Acumatica
The Cloud ERP

THE ANSWER COMPANY

Construction Specialty Contractors: Carpentry and Flooring Services

Industry Digest

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SUMMARY

Carpentry and flooring contractors work as subcontracted labor within a larger construction project. They are also hired independently for new and renovation construction jobs. These businesses must closely watch the construction and housing markets to respond as industry demand shifts. Some companies see the benefit of proactively manufacturing materials to gain more control over price fluctuations. Training, certification, insurance, and bonding must be maintained to remain eligible to win contracts.

Specialty contractors using legacy ERP or entry-level accounting applications struggle to keep up with today's document-heavy construction industry. Siloed systems that do not communicate with each other create gaps in communication. Lack of integration across departments with disparate accounting, estimating, project management, payroll, and compliance solutions cost time and money. Additionally, physical paperwork in the field makes it difficult to react to customer needs promptly.

Set your business apart from the competition with a modern and mobile ERP solution with best-in-class financials, certified payroll, embedded CRM, AIA billing and reporting, and robust compliance and inventory features. Harness the power of an unparalleled business platform with cross-industry functionality and low-code and no-code customization tools. Extend the platform with hundreds of certified marketplace applications to fit your business's unique needs.

This Industry Digest gives a detailed picture of the carpentry and flooring installation industries. Take a deep dive into industry growth projections and trends. Learn how to alleviate common specialty contractor challenges, get a specialty construction ERP checklist, and access industry-specific resources to help you grow and thrive in today's competitive construction economy.

Discover How Specialty Contractors Grow with Acumatica

LAUNCH THE VIEWER >

Carpentry and flooring contractors are hired for new construction and renovation projects. Dependency on the growth rates of residential and commercial construction markets and material prices both help and hinder the industry's growth trajectory. These specialty contracting industries have been impacted by difficulties hiring skilled labor. Demand for sustainable, or green materials and supply chain issues has created the need to manufacture many of the materials they install and repair. Technology with multi-discipline capabilities positions these cross-industry companies to move with agility as the opportunity arises.

INDUSTRY GROWTH PROJECTIONS AND MARKET SIZE

Carpenters construct, repair, and install building frameworks and structures made from wood and other materials. The carpentry industry also includes window and garage door installation services. Carpenters work indoors and outside learning the trade through special vocational schools or through apprenticeships. Employment of carpenters is projected to grow by 2 percent from 2021 to 2031[1], which is slower than other specialty construction trades. Slow industry growth results from decreasing demand for wood structures and the popularity of modular and prefabricated components for new buildings.

Flooring contractors install tile, carpeting, linoleum, and vinyl flooring. This industry group also includes the laying and finishing of hardwood flooring. The flooring installation market is expected to grow at a compound annual growth rate (CAGR) of 5.2% from 2023 to 2030[2]. Changes in consumer trends and demand for more sustainable products have aided in this growth. The flooring market is expected to increase due to advancements in installation techniques and stringent regulations around the usage and recycling of materials. Contractors that understand these changing demands are well-positioned to win more work and grow their customer base.

Historically, the construction industry has struggled to hire workers to keep up with demand. Job openings for carpenters and flooring contractors most frequently come from the need to replace workers who change occupations or retire. Companies need the ability to attract, train, and retain talent to stay compliant with regulations and stand out against the competition.

Carpentry specialty contractors are classified as SIC 1751, with most US businesses being carpenters, cabinet makers, woodworkers, and window and garage door installation services. Flooring contractors are identified within SIC Code 1752 and include floor laying and refinishing, carpet layers, and contractors specializing in flooring. Below is a market breakdown of US companies showing these specialty contracting companies' by industry segment.

Carpentry and Flooring Contractor Market Size[3] (company size and number of companies)

SIC CODE	INDUSTRY SEGMENT	1-20	21-50	51-100	101-250	251-500	501+	TOTAL
1751-02	Carpenters	6,370	300	81	81	7	5	6,844
1751-03	Cabinet Makers	7,793	611	125	78	17	15	8,639
1751-05	Window Replacement	2,040	1,713	308	53	12	2	4,128
1751-06	Woodworkers	5,185	305	93	52	11	4	5,650
1751-07	Garage Doors – Repair	6,411	263	50	21	1	2	6,748
1752-03	Floor Laying Refinishing & Resurfacing	16,265	770	182	76	13	8	17,314
1752-06	Carpet Layers	2,156	118	25	9	1	1	2,310
1752-08	Floors – Contractors & Builders	4,425	228	57	40	8	1	4,759

1. Source: U.S. Bureau of Labor Statistics
2. Source: Grandview Research
3. Source: Data Axle 2023

INDUSTRY DESCRIPTION

Since carpenters and flooring specialties perform installation, renovation, and service work, general contracting companies often hire them as subcontractors. Therefore, certifications, insurance, and compliance documentation are crucial to remain viable subcontracting candidates. Efficient and streamlined document management aids in winning work and successful project execution.

