

AN INDUSTRY GUIDE FROM TALENT SOLUTIONS

HVAC & MECHANICAL CONTRACTING

The Definitive Guide to Attracting Top Talent in HVAC & Mechanical Contracting

*Everything a mechanical contractor needs to know to win — and keep — the people who build
the business*

By

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President, Talent Solutions

Specialized recruiting for commercial trades • Pipeline-driven • Flat-rate

A Note from Michael Carter

To the leaders of hvac & mechanical contracting firms across the country,

I have spent the better part of my career placing talent in the commercial trades. In that time, I have sat across the desk from owners, presidents, and operations leaders in every corner of this industry. I have watched the great firms grow and the average ones stagnate, and I have come to a conclusion that I want to share with you up front: the single biggest constraint on growth in mechanical contracting today is not capital, not equipment, not market demand. It is people.

Every contractor I work with has the same story. The phone keeps ringing. The pipeline of work is healthy. The customers are loyal. And every single one of them — without exception — is leaving money on the table because they cannot find, hire, and keep the commercial service technicians, foremen, project managers, and field leaders the business needs to grow.

This is not a passing problem. The people retiring out of the trade outnumber the apprentices coming in. The competition for skilled labor has gone from regional to national. And the contractors who continue to recruit the way they did ten years ago — post a job, hope someone qualified applies, repeat — are losing every offer they make to the contractor across town who paid attention earlier.

I wrote this guide because I am tired of watching good firms struggle with this. The information here is what I would tell you if you and I were sitting at a job site together — without the consultant-speak, without the platitudes, and without anything I do not actually believe.

What you will find in the pages ahead is a practical, no-nonsense framework for building the talent function your firm deserves. We will talk about the real cost of an open seat, what an employer brand actually means in the trades, what compensation packages are winning right now, why your hiring process is probably costing you candidates without you knowing it, what retention really looks like, and how to build a talent pipeline so you stop scrambling every time someone walks out the door.

This is not theory. This is what works. Read it carefully. Use it.

If at the end of this guide you decide we are the right partner to help you implement it, I would be honored to have the conversation. If not, take what is useful here and put it to work in your firm anyway. Either way, the trades are better when the firms in them are run well, and that starts with the people.

— *Michael Carter*

President, Talent Solutions

Executive Summary

The mechanical contracting industry is facing the most severe talent shortage in its modern history. HVAC and mechanical contracting firms across the country are turning down work, missing project deadlines, and losing customers — not because the demand is gone, but because the people are. Mechanical contractors who have always operated in a "post and pray" hiring model are discovering that the model no longer works, and the firms thriving right now are the ones that have rebuilt their talent function from the ground up.

This guide is written for the owners, presidents, and operations leaders of mechanical contracting firms who want to win in this market. It covers what we know to be true after years of placing the people who run these businesses: the structural realities of the labor market, the true cost of an unfilled seat, the elements of an employer brand that actually attracts top performers, what compensation packages look like in the current market, where most hiring processes break down, the disciplines of retention, and the case for a talent pipeline over a job posting.

The argument running through this entire document is simple. The contractors who treat recruiting as a quarterly fire drill will continue to fall behind. The contractors who treat recruiting as a year-round operating discipline — with a real strategy, real accountability, and the right partner — will continue to win. The gap between those two camps will widen every year from now on.

This guide is the framework for being in the second camp.

The State of HVAC & Mechanical Contracting Talent

The structural picture

Demand for mechanical contracting services is as strong as it has been in a generation. The rapid growth of data center construction, the shift toward heat pumps and electrification, tightening refrigerant regulations, and the explosion of building automation and controls work — every one of these forces has pushed our industry toward sustained, predictable growth. Mechanical contractors I work with all describe the same thing: backlogs are healthy, work is plentiful, and the constraint on growth is not the pipeline of work, it is the pipeline of people who can do it.

The labor side of the equation has not kept pace. Trade school enrollment has lagged demand for years. The generation of master commercial service technicians and senior leaders who built the modern industry is aging out. Apprenticeship programs are running, but they take years to produce a journeyman, and the candidates entering the field need significant on-the-job development before they can run a project, a service truck, or a crew.

