

Sample Report



Market Share Study

[Construction Association]
[Local 101]

Construction Labor Research Council

One of the most important business considerations for contractors is market share. Market share shows the prevalence of union work in a given area, and perhaps more importantly, the trend over time. The Construction Labor Research Council (CLRC) is pleased to provide this Market Share Analysis for [Construction Association] and [Local 101].

Terms

There are two important terms to understand regarding this study: *market share* and *employment*. *Market share* is the ratio of union to total industry employment. In other words, it is the percent of the total industry in an area that is made up of union workers. This number shows what proportion of the market is worked by union workers, but does not show the size of the market.

Employment refers to the number of workers, union or total industry. It signals the actual size of the market. It is possible for market share to increase even though employment decreases. Thus, when looking at this study it is equally important to look at both market share (See the chart titled, “Market Share.”) and employment (See the chart titled, “Percent Change in Employment from the Previous Year.”).

Methodology

Market share was determined by dividing the number of [Local 101] workers by the total number of union and nonunion [craft] workers in the geographical area covered by [Local 101]. This ratio shows the percent of the total industry employment that is represented by the union.

$$\frac{\text{[Local 101] Employment}}{\text{Total [Craft] Employment in the Geographic Region Covered by [Local 101]}} = \text{Market Share}$$

[Local 101] Employment

The employment count for [Local 101] was calculated by dividing the total hours worked each year by 1,800, which represents full-time employment for one year for one employee.

$$\frac{\text{[Local 101] Hours}}{1,800} = \text{[Local 101] Employment}$$

Total [Craft] Employment

The total [craft] employment was obtained from the Department of Labor's Bureau of Labor Statistics (BLS). Research indicates that approximately 10 percent of the workers in the construction industry are [craft] workers. Therefore, employment in construction in the area was multiplied by this percent to reasonably estimate the total number of [craft] workers for use in this study.

$$\frac{\text{Construction Employment} \times 10\%}{\text{Total [Craft] Employment}}$$