Astute project management and accurate cost estimates are necessary for carpenters and flooring contractors to turn a profit. They also need the ability to present a comprehensive portfolio of work to potential clients. Reputation and word-of-mouth are essential to garner more jobs.

Most carpentry and flooring contracting companies are service-oriented. They are responsible for providing their own equipment and materials when hired for service work. In addition, these professionals must perform and track equipment repairs and maintenance. As a result, they require visibility into service requests, technician schedules, equipment availability, and inventory needs.

The need to control rising prices and demand for eco-friendly materials have given specialty installation contractors an impetus to manufacture what they install and maintain. Therefore, cross-industry functionality is a must-have in addition to managing all necessary documentation and handling field service needs.

CARPENTERS, CABINET MAKERS, & WOODWORKERS

The people and businesses in this group work with wood to create and repair objects, furniture, and structures on commercial and residential construction projects. It can be a labor-intensive profession, requiring lifting heavy equipment and materials. People who enjoy working with their hands and being physically active are well-suited to these job opportunities.

Training is required to use specialized woodworking hand and power tools. The companies and individual contractors must implement safety techniques and maintain certifications for many of the tools used on the job site. Most people entering these fields spend time training as apprentices under a certified carpenter, cabinet maker, or woodworker. This saves money and allows them to earn money while learning valuable skills.

Carpentry, cabinetry, and woodworking often involve maintenance, repairs, and alterations of existing structures. The structural work within a larger construction job involves safety and compliance oversight from project managers and architects, increasing the need for project management and collaboration tools. The service side of these specialty contracting businesses also requires appointment scheduling and inventory visibility.

WINDOW & GARAGE DOOR INSTALLATION & REPAIR

As window and garage door installers, these skilled workers remove and repair old structures and replace them with new ones. This job includes working with power tools, climbing ladders and scaffolding, and transporting materials and supplies.

Inventory and procurement management are everyday needs among window and garage door contracting companies. The products they service and install are wide-ranging in material, size, and price. Businesses require visibility into prices and stock availability to bid jobs accurately. A service management system is paramount to capturing customer needs, assigning appointments and managing communications between dispatchers, technicians, and customers.

FLOORING INSTALLATION & RESURFACING CONTRACTORS

Flooring installers work independently or as part of a larger crew. They often work directly with the customer to determine the budget, timeline, and materials. After removing the existing flooring, installers must clean and level the subfloor and then position and affix the wood, vinyl, linoleum, or carpeting as needed. Becoming licensed is not required, but it is recommended when starting a contracting business or working as an independent contractor. Most learn the trade through apprenticeships, which allow these skilled workers to work toward licensure while still earning a living wage.

"I don't have to wait until the end of the month or two or three months after that to have clean labor data to learn the profitability of the job. With Acumatica Construction Edition, all of us have that data in real-time."

– JEFF HAMILTON, PRESIDENT, ROBERTS GLASS & SERVICE

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ERP
Features

Selecting a solution to run your specialty contracting company is a decision that will affect your company for years to come. Many products offer the same or similar features, and it can be confusing to sort out what is important and what is not. Acumatica's Construction ERP System Evaluation Checklist is a good starting point for evaluating ERP solutions. The interactive checklist below contains critical features that specialty contractors need to succeed in the market today.