The result is a market in which qualified candidates have leverage they have never had before. They have multiple offers. They are willing to walk for a few dollars an hour. They have higher expectations of culture, schedule, and treatment. And they share information about who is paying what — and who treats people well — through a network that runs faster than any job board.

What this means for your firm

The first thing this means is that the rules of recruiting have changed. The model in which a position opens, you post it, and qualified candidates respond is broken. The best commercial service technicians are not on job boards. The senior project managers, foremen, and field leaders worth winning are currently employed and not actively looking. They are reachable, but only by someone who has built a relationship with them before the seat opened.

The second thing this means is that the cost of slow hiring has gone up dramatically. Every week a project goes understaffed, every customer commitment that slips because the truck is short a tech, every piece of work bid and not delivered — these costs compound. In an environment where work is the easy part and people are the hard part, the firms that can hire fastest with the highest quality have a structural advantage that grows with every cycle.

The third thing this means is that the discipline of recruiting has to be elevated inside the company. It cannot be the part-time job of an office manager who is also handling AP and AR. It cannot be the side responsibility of an operations manager who is also running projects. It has to be either a real internal function with the right people and tools, or a real external partnership with a firm that does this work as its full-time profession. The firms that try to recruit on the side will continue to lose to the firms that recruit on purpose.

The constraint on growth is no longer the pipeline of work. It is the pipeline of people who can do it.

The Hidden Cost of a Vacant Seat

I want you to do a calculation. The next time a key seat opens in your firm — a foreman, a project manager, an estimator, a senior commercial service technician — pull out a notepad and add up what that vacancy actually costs you. Not the salary you save while it is open. The real cost.

The direct revenue cost

Start with the work that does not get done. A foreman runs a crew that produces revenue every working day. A project manager keeps multiple projects on schedule and on budget. A senior estimator wins

work the company would otherwise miss. When that seat is open, you are either paying overtime to cover the gap, redirecting other people from their own work, or simply not producing the revenue the role would have produced.

In mechanical contracting, the rough math is uncomfortable. A productive commercial service technician typically generates several times their salary in annual revenue. A foreman or project manager generates substantially more. The revenue lost during a typical 60- to 90-day vacancy in a senior role often exceeds the entire annual salary of the position you are trying to fill.

The hidden cost of the people who stay

The next cost is the one most contractors miss entirely. When a key seat is open, the rest of the team absorbs the load. The other foreman picks up the second crew. The senior PM takes on the orphan project. The dispatcher works late to keep service calls covered. They do not complain right away. They do their jobs.

But if it goes on for a few months, something else happens. The best people in your company start to wonder whether the company actually values them. They watch leadership take six months to fill a seat that should have been filled in six weeks. They take on the extra work, but they also start answering recruiter calls they would have ignored before. Slow hiring is one of the leading causes of unwanted turnover, and the cost of losing one of your existing top performers is several times the cost of the original vacancy.

The customer cost

The third cost is the one your customers feel. A chiller replacement, a rooftop unit changeout, a controls retrofit, or a service contract renewal that gets pushed because you are short-staffed is a customer relationship you may not get back. Property managers, GCs, and end users have long memories about who delivered and who did not. The cost of one lost customer relationship — over the lifetime of that account — can dwarf the cost of any single hire.

The opportunity cost

Finally, there is the work you turn down or do not bid because you do not have the bandwidth to deliver it. Most contractors I work with significantly underestimate this cost because the work simply never enters the books. But every firm I have ever spoken to can name three or four pieces of business they walked away from in the last year because they could not staff it.

The recruiting cost

On top of all of that is the actual cost of recruiting itself. If you are using a contingency firm at 25 percent of first-year salary, the cost of a single senior project manager hire can be \$30,000 or more. Multiply

that across multiple hires per year, and the recruiting line item alone is one of the largest discretionary spends in the company. And contingency firms only get paid when they fill a seat — so they have every incentive to push candidates whether they are right or not.