Exhibit 1 Market Share

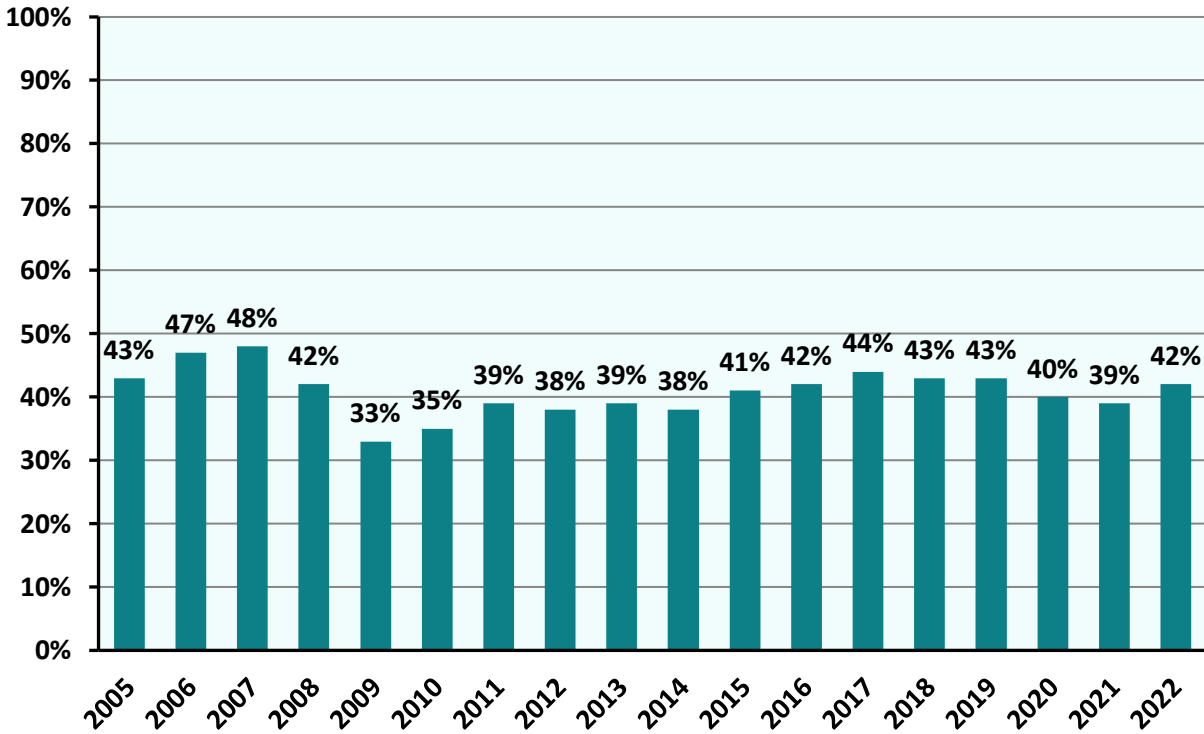
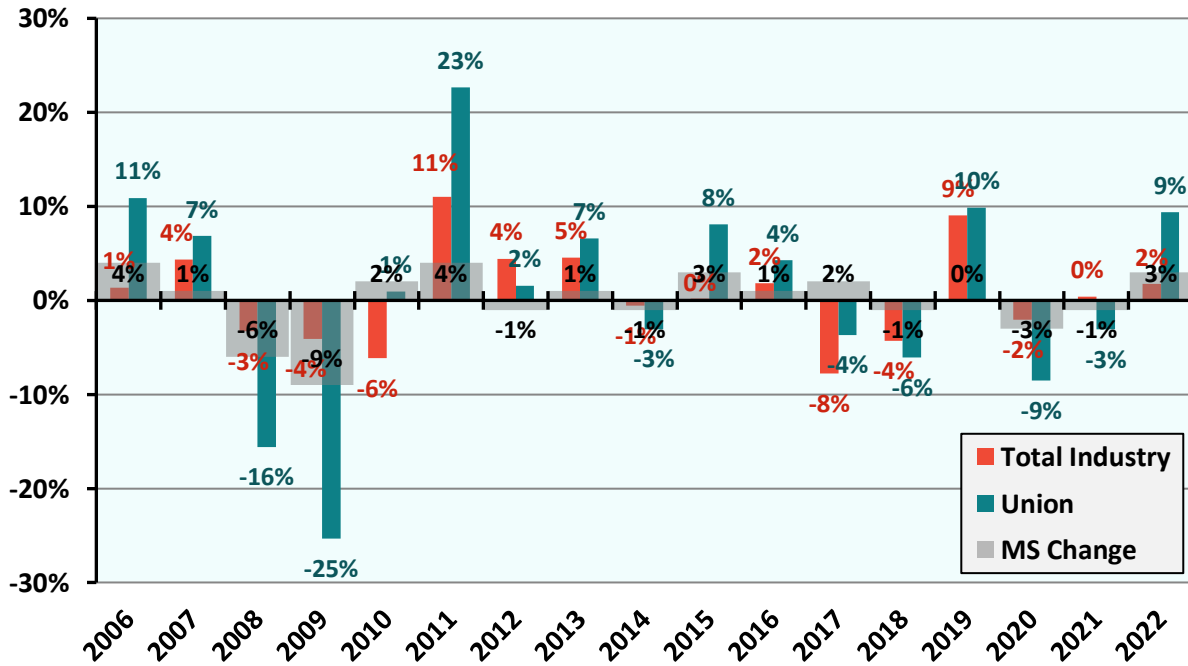


Exhibit 2 Percent Change from the Previous Year



The orange (Total Industry) and green (Union) bars in the chart above represent the change in employment. The grey bars represent the change in market share.

Exhibit 3

Employment Count (Union, Nonunion, and Total Industry)

