WHITE PAPER

The Trust Gap

Why the Data Center Labor Crisis Calls for a Workforce Coalition, Not Another Job Board

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Executive Summary

The data center buildout is no longer limited mainly by capital, land, or even power equipment. It is increasingly limited by people: electricians, pipefitters, instrumentation and controls technicians, and the supervisors who lead them. The United States entered 2026 short roughly 439,000 construction workers, and the gap is sharpest in the skilled trades that data centers depend on most. Electrical work alone accounts for about half of the labor on these projects.

The default response, competing harder for the same workers with higher wages and faster outreach, is producing a predictable result. Firms report more competition for talent, more wage pressure, and more turnover. Wages rise, crews move, and the total supply of qualified workers barely changes. Recruiting alone cannot fix a pipeline problem.

This paper makes three arguments:

- **The constraint is trust and continuity, not just headcount.** The most expensive failure on a data center site is not an unfilled job posting. It is a crew that leaves mid-project.
- **Peer-to-peer, vouched hiring is the strongest lever available for retention,** and it is becoming more valuable as automated recruiting and application tools flood open channels with noise and as major platforms wall off their data from outside AI agents.
- **A geographically organized, multi-employer coalition is the right structure to apply it.** Leading owners, operators, and foundations have already concluded that no single company can solve this alone. A gap remains at the local level, where contractors compete for the same crews county by county.

The Data Center Industry Workforce Coalition (the Coalition) is designed to fill that gap. Based in Muncie, Indiana, it is organized around a geo-centric labor network, verified-employer standards, a peer-to-peer trust layer, and a resilience and rapid-response capability. This paper lays out the evidence behind the model, what it does and does not prove, the risks that must be managed, and how to test it.

1. The Scale of the Constraint

Industrial Info Resources estimates that data center developers will spend about $298 billion on projects in various stages of planning and construction in 2026, and about $1.4 trillion from now through 2030. Indeed Hiring Lab reported in July 2026 that data center job postings have more than doubled over two years even as overall U.S. postings fell by about 12 percent. Demand for this labor is rising against the broader market.

Indicator	Figure	Source
U.S. construction worker shortage, late 2025	About 439,000	ITIF summary of WSJ reporting; Per Scholas
Net new workers construction needs in 2026 to stay in balance	349,000 (ABC estimate)	ACHR News, Sept. 2026

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Indicator	Figure	Source
Electrical share of labor on data center projects	About half (ABC)	Bloomberg / Staffing Industry Analysts, July 2026
Electrical share of data center construction cost	45% to 70%	Per Scholas, July 2026
Pay premium for workers moving into data center construction	Roughly 25% to 30%	WSJ via ACHR News; ITIF
Firms reporting more competition for skilled workers	58%	ACHR News, Sept. 2026
Firms reporting wage pressure / harder-to-fill roles / higher turnover	49% / 36% / 30%	ACHR News, Sept. 2026
Foreign-born share of construction-trades workforce	35% (vs. about 19% all industries)	AGC / BLS via Bloomberg
Wage growth, May 2025 to May 2026: apprentice / journeyperson / commercial electricians	8.2% / 6.6% / 9.9% (overall U.S. pay: 2.4%)	Indeed via Bloomberg

The structural drivers are well documented: an aging workforce, too few young people entering the trades, thin apprenticeship and community-college pipelines, and tighter immigration enforcement affecting a workforce with a high share of foreign-born workers. Apprenticeship-based trades such as the electrical trade take four to five years to train. The Bureau of Labor Statistics projects roughly 10,700 openings per year for electric power line workers and 46,000 per year for welders and related trades through 2034. An OpenAI executive was quoted in the Washington Post as saying that the company's expansion alone would employ about 20 percent of the current skilled-trades workforce. That claim has not been independently verified here, but it illustrates the size of the draw on a limited pool.

Utilities, manufacturing, and renewable energy are drawing from the same pool. Analysts at Turner & Townsend, surveying 112 markets, found close to 90 percent reporting shortages in mechanical, electrical, and plumbing labor, with workforce availability the leading driver of cost escalation. Labor has become a schedule risk and a legal risk: delay claims among owners, general contractors, and subcontractors are becoming more common and more contentious, according to a BRG analysis.

