

A Note from the MEP Coalition

AI ADOPTION

MARKET OUTLOOK

TALENT & GROWTH

Dear MEP colleagues,

As we look toward fall, we wanted to share a few themes emerging from recent conversations with A&E leaders across the profession. The message is encouraging: firms are planning for growth while adapting quickly to changes in technology, markets, and the workforce. A few highlights from those conversations are below. As always, thank you for being part of these conversations — it's what makes this coalition worth showing up for.

~50% report AI productivity gains

2027 backlogs booked out for many firms

#1 talent cited as top growth constraint



AI is moving into practice. Across the board, AI was this season's most prominent — and disruptive — theme. Firms are actively adopting AI for proposals, marketing, contract review, and internal efficiency, with about half reporting measurable productivity gains. Most have implemented or are developing AI governance policies, often built around secure environments like protected Copilot deployments. More advanced applications — AI agents for code review, load calculations, and QA/QC — are being tested, though most remain early-stage. Concerns persist around data governance, ethics, design liability, and AI-enabled startups commoditizing services and pressuring A/E fees.

Many also believe AI will reshape the industry's business model, with time-based billing gradually giving way to value-based pricing as firms use AI to cut labor hours on lump-sum contracts. That raises real questions about quality, ethical use, and training junior staff as entry-level tasks shrink. There's tension here too — younger staff are more cautious about AI's ethical and environmental costs, while leadership pushes ahead for competitive advantage.



The market is steady, but not simple. The market outlook is stable near-term but increasingly uncertain further out. Most firms report strong backlogs through 2026 — some into 2027 — though active selling is now focused on securing future work. Sentiment varies by geography and sector: healthcare, electrical infrastructure, and defense are strong, while other regions, notably the West Coast, are softer. Elections, political gridlock, and declining state and local funding are adding caution, and project delays and starts/stops remain a challenge, especially for larger firms.

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Talent remains a growth constraint. Workforce dynamics remain a critical constraint on growth, with firms consistently citing hiring and staffing challenges. Engineers leaving the profession, rising entry-level salaries, and competition for talent are leaving real gaps. Retention is increasingly tied to work-life balance rather than pay alone, and career development — especially technical vs. managerial paths — is a growing focus. Hybrid work remains dominant, though there's a clear push for more in-person time, especially among younger staff. At the leadership level, firms are tackling succession planning while grappling with how AI will reshape culture, training, and the talent pipeline.

These conversations are exactly why the MEP Coalition exists: a place to compare experiences, ask practical questions, and stay connected to the issues shaping our work.

★ GET INVOLVED Keep the Conversation Going

A few ways to connect in the months ahead — and if there's a topic you'd like us to cover next, let us know on the discussion board.

1. [ACEC Fall Conference](#)

Oct 26, 2026 • 4:00 PM

Join the MEP/Structural roundtable and connect informally during breaks.

2. [Powering the Build: MEP Engineering Realities in Data Center Development](#)

Dec 9, 2026 • 1:30–2:30 PM ET • Online

Power demand, grid capacity, interconnection, and resiliency for MEP engineers.

3. [MEP Advocacy Connection](#)

Dec 10, 2026 • 1–2 PM ET • Online

Direct Q&A with ACEC's National Advocacy team on issues trending for MEP firms.

4. [Coalitions Practice Area Summit](#)

Feb 10, 2027 • Charlotte, NC

All-day event, including education, networking and the MEP roundtable — a member favorite!

WATCH ON DEMAND: Guidelines for Creating Custom AI Agents — our best-attended session yet, 100+ MEP professionals. [Watch it HERE.](#)

Not a member yet? It's free for ACEC members — log in to your ACEC account and join [HERE](#).