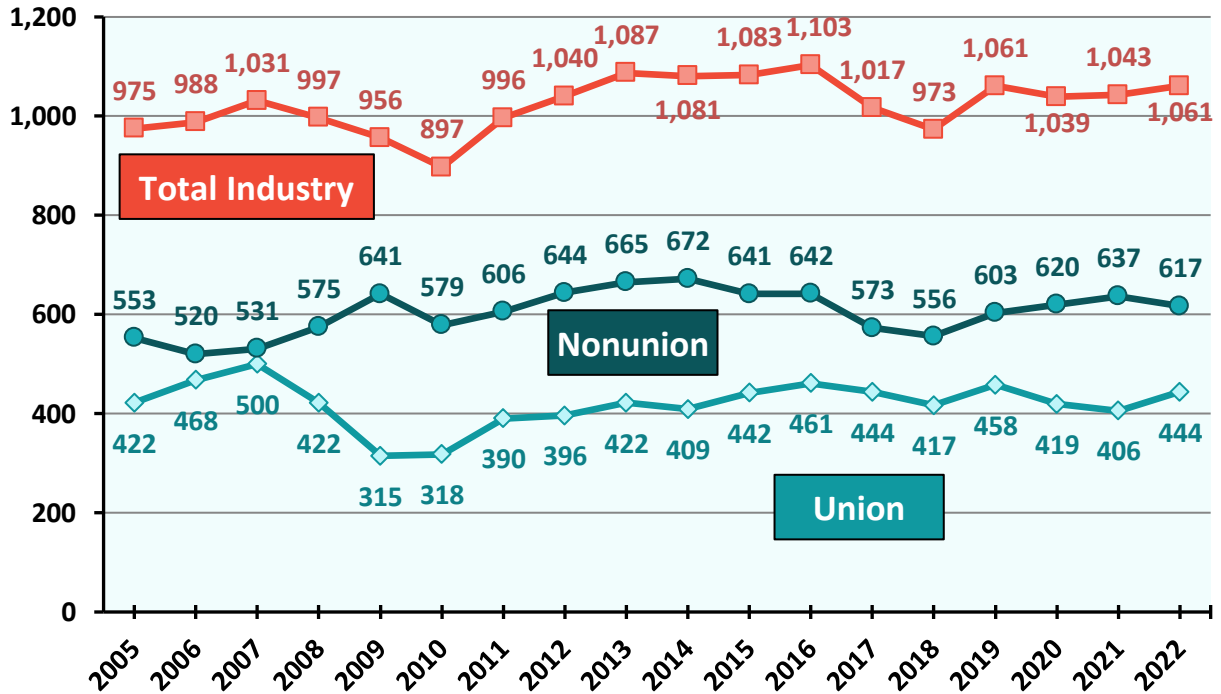


Exhibit 4

Summary Table

Year	Union			Nonunion			Total Industry			Market Share
	Employment	Change		Employment	Change		Employment	Change		
		#	%		#	%		#	%	
2005	422	-	-	553	-	-	975	-	-	43%
2006	468	46	11%	520	(33)	-6%	988	13	1%	47%
2007	500	32	7%	531	11	2%	1,031	43	4%	48%
2008	422	(78)	-16%	575	44	8%	997	(34)	-3%	42%
2009	315	(107)	-25%	641	66	11%	956	(41)	-4%	33%
2010	318	3	1%	579	(62)	-10%	897	(59)	-6%	35%
2011	390	72	23%	606	27	5%	996	99	11%	39%
2012	396	6	2%	644	38	6%	1,040	44	4%	38%
2013	422	26	7%	665	21	3%	1,087	47	5%	39%
2014	409	(13)	-3%	672	7	1%	1,081	(6)	-1%	38%
2015	442	33	8%	641	(31)	-5%	1,083	2	0%	41%
2016	461	19	4%	642	1	0%	1,103	20	2%	42%
2017	444	(17)	-4%	573	(69)	-11%	1,017	(86)	-8%	44%
2018	417	(27)	-6%	556	(17)	-3%	973	(44)	-4%	43%
2019	458	41	10%	603	47	8%	1,061	88	9%	43%
2020	419	(39)	-9%	620	17	3%	1,039	(22)	-2%	40%
2021	406	(13)	-3%	637	17	3%	1,043	4	0%	39%
2022	444	38	9%	617	(20)	-3%	1,061	18	2%	42%
Net Change: 2005-2022		22	5%		64	12%		86	9%	-1%

Discussion

Shown by **Exhibit 1**, market share for [Local 101] gradually increased from 44 percent in 2005 to 50 percent in 2007. By 2009, market share had quickly fallen to its lowest point of 33 percent. From 2009 to 2017, market share gradually rose by 11 percent, landing at 44 percent in 2017, before falling gradually to 39 percent in 2021. There was a slight increase, back up to 42 percent in 2022.

Most of the time, increases in market share (**Exhibit 2**) were a result of the union gaining more workers, as a percent, than the total industry. For instance, in 2011 the union growth was 23 percent (green bar), while total industry growth was 11 percent (orange bar), resulting in the 4 percent increase in market share (grey bar). However, in 2017 market share rose in spite of [Local 101] losing workers because the total industry lost more workers as a percent. The union yielded a 4 percent decrease in employment while total industry lost 8 percent, resulting in a 2 percent *increase* in market share.

When market share fell, it was usually because the union lost more of their workforce than the total industry, as a percent. For example, in 2009 union employment fell by 25 percent while total industry employment fell by 4 percent, resulting in the 9 percent decrease in market share. However, in 2012 market share decreased in spite of the union gaining workers. This is because the union gained less (+2 percent) than the total industry (+4 percent), resulting in a *decrease* in market share (-1 percent).

With respect to net changes, **Exhibits 3 and 4** show that [Local 101] gained 22 workers (5 percent) from 2005 to 2022. During the same time period, the net change for the total industry was an increase in employment of 86 [craft] workers (9 percent). This differential growth between the union and the total industry workforces produced the 1 percent net *decrease* in market share from 2005 to 2022.

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