Adding it all up

When you add up the lost revenue, the strain on remaining employees, the customer disruption, the opportunity cost, and the recruiting fees, the true cost of a single open senior seat in a mechanical contracting firm can easily exceed \$100,000 — and often runs significantly higher. This is the math that makes the case for treating recruiting as a strategic function. The firms that move from a 90-day average time-to-fill to a 30-day average are not saving 60 days on a recruiting timeline. They are recovering tens of thousands of dollars in real cost on every single hire.

The true cost of a vacant senior seat is not the salary you save. It is everything that does not get done while it is open.

Building an Employer Brand That Actually Attracts

Of every topic in this guide, this is the one most contractors get wrong — usually because they think "employer brand" is a marketing term that does not apply to a trades business. Let me reframe it. Your employer brand is not a logo or a tagline. It is the answer to a single question every candidate is asking before they accept your offer: what is it actually like to work there?

Top candidates in mechanical contracting are answering that question whether you participate in the conversation or not. They are asking the people on the other crews. They are reading your reviews. They are looking at your trucks, your shop, your jobsites, and your people. They are checking your social media to see if there is anything there at all. The only choice you have is whether to influence what they find or to let it be determined by accident.

The five elements of an employer brand that wins

After watching firms get this right and watching firms get this wrong, I have come to believe there are five elements that matter — and the firms that get all five right have an enormous recruiting advantage over the firms that do not.

- **The work itself.** Top candidates in mechanical contracting want to do good work. Show the work you do. A chiller replacement, a rooftop unit changeout, a controls retrofit, or a service contract renewal should be visible on your website, in your social media, and in the conversations you have

with candidates. Show the difficult, the technical, the high-quality. The candidates worth winning will recognize themselves in that work, and they will want to be part of it.

- **The people.** Real photos of real foremen, real commercial service technicians, real office team members. Not stock photos. Not generic crowd shots. Names and faces and stories. Candidates want to know who they will be working with. They want to know that the leadership team is approachable and competent. The firms that put their people forward attract people who want to work with people.
- **The equipment, the shop, the trucks.** In the trades, this matters. A clean, organized shop, well-maintained trucks, modern tools and equipment — these are signals that the company cares about the work and respects the craft. Candidates notice. They will visit your shop, look at your trucks at red lights, and form an opinion in seconds. Make sure the opinion they form is the one you want.
- **The career path.** Top candidates do not want a job. They want a career. Make the path from where they are to where they want to be visible. Apprentice to journeyman. Journeyman to lead. Lead to foreman. Foreman to superintendent or PM. Show the comp ranges. Show the timeline. Show the people who have done it. The candidates who are evaluating you against the contractor across town who pays \$4 more per hour and offers a take-home truck will pick the firm where they can see their future.
- **The culture.** Culture is not the foosball table. In mechanical contracting, culture is whether the office answers the phone when a tech needs help, whether the foreman backs the crew when the GC pushes back, whether the company keeps its word on schedule and pay, whether the holiday party is something people actually want to come to. Candidates can sense culture in fifteen minutes. The firms with the best cultures do not have to advertise them — but they do have to live them.

The careers page nobody reads

Most mechanical contracting firms have a careers page on their website that is actively hurting them. It has a generic stock photo of a hard hat. It has a list of bullet points copied from a competitor's site five years ago. It has an "apply now" button that goes to a form with twenty fields. And it converts almost no one.

The careers page that wins is built around the five elements above. It opens with a clear statement of who you are and what you do. It shows real work and real people. It lists open roles in plain language with honest information about what the role pays, what the schedule looks like, what the path forward is, and who they will report to. It has an application process that takes three minutes, not thirty. And it links to social proof — reviews, testimonials, photos from the field.

If you do nothing else after reading this guide, audit your careers page tomorrow with the eyes of a candidate who is currently happily employed at your best competitor. Ask yourself whether the page would make them consider switching. If the answer is no, you have a starting point.

The Compensation Conversation

I want to start this section with a hard truth: in the current market, if you are not paying competitively, none of the rest of this matters. You can have the best culture, the cleanest shop, the best foreman, and the most beautiful careers page in the industry — and you will still lose every offer to the contractor across town who pays \$4 more per hour and offers a take-home truck if your number is two dollars an hour low. Compensation is the table stakes. Everything else builds on top of it.