2. Why Recruiting Alone Cannot Close the Gap

When many firms bid for the same limited workforce, higher pay and faster hiring mostly redistribute workers instead of creating them. Contractors told Bloomberg they are turning away work or poaching crews from smaller contractors to keep projects staffed. In an ACHR News analysis, one contractor reported that its traveling data center teams, particularly electricians and helpers, have its highest turnover. The same analysis concluded that this exposes a fundamental limitation of solving a labor shortage through recruiting alone.

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Data center work does have an advantage: it is perceived as more stable and continuous than industrial work tied to shutdowns, turnarounds, and short-term capital projects. Once built, a facility also needs a skilled operations and maintenance team for its lifetime. The demand is therefore not a one-time spike. It is a durable career market, and it rewards approaches that build long-term relationships between workers, employers, and communities.

> *The question is no longer "How do we find more resumes?" It is "How do we find, vouch for, train, and keep the people who can actually do this work?"*

3. The Digital Trust Environment Is Changing

Recruiting has relied heavily on open digital channels: job boards, professional networks, and increasingly automated sourcing and application tools. Three shifts are weakening those channels at the same time.

Automation is flooding the funnel

Candidates' AI tools can now tailor and submit applications at volume, and recruiters' tools can source and message at volume. When both sides automate, signal quality falls. Hiring managers see more applications and fewer reasons to trust any single one.

Platforms are walling off their data

A widely read October 2026 analysis from the Secureish newsletter (Michael Reichstein) describes how major platforms have begun blocking outside AI agents while building their own. The author describes four layers of blocking: network address, browser fingerprint, account controls, and contract terms. A 2026 Ninth Circuit ruling treated an agent running on a user's own device as the user, while an agent running in a vendor's cloud may be treated as the vendor. The author expects licensed, paid access and a two-tier web in which an authenticated layer is reserved for each platform's own agents. The article does not address hiring. Its relevance here is an extrapolation: recruiting workflows that depend on outside tools logging into large platforms are exposed to access being revoked without notice, and legal responsibility for an agent's actions may fall on the user or employer.

Trust becomes the scarce asset

As automated activity grows and platforms restrict access, the scarce commodity is a verified human being vouching for another human being. That is not a new idea in the trades. It is the oldest recruiting model in them.

4. Peer-to-Peer Trust: What the Evidence Shows

Construction and industrial labor have long run on vouching: apprenticeship sponsorship, union hall referral, and the foreman who brings a trusted crew from job to job. Employee-referral research outside the trades points the same way. In an iCIMS analysis of its client data, referral

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hires stayed about 70 percent longer than non-referral hires (median of roughly 38 months versus 22). The benefit was larger in high-turnover environments: referred hires stayed 122 percent longer at high-turnover companies, against 51 percent longer at low-turnover ones. iCIMS also estimated that referrals cost about half as much over the life of the hire. These figures come from a vendor's own client base and are not specific to construction, so they should be treated as directional evidence, not a forecast. Even so, high turnover is the defining labor problem of traveling data center crews, which is where the referral advantage appeared strongest.

There is also practical precedent in the field. In the years after Hurricane Katrina, Rex Powers served as vice president of Gulf Coast operations for PinPoint Resources (now Talent LogistX), leading grant administration and debris monitoring projects over roughly three years. The rapid-response labor program built in that period depended on peer-to-peer referrals and produced a trust-based workforce culture. The first Coalition initiative is a worker-attraction platform whose architecture mirrors that program. The principle is summarized in the Coalition's guiding phrase: Hire the Handshake©.

Why a technology layer matters

Avalar.io, an operational subsidiary of Talent LogistX, is being developed as a peer-to-peer ecosystem built on who you know as well as what you know. It is currently in pre-launch build-out. The role of such a layer is to make trusted referral networks searchable, accountable, and portable across projects, rather than leaving them trapped in individual foremen's phone contacts. This paper does not claim that the technology has been proven at scale. That is exactly what the pilot described in Section 9 is designed to test.

An honest caution

Referral networks can also reproduce the demographics and blind spots of the people already in them. A coalition built on vouching must include open-entry pathways and monitoring so that trust expands access instead of narrowing it. Section 8 addresses this.

5. Industry Is Already Converging on the Coalition Model

Over the past year, major employers, foundations, and training organizations have launched multi-party efforts. Together they show that the industry has concluded this problem cannot be solved company by company.