FEATURE	BENEFIT	PRIORITY	Acumatica		
Job Cost Accounting	Guarantee important contracts, clients, and revenues are not lost with included AIA reporting and billing. Compare costs with original and revised budgets.		✔		
Project Management	Enable flow of project data between managers, field teams, and ofice staff. See changes in project scope, labor, materials, and equipment in real-time.		✔		
Change Orders	Manage change orders with automated workflows. Streamline change orders for multiple projects with unit rate changes, custom retainage, and cost-only change requests.		✔		
Compliance	Manage lien waivers, insurance certificates, and status updates. Provide expiration dates and other alerts to staff and suppliers. Generate automated compliance documents.		✔		
Payroll	Flexible payroll supports multiple unions, locals, classes, benefits packages, complex wages, and certified wages.		✔		
Labor Documentation	Each employee's compensation records are easy to track and report on. Certified payroll allows subcontractors to complete all government-required documentation.		✔		
Daily Field Reports	Collaborate with other subcontractor teams in the field. Ensure everyone has the same project updates to improve planning, scheduling, and billing.		✔		
Embedded CRM	View real-time customer data, including quotes, orders, invoices, payments, support cases, and service calls. Empower customers with a self-service customer portal.		✔		
Document Management	Store and retrieve all project documentation electronically for improved communication with all stakeholders.		✔		
Estimating	Use connected estimating solutions, such as ProEst to save time and create more accurate estimates and win more profitable jobs.		✔		
Field Services	Manage technician schedules and use mobile devices for GPS navigation, voice note dictation, mobile time reporting, and mobile expense receipt capture.		✔		
Inventory Management	Track project materials in warehouses, mobile service vehicles, and on other job sites.		✔		
Purchasing/ Procurement	Built-in drop shipping ensures materials and equipment arrive at the job site when they are needed.		✔		
Equipment Tracking	View equipment service history in the field. Define warranties and schedule recurring preventative maintenance.		✔		
Manufacturing	Connect to Acumatica Manufacturing Edition to grow and evolve your business with material planning, production controls, and automated order management.		✔		
Mobile Functionality	Empower workers to respond quickly to customers, vendors, contractors, and other subcontractors from the field.		✔		
One Source of Truth	Connect all people, projects, and processes with one central location for all project data. Eliminate data silos with a comprehensive 360-degree view of each project.		✔		
Easy Integrations	Easily integrate with vetted Marketplace applications to extend functionality and meet unique business needs.		✔		
Business Intelligence	Use powerful business intelligence to gain a better understanding of financial and customer data to make informed, actionable decisions.		✔		
Ease-of-use	Attract and retain employees with a modern and easy-to-use cloud platform. Customize screens and dashboards to fit different roles in the company.		✔		
Scalability	Scale up or down as business needs change without incurring costs for added licenses. Pay for resources used, not the number of users, giving everyone access.		✔		

INDUSTRY Resources

Resources are provided below to aid carpentry and flooring contractors in their digital transformation projects. Network with your industry peers, attend trade shows and read recent trade media and industry reviews. Access Acumatica's resources to learn more about software to automate and streamline business operations.

INDUSTRY EVENTS

- AWFS Fair (Link)
- ABC Convention (Link)
- AWI Annual Convention (Link)
- Build in Wood (Link)
- CFI & FCICA Convention (Link)
- Conexpo Con/Agg (Link)
- ENR Future Tech (Link)
- FCICA Annual Convention (Link)
- Furniture Manufacturing Expo (Link)
- FloorCon (Link)
- GlassBuild America (Link)
- Greenbuild International Conference (Link)
- IDA Expo+ (Link)
- International Woodworking Fair (Link)
- Kitchen & Bath Industry Show (Link)
- NAHB International Builders Show (Link)
- NWFA Expo (Link)
- The Woodworking Shows (Link)
- Timber Processing & Energy Expo (Link)
- Wood Pro Expo (Link)

INDUSTRY ASSOCIATIONS

- American Subcontractors Association (Link)
- Architectural Woodwork Institute (Link)
- Associated Builders and Contractors (Link)
- Association of Woodworking & Furnishings Suppliers (Link)
- Construction Financial Management Assoc. (Link)
- Door & Access Systems Manufacturers Assoc. (Link)
- International Certified Flooring Installers (Link)
- International Door Association (Link)
- Flooring Contractors Association (Link)
- National Association of Home Builders (Link)
- National Council of Structural Engineers (Link)
- National Glass Association (Link)
- National Wood Floors Association (Link)
- United Brotherhood of Carpenters & Joiners of America (Link)
- Window & Door Manufacturers Associations (Link)
- Woodwork Career Alliance of North America (Link)
- Woodworkers Guild of America (Link)