That said, "competitive" is not the same as "highest." The best contractors I work with are not always the highest payers. They are the firms whose total package — base, bonuses, benefits, vehicles, time off, certifications, and culture — adds up to the best deal in the market for the candidates they want.

Where the market is right now

Wages have moved aggressively in mechanical contracting over the last several years, and they are still moving. The candidates worth winning know what they are worth and have multiple data points on what other firms are paying. A commercial service technician in a major metro can reasonably expect to earn \$75,000 to \$110,000 depending on experience, certifications, and skill mix. Senior project managers in the same markets are typically commanding \$110,000 to \$175,000. These are not aspirational numbers. These are the numbers I see candidates actually walking away from offers below.

If your wage scale was set three years ago and has not been recalibrated, you are probably losing offers and may not even know it. Candidates who decline are rarely candid about why. They simply move on. The signal in your data is the offers you make and the rate at which they are accepted — and whether the candidates you are losing are going to firms paying meaningfully more.

Pay for the skill, not the title

The most effective compensation structures I see in the industry are tied to demonstrated skill, certification, and contribution — not to time on the job. A commercial service technician who has earned EPA Section 608 certification should be paid more than one who has not. A foreman who can run two crews should be paid more than one who can run one. A senior PM who closes the year on schedule and on budget should see that in the bonus.

Transparent skill-based pay scales do something else important: they tell every employee exactly how to earn more. The path from where they are to a higher rate becomes a checklist of certifications, skills,

and outcomes. Ambitious employees take that checklist and run with it. Less ambitious employees get sorted out faster. Either way, the firm gets stronger.

The package beyond the base

Base pay is one piece. The total package is what wins. The contractors I see retaining their best people are layering the rest of the package thoughtfully:

- **Take-home vehicles.** For service techs and senior field leaders, a take-home truck is one of the most valuable benefits you can offer. It is also one of the most visible. A clean, well-equipped service truck parked in a candidate's driveway is a recruiting tool every time a neighbor walks by.
- **Paid certifications and continuing education.** Every certification you fund is a signal that you are investing in the employee's career. Every renewal you cover is a reason for them to stay. The cost of paying for certifications is trivial compared to the cost of replacing the employee who would leave without them.
- **Tool and equipment allowances.** In trades where the employee provides their own tools, an annual tool allowance is a meaningful benefit. It also signals respect for the work — that you understand the tools matter, and that you do not expect the employee to fund their career out of their own paycheck.
- **Health benefits that work.** In a market with many self-employed and one-person shop alternatives, real health insurance for the employee and family is a major differentiator. The cheap-est plan that meets a minimum is not the same as a real plan that someone will actually use without dreading the deductible.
- **Retirement match.** A real 401(k) match — three to five percent or more, vested on a reasonable schedule — separates the firms thinking long-term from the firms thinking transactionally. Top candidates in their thirties and forties are paying attention to this.
- **Paid time off that people actually take.** PTO that exists on paper but cannot be used in practice is worse than no PTO at all, because everyone in the building knows the policy is fiction. Top firms not only offer competitive PTO, they actively encourage people to use it. The firms with the highest retention have leaders who take vacations themselves.
- **Bonuses tied to outcomes.** Project completion bonuses for PMs, safety bonuses for crews, referral bonuses for everyone — these are some of the highest-leverage compensation tools available. They tie pay to the outcomes that actually matter, and they do not increase the base wage permanently if the market shifts.

Compensation is the price of admission. Culture, career, and treatment are what win the offer.

The Hiring Process Itself

After two decades of placing talent in this industry, I have come to a strong conclusion: more good hires are lost to bad hiring processes than to bad offers. I have watched candidates with multiple competing offers pick the firm that responded fastest, communicated clearest, and made them feel respected — even when the comp was equal or slightly lower. And I have watched firms with the best comp packages in the market lose every senior candidate they interviewed because the process took six weeks and felt like a hazing.

