned as well as skilled heavy machinery operators and other field professionals. We also need to better communicate the opportunities for young people in search of a career. We tend to stigmatize these positions when, in fact, they are well-paying jobs with growth opportunity that is only going to accelerate.

A lot of industries have undergone changes that the casual observer might not realize. Is that true of the construction industry?

Our industry is not unlike the rest of our economy: Technological advances are showing our employers how to improve their products and their processes while challenging them with learning how to best implement these advances. Trade associations like AGC Arkansas assist their members in helping them figure out what is useful right now, how to acquire the appropriate knowledge and training and what further advances are trending for the future. It's a proud industry that will always be in demand and, like the rest of the world, we are always learning how to do it better.