Initiative	What it shows
Lowe's Foundation Building Futures Skilled Trades Coalition (Sept. 2026)	More than 75 employers, community colleges, trade associations, and workforce nonprofits, targeting one million people trained for the trades by 2035. Includes a goal of shared measurement.
Meta America's Workforce Academy (June 2026)	$115 million first-year funding. Short-format training with a guaranteed job, paired with general contractors on site. Academy locations include Indiana, Louisiana, Ohio, and Texas.

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Initiative	What it shows
Equinix Foundation and Generation: Global Data Center Technician Training Coalition (March 2026)	A multi-employer coalition to fund training, shape curricula, and hire graduates. The foundation said the shortage is too big for one company to solve alone.
Industry workforce initiative with Cengage, NAIA, and YouthBuild (Sept. 2026)	An alliance of employers and workforce organizations to expand training capacity across construction, operations, and maintenance.
Digital Realty with DCD Academy and Northern Virginia Community College; Compass Datacenters with Texas State Technical College	Operators building structured, standardized training pathways with education partners.
Federal policy: Workforce Pell (effective July 1, 2026)	Expands funding routes for short-term training, including instruction tied to registered apprenticeships.

The New York Times reportedly put combined Meta, Google, and BlackRock spending on recruiting and training data center construction labor at more than $265 million. The money and the coalition structures are arriving. What is less well served is the local, placement-and-retention layer: connecting trained and experienced workers to specific projects in specific counties, with trust and accountability built in, and serving mid-sized and smaller contractors that lack the budget of a hyperscaler.

That last point is a hypothesis, not a finding. This paper has not surveyed every program in every market. The Coalition's pilot should confirm it market by market before assuming it.

6. The Data Center Industry Workforce Coalition

The Data Center Industry Workforce Coalition is a Muncie-based organization structured to support data center industry workforce challenges and to lead a labor mitigation strategy: practical guidance on the labor shortage for sustainable construction and operations nationwide. DataCenterIndustryJobs.com serves as its next-generation talent acquisition ecosystem, supported by domain authority from 75 unique domains and by labor and trades organizations. Talent LogistX is aligned as an initial founding staffing partner; Avalar.io provides the peer-to-peer recruiting technology. Additional staffing partners are sought market by market.

Design principles

- **Labor is treated as a project risk.** Membership is justified by reducing schedule, cost, and delay-claim exposure, not by access to a resume database.
- **Coalition first, job board second.** The job board is one strategic element of the Coalition, not the Coalition itself.
- **Compliance first, standards before market.** Verified-employer standards are set before growth, not after.
- **Geo-centric by design.** Labor is local. The network is organized so workers and employers connect around active projects.

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Structural components

- **Geo-centric labor network.** A state-level presence for every state, with county-level structures in Indiana limited to counties that have data centers built or planned. This avoids empty territory and concentrates effort where demand exists.
- **Verified employers and shared standards.** A co-op sponsorship model in which participating employers meet defined standards, and in which workers can see who they are working for.
- **Peer-to-peer trust layer.** Vouching, referral accountability, and portable reputation, powered by Avalar.io, working alongside established staffing partners and apprenticeship and union channels.
- **Resilience and rapid response.** A contingency workforce capability and a disaster mitigation layer for communities hosting large data center campuses, including work toward a national model for data center disaster mitigation and advanced firefighting techniques and training, so that host communities have assurance their quality of life will be maintained and improved.
- **Resources and education.** A resources page, the Let's Talk Data Centers podcast, and employer and job-seeker guidance, including identity-theft protection resources for job seekers.

7. Value by Stakeholder

Stakeholder	Problem today	What the Coalition offers
Owners and operators	Schedule slippage and delay claims tied to crew availability; post-construction staffing gap.	A local labor-readiness view for each project area; a pipeline from construction crews into operations; reduced single-point labor risk.
General and specialty contractors	Poaching, turnover, and unpredictable crew continuity, especially for mid-sized firms.	Vouched candidates and crews; rapid-response staffing through partners; a shared standard that signals a credible employer.
Workers and tradespeople	Noisy job boards, traveling instability, and uncertainty about employers.	Verified employers, reputation that travels with them, clearer career paths from construction into operations.
Unions, training providers, and colleges	Hard to connect graduates to specific projects; limited visibility into regional demand.	A demand signal organized by county and state; a placement channel for apprentices and graduates.
Host communities and local government	Concern about disruption, safety, and who actually benefits from a campus.	A local workforce channel, a resilience and mitigation framework, and an identifiable regional point of contact.