The hiring process is not a formality on the way to the offer. It is the offer. It is how the candidate experiences your company before they have a chance to experience it as an employee. If the process is fast, professional, and respectful, it pre-sells everything else. If it is slow, disorganized, and impersonal, it undermines everything you have built.

The seven-day rule

Here is the rule I tell every contractor I work with: from first contact to written offer, you have seven days. Not seven weeks. Not seven business days that turn into ten because somebody is on vacation. Seven days. If you cannot move that fast, you will lose the candidates worth winning.

Top candidates in mechanical contracting are not on the market long. The good ones get found, courted, and hired in cycles measured in days. If your process requires multiple interviews on multiple days with multiple decision-makers who never have the same calendar open, you have a structural problem that no amount of recruiting effort can overcome. The fix is to redesign the process — not to recruit harder.

Where most processes break

- **The week-long delay before the first call.** A candidate submits an application or a resume comes in through a referral. Then it sits for a week before anyone calls them. By the time you reach out, they have already had two other conversations. You are now the third option, not the first.
- **The phone screen that takes three days to schedule.** The recruiter or operations manager has to coordinate with their own schedule, the candidate's schedule, and a hiring manager's schedule for a fifteen-minute call. The call itself takes fifteen minutes. The scheduling takes a week.

- **The interview committee.** Five people interview the candidate in five separate conversations across two weeks. Each interviewer has a slightly different opinion, no clear decision-maker exists, and the debrief turns into a referendum that produces no decision.
- **The reference check that delays the offer.** The interviews go well. Everyone wants to make an offer. But the reference check has not started, the references have not returned calls, and the offer is held for two weeks while everyone waits. The candidate accepts another offer in the meantime.
- **The negotiation by committee.** The offer is verbally extended. The candidate counters. The hiring manager has to take it back to the owner. The owner has to think about it. Three days pass. The candidate, feeling unwanted, accepts the other offer they had in hand.

The process that wins

The hiring process that wins in this market looks something like this. First contact within 24 hours of the candidate appearing in your funnel. A phone screen within three days, conducted by someone who can answer real questions about the role and the company. An in-person or video interview with the hiring manager within a week. A clear yes-or-no decision within 24 hours of that interview. A written offer within 48 hours of the decision. References checked in parallel with the offer process, not as a gate to it. Total elapsed time from first contact to offer: about a week.

This requires three things. First, a single decision-maker who owns the hire and has the authority to extend an offer. Second, a hiring manager who treats interviews as a priority on their calendar — not a nuisance to be squeezed in between meetings. Third, a clear understanding internally that the cost of a slow process is higher than the cost of a fast one.

What to evaluate in the interview

The interviews themselves are where most firms either confirm or undermine the work they have done up to that point. The best interview process I see in mechanical contracting firms covers four things, in order:

- **Technical skill.** Can they do the work? In the trades, this is non-negotiable. A working interview, a job-site visit, or a technical conversation with the hiring manager is the only way to know. Resumes and certifications are necessary but not sufficient.
- **Work history and stability.** Why did they leave their last three jobs? Have they progressed in skill and responsibility, or have they bounced laterally? What does their tenure pattern tell you about how long they will stay with you?
- **Cultural fit.** Will they fit the team? Will they work well with the foreman, the dispatcher, the customer? In the trades, the wrong cultural fit is more disruptive than a skill gap, because skill can be developed and the wrong personality usually cannot.

- **Trajectory.** Where do they want to go? Are they ambitious and looking for growth, or are they comfortable where they are? Both can be the right answer for the right role, but you need to know which one you are hiring before you make the offer.

Retention: The Highest-ROI Recruiting Strategy

Every conversation about recruiting eventually has to come back to retention, because the math is undeniable: every employee you keep is one you do not have to replace. And the cost of replacing a skilled employee in mechanical contracting — recruiting fees, lost productivity, training time, customer disruption, and the impact on the people who stay — typically runs well into five figures, often into six.

Said differently: an investment in retention pays back faster, more reliably, and at higher returns than almost any other discretionary spend in the business. Yet most firms underinvest in retention because the returns are invisible. You do not get a memo when an employee decides not to leave. You only get a memo when one decides to go.