TRADE MEDIA AND ANALYSTS

- Canadian Woodworking (Link)
- Carpenter Magazine (Link)
- Construction Business Owner Magazine (Link)
- Construction Dimensions (Link)
- Construction Executive (Link)
- Constructor Magazine (Link)
- Contractor Magazine (Link)
- D+AS Magazine (Link)
- Fine Woodworking (Link)
- Floor Covering Installer (Link)
- Floor Covering News (Link)
- Floor Covering Weekly (Link)
- Floor Focus Magazine (Link)
- Floor Trends Magazine (Link)
- Flooring Contractor Magazine (Link)
- Furniture & Cabinetmaking (Link)
- Glass Magazine (Link)
- IDA Magazine (Link)
- Kitchen & Bath Online (Link)
- Popular Woodworking (Link)
- Pro Installer Magazine (Link)
- Pro Remodeler Magazine (Link)
- Structure Magazine (Link)
- Window + Door Magazine (Link)
- Wood Magazine (Link)
- Woodworker's Journal (Link)
- Woodworker Magazine (Link)
- Woodworking Network (Link)

ACUMATICA RESOURCES

Access the Acumatica Resource Center to learn more about Acumatica's Construction Editon for specialty contractors.

Visit Resource Center

"Before, we would take the customer's money and they'd never hear from us again for six weeks. We didn't have the bandwidth to call people, so one of the first things I did was create automated notifications, which are very nice and personal."

– FRANCIS NWABUDIKE, PRESIDENT & CEO, SPACEMANAGER CLOSETS

LEARN MORE >

Carpentry and flooring specialty contractors prosper and grow with Acumatica Construction Edition. Its flexible and scalable platform empowers small to mid-sized businesses to tailor the software with low-code, no-code customization tools, configurable workflows, and access to hundreds of certified marketplace applications.

ACUMATICA FOR CARPENTRY AND FLOORING INSTALLATION SERVICES

Acumatica Construction Edition supports carpentry and flooring contractors' unique needs. With the ability to track material, equipment, and labor costs with a single source of truth, Acumatica connects teams from anywhere at any time.

Timesheets and resource allocations link to projects for real-time views of every job. Acumatica streamlines change orders for multiple construction projects with unit rate changes, custom retainage, and cost-only change requests. Maintain project timelines with the ability to drop-ship stock directly to job sites and connect them to change orders.

Store insurance and bond certificates electronically so they are always accessible. Provide automated updates when staff or company compliance documents are close to expiring. Create forms within the system to record employee training and occurrence logs.

Track inventory in warehouses, mobile service vehicles, and other job sites. Ensure the right supplies and equipment are in stock to complete each job. Materials used are restocked as needed with real-time visibility into each project. Integrate with Acumatica Manufacturing Edition modules to grow into new markets.

Acumatica Construction Edition provides ease of use and an adaptable platform that facilitates rapid integrations. Integrate with BIM, estimating, field service applications, and more. Built on a scalable cloud ERP platform, Acumatica's open architecture is backed by the industry's best value-added reseller network. Acumatica Construction Edition provides carpenters and flooring contractors with a solution for transforming your business to thrive in today's economy.

> "Now I have real-time information to track actuals against estimates through the life of the project. I can analyze project profitability at any time, and if needed, we can take preventative action to bring a project back in line."
>
> – DAN LULL, CFO
>   VAL HOLDINGS

Acumatica
The Cloud **ERP**

Acumatica Cloud ERP is a comprehensive business management solution that was born in the cloud and built for more connected, collaborative ways of working. Designed explicitly to enable small and mid-market companies to thrive in today's digital economy, Acumatica's flexible solution, customer-friendly business practices, and industry-specific functionality help growing businesses adapt to fast-moving markets and take control of their future.

THE **ANSWER COMPANY**

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THE ANSWER COMPANY

About The Answer Company

For the past 30 years, The Answer Company ERP consulting group has been transforming businesses with technology.

Team members across the country have worked with over 800 construction and real estate companies seeking to digitize and streamline their operations, gain tighter project controls, and access intelligent, real-time insights across every department.

We work with clients to design business management software to align with business objectives, giving them the power to make informed decisions, enhance productivity and employee satisfaction, and achieve sustainable growth.

With us by their side, clients can build better and stay competitive.

For more info, visit: **www.theanswerco.com**
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