8. Risks and How They Must Be Managed

A coalition that claims to solve a labor problem must be candid about what could go wrong. These risks should be addressed in the Coalition's governance from the outset.

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Risk	Why it matters	Mitigation
Antitrust and no-poach exposure	Employer groups that coordinate on wages, or agree not to hire each other's workers, can create serious legal liability.	Counsel-reviewed bylaws; no sharing of wage data or agreements restricting hiring; focus on expanding supply, not allocating it.
Verification and liability	Labeling employers or workers as "verified" creates expectations and potential liability if the standard fails.	Narrow, written, auditable standards; clear disclaimers; legal review of the structure before public claims.
Fairness and access	Referral networks can replicate existing demographics and exclude qualified outsiders.	Open-entry pathways, apprenticeship and veteran channels, and monitoring of outcomes.
Worker data privacy	Portable reputation and referral data are sensitive.	Minimum necessary data, consent, secure handling, and published privacy practices.
Unproven technology	The peer-to-peer platform is pre-launch.	Pilot before scaling; avoid claims of proven results; keep established staffing and union channels in the model.
Mission conflict: job board versus coalition	A job board earns from postings; a coalition earns trust. The two can pull in different directions.	Formal written roles and fee structures for partners; coalition brand leads.
Evidence quality	Several figures here come from secondary reporting or vendor data.	Cite sources, flag limits, and replace with the Coalition's own pilot data as it accumulates.

9. How to Test the Model

The strongest validation of the Coalition will be its own data. The following measures are proposed for a pilot in one or more active data center markets, comparing coalition-referred placements against conventionally sourced placements on comparable roles.

- **Retention:** share of placements still on the project at 90 and 180 days, and share converting to continuing or operations roles.
- **Time to fill:** days from open requisition to first productive day for critical trades.
- **Cost per hire:** including turnover and replacement cost, not only recruiting fees.
- **Crew continuity:** number of mid-project crew departures and the schedule impact attributed to them.
- **Quality and safety:** rework and incident rates on referred versus conventional placements, where employers can share them.
- **Access:** share of placements from apprenticeship, veteran, or open-entry pathways, to confirm that trust is widening access.

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- **Partner economics:** whether participating employers and staffing partners find the model worth renewing.

A reasonable sequence is to start with Indiana, where the Coalition is based and where active and planned projects provide a concentrated test, then add states and counties as demand and partners justify them.

10. Conclusion

The evidence supports three conclusions. First, labor, particularly electrical and skilled-trades labor, is now a primary constraint on the data center buildout, and it will persist because training takes years. Second, competing for the same workers through open channels is producing wage pressure and turnover without adding supply, at the same time that automation and platform restrictions erode the reliability of those channels. Third, the industry's own leaders are converging on multi-party coalitions as the answer.

The Coalition's contribution is to organize that effort at the local level, around trust, accountability, and continuity, and to treat labor as the project risk it has become. Whether it delivers better retention and fewer delays is an empirical question, and this paper proposes how to answer it. The need is not in doubt.

Employers, contractors, staffing partners, training providers, and community leaders interested in participating can contact the Coalition at info@datacenterworkforcecoalition.com.

About the Author

Rex Powers is the founder of the Data Center Industry Workforce Coalition and DataCenterIndustryJobs.com, based in Muncie, Indiana. He has spent more than 40 years as a recruiter. He served three years as vice president of Gulf Coast operations for PinPoint Resources, an Indianapolis-based staffing company now known as Talent LogistX, leading grant administration and debris monitoring projects for Hurricane Katrina recovery, and he worked in Louisiana disaster recovery under James Lee Witt Associates. He is an Indiana native.

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Note on evidence: Figures are drawn from the secondary sources above and have not been independently audited. Referral-retention data come from a single vendor's client base and are not specific to construction. The Secureish article is commentary and does not address hiring. Statements about the Coalition's structure describe its design and intended direction, not formalized agreements or proven results.

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