Why people leave

After years of exit conversations and stay interviews, I have come to believe that people in the trades leave for predictable reasons, in roughly this order:

- **They feel disrespected.** Disrespect in the trades takes specific forms. The foreman who never asks their opinion. The owner who walks past them without speaking. The promised raise that never materialized. The schedule change announced via text the night before. People will tolerate hard work, long hours, and uncomfortable conditions. They will not tolerate feeling like they do not matter.
- **They cannot see a future.** If the path from where they are to where they want to go is unclear or nonexistent, the ambitious ones will go somewhere they can see it. The talented commercial service technician who has been doing the same role for five years with no progression and no plan is the one most likely to take the recruiter's call.
- **The compensation has fallen behind.** The market has moved. Their pay has not. They find out when a friend at another firm tells them what they are making. The conversation about a raise feels like begging. They walk.
- **The work-life balance is broken.** The schedule is unpredictable. The overtime is mandatory and unrewarded. The PTO exists but cannot actually be taken. The kids are growing up while they are at work. They make a change.
- **They lost confidence in leadership.** Something happened — a missed payroll, a broken commitment, a customer complaint that was handled badly — and they no longer believe the company is going to look out for them. Once that confidence is broken, it is very hard to repair.

What retention actually looks like

The contractors I see with the highest retention in the industry do a handful of things consistently and well:

- **They run real stay interviews.** Once a year, every key employee sits down with their leader and answers three questions: what do you love about working here, what frustrates you, and what would make you consider leaving. The answers go into a plan, and the plan gets executed. This single practice is the highest-leverage retention tool I know.
- **They make career paths visible.** The progression from apprentice to journeyman to lead to foreman to superintendent — or whatever the equivalent is in your firm — is documented, posted, and discussed openly. Every employee knows what the next level looks like and what it takes to get there.
- **They invest in development.** Paid certifications, paid training time, paid travel to manufacturer schools, mentoring programs. Every dollar spent here is a dollar that pays back in retention and skill multiplication.
- **They recognize people in public.** Top performers get named, praised, and celebrated. Tenure milestones are honored. Project completions are recognized. The cost of a \$50 gift card and a public thank-you is trivial compared to the retention impact.
- **They communicate constantly.** The owner walks the shop. The president visits jobsites. The foreman has weekly conversations with each crew member. People stay informed, feel included, and trust that they will hear bad news from leadership before they hear it from the rumor mill.
- **They fix the things employees raise.** Nothing kills retention faster than employees raising the same issue every year and watching nothing change. The firms that retain people respond to feedback visibly and quickly. The fix does not have to be perfect. It does have to be real.

The cheapest hire you will ever make is the one you do not have to make.

Building Your Talent Pipeline

If there is one idea in this guide I want you to take away above all others, it is this: stop hiring reactively. Stop waiting for someone to quit before you start looking for their replacement. Stop posting jobs and hoping. The firms that win in this market are the firms that have built a continuous pipeline of vetted, qualified candidates — so that when a seat opens, the shortlist is already there, and when an opportunity to upgrade emerges, the candidate is already known.

This is the single biggest strategic shift available to mechanical contracting firms today. The contractors who have made it have something close to an unfair advantage over the contractors who have not.

What a real pipeline looks like

A talent pipeline is not a stack of old resumes. It is not the contact list of every candidate who has ever applied. A real pipeline is a curated, ongoing set of relationships with qualified mechanical contracting professionals in your market — people you have spoken with, vetted at some level, and stayed in touch with over time, even when there was no specific opening to discuss.

It includes the foreman at a competitor who is not happy but is not actively looking. The senior PM who would consider the right opportunity but is not on a job board. The commercial service technician who would like a take-home truck and a clearer career path. The estimator who is loyal to their current employer but would entertain a serious conversation. None of these people will respond to a job posting. All of them will take a thoughtful call from someone who has earned their time.

Why a pipeline beats a job posting every time

- **Speed.** When a seat opens, you do not start at zero. You start at week three of a process that would normally take six. The shortlist exists. The conversations have been had. The candidates are warm.
- **Quality.** The candidates in a real pipeline are the ones the market does not see. They are not on job boards because they do not need to be. They are the ones every competitor wishes they had.
- **Leverage.** A pipeline gives you the option to hire when the right person is available, not just when a seat opens. The best hire I have ever placed for a contractor was a senior PM the contractor did not know they needed until they met him. Six months later, the project he runs is the most profitable in the company.
- **Negotiating power.** When you are not desperate, you make better offers. When you have multiple qualified candidates in process, you can hold your line on terms. Pipeline-driven hiring tilts the table in your favor.
- **Reduced cost.** Every week you cut from time-to-fill is real money. Pipeline-driven hiring routinely reduces time-to-fill from months to weeks, and the cumulative cost savings across multiple hires per year is substantial.

Building it yourself versus partnering

Some firms have built internal pipelines successfully. They have invested in a real talent acquisition function — a dedicated recruiter, a CRM, a sourcing strategy, an outreach cadence — and they have committed to the long, slow work of building relationships in their market over years. For firms with the scale and the capital to do this, it is a defensible competitive advantage.

Most firms in mechanical contracting cannot economically justify a full internal talent function, and the operations leaders who would have to build one are already running the business. For these firms — which is most firms — the answer is to partner with a recruiting firm that has already built the pipeline, that maintains it as its full-time profession, and that brings it to bear on every search.

The Recruiting Partner Question

Most contractors I meet have used a recruiting firm at some point and have a complicated relationship with the experience. The fees were high. The candidates were sometimes a fit, sometimes not. The communication was variable. The replacement guarantee was technical enough that nobody really knew how it worked. By the end of the engagement, the contractor was not sure whether they got their money's worth.

I want to address this directly, because the partner question is one of the most important strategic decisions a mechanical contracting firm can make about their talent function. Picking the right partner is multiplicative. Picking the wrong one is expensive.

The traditional contingency model

The most common recruiting model in our industry is contingency. The firm presents candidates, the contractor hires one, and the firm collects a percentage — typically 20 to 30 percent of first-year salary — as a placement fee. On a \$120,000 senior project manager hire, that is \$24,000 to \$36,000 per placement.

The model has several built-in problems. It is unpredictable in cost — the fee scales with salary, so the better the candidate, the more you pay. It is transactional — the firm gets paid when a seat is filled, so they have every incentive to push candidates whether they are right or not. It is reactive — the firm only engages when you have an open seat, which is the worst time to start recruiting. And it produces no continuity — every hire starts from zero, with no accumulated knowledge of your firm or your market.

The DIY internal model

The other end of the spectrum is doing it yourself. Post jobs, run your own ATS, have your office manager or HR person screen applications, and live with whatever the local job market produces. This model has the advantage of low direct cost and full control. It has the disadvantage that, in the current market, it does not work very well for the senior trades hires that matter most.

The candidates worth winning are not on job boards. They are not browsing your careers page. They are reachable only through outreach, relationship, and patience — the exact disciplines that an internal team running it on the side cannot consistently deliver. Most DIY recruiting in mechanical contracting produces acceptable results for entry-level field hires and unacceptable results for everything else.

The flat-rate, pipeline-driven alternative

The model I have built my firm around — and the model I believe is the right answer for most mechanical contracting firms — is different from both of the above. We charge a flat fee per hire instead of a percentage of salary, so the cost is predictable and does not penalize you for hiring well. We maintain an ongoing pipeline of candidates in your market before you have an opening, so we are not starting from zero when you call. We focus exclusively on commercial trades, which means we know the work, the credentials, and the realistic candidate pool. And we partner with our clients over time, which means every hire makes the next one easier and faster.

The economics are dramatically better for the contractor. On a \$120,000 senior project manager hire, the savings versus a 25 percent contingency fee can be \$20,000 or more on a single placement. Across a year of multiple hires, the total recruiting spend can be cut by half or more, with better results.

How to evaluate any partner

Whether you choose to work with us, with a competitor, or with no one, here is the framework I would use to evaluate any recruiting partner:

- **Specialization.** Do they focus on commercial trades, or are they a generalist firm that places everything from accounting to engineering? Specialization compounds. A firm that places commercial service technicians every week knows things a generalist firm cannot know.
- **Pipeline depth.** Do they have a real pipeline of candidates in your market, or do they start from a job posting every time? Ask them how many qualified commercial service technician candidates they could put in front of you next week. The answer tells you everything.
- **Pricing transparency.** Is the fee predictable, or does it scale with the hire? Predictable fees align incentives between the firm and the contractor. Percentage fees do not.
- **Replacement guarantee.** What happens if the hire does not work out? A serious firm offers a replacement guarantee that is clearly written and actually honored. A less serious firm offers fine print.
- **Communication.** How often will you hear from them, and what will the conversations be like? The firms worth working with treat communication as a feature, not an afterthought.
- **References.** Will they connect you with three contractors they have worked with for at least a year? If they hesitate, that is your answer.

A Final Word

If you have made it this far, you are exactly the kind of leader I wrote this for — someone who takes their firm and their people seriously, and who is willing to invest the time to think carefully about how to do this part of the business well.

Here is what I want you to take away. The talent crisis in mechanical contracting is not going to fix itself. The firms that win will be the ones that treat recruiting as a strategic priority, build real employer brands, pay competitively, run fast and respectful hiring processes, invest in retention, and develop continuous talent pipelines either internally or with the right partner. The firms that do not will continue to struggle, regardless of how good their work is or how strong their customer relationships are.

The single most important shift you can make is from reactive to proactive. Stop waiting for problems and start getting ahead of them. Build the relationships you will need next year before you need them. Pay your people what they are worth before someone else does. Invest in retention before you have to invest in replacement. The compound effect of this shift, executed consistently over a few years, is enormous.

I have spent my career placing the people who run firms like yours, and I have seen what works. What works is not magic. It is discipline, applied consistently, by leaders who decide that talent is going to be a strategic priority and who are willing to do the work.

If you would like help putting any of this into practice — or if you simply want a candid conversation about your specific situation — I would welcome the call. My team and I have built our firm to be the partner I wish more contractors had access to: trades-focused, pipeline-driven, flat-rate, and committed to the long-term relationship rather than the transaction. Whether or not we end up working together, I am happy to share what we know about your specific market.

Either way, thank you for reading. Now go build the team your firm deserves.

— *Michael Carter*

President, Talent Solutions

About the Author

Michael Carter

President, Talent Solutions

Michael Carter is the President of Talent Solutions, a recruiting firm specializing exclusively in the commercial trades. Under his leadership, Talent Solutions has built a national pipeline of vetted mechanical contracting professionals — from commercial service technicians and foremen to senior project managers and executive leadership — and has placed hundreds of candidates with contractors across the country.

Michael's career has been spent at the intersection of the trades and talent. He has worked alongside owners and operations leaders at firms ranging from small family-owned shops to multi-state platforms, and has developed a deep, practical understanding of what it takes to build and keep a great team in this industry. His approach — flat-rate pricing, pipeline-driven recruiting, and trade-specific expertise — was built in direct response to the shortcomings of the traditional contingency model.

Michael writes and speaks frequently on talent strategy in the commercial trades, and is a regular contributor to industry conversations about workforce development, retention, and the future of the skilled trades.

About Talent Solutions

Talent Solutions is a national recruiting firm focused exclusively on the commercial trades — HVAC and mechanical contracting included. We maintain ongoing pipelines of vetted candidates across every key role in our verticals, charge a predictable flat fee per hire instead of a percentage of salary, and partner with our clients over time rather than transactionally.

The contractors we work with consistently report faster time-to-fill, higher-quality hires, and meaningfully lower total recruiting spend than they experienced with traditional contingency firms. We back every placement with a replacement guarantee and treat every engagement as the start of a long-term relationship.

To start a conversation about your firm's talent strategy, visit us online or contact us directly. We would be honored to be your partner.

Ready to build your pipeline?

Schedule a discovery call with Michael and the Talent Solutions team.