Human Resources Management in Construction

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Construction Management
Learning objectives

• After you have read this course, you should be able to:
  – Identify four major HR challenges currently facing organizations and managers.
  – List and define each of the seven major categories of HR activities.
  – Identify the three different roles of HR management.
– Discuss why human resources can be a core competency for organizations.

– Explain how organizational culture and industry life-cycle stages affect HR strategies and activities.

– Discuss why external environmental scanning is an important part of HR planning and what factors must be considered.

– Discuss advantages and disadvantages of work teams.

– Summarize the process of evaluating HR performance.
Differentiate among diversity management, equal employment opportunity (EEO), and affirmative action.

Discuss why job analysis is changing as organizations change.

Explain how job analysis has both legal and behavioral aspects.

List and explain four job analysis methods.
– Specify the strategic decisions that must be made regarding recruiting.
– Compare internal and external sources of candidates.
– Define training and identify two types of training.
– List and discuss at least four training approaches.
# Course Syllabus

1. Human groups
2. Relationships and industrial processes
3. Procurement & Marketing
4. Human recourse management in the context of construction
5. The relationship between HRM and the external environment
6. HRM within the organization & Constraint for HRM arising
• 7. External issues affecting HRM
• 8. Demographic changes
• 9. Technological changes
• 10. New work patterns
• 11. Social values
• 12. Organizational behavior
• 13. The organization, Leadership & Motivation
• 15. Industrial relation in construction
16. The labor force, The employer & Future directions
17. Interviewing for staff selection
18. Management development
19. People & information
20. Women in construction
21. Directions in human resources.
1. Human Recourse Management In Construction.

• Authors
  – D. Longford M.R. Hancock, R. Rellows & A. W. Gale

2. Human Recourse Management In Construction Projects: Strategic & Operational approaches
   - Martin Loosemore, Adrew Dainty & Helen Lingard
<table>
<thead>
<tr>
<th>Activity</th>
<th>Marks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mid term Exam</td>
<td>25</td>
</tr>
<tr>
<td>Research Paper work</td>
<td>20</td>
</tr>
<tr>
<td>HW</td>
<td>5</td>
</tr>
<tr>
<td>Final Exam</td>
<td>50</td>
</tr>
</tbody>
</table>
Introduction

• Managers are concerned about the future as the future can be influenced, if not changed radically.
• Managers makes decisions and effect changes.
• Construction is labor intensive industry.
• Common measure for labor are value of output (percentage of GDP relative to percentage working population)
Corporate activities remain subject to influences from individuals and sub-groups.

The classification of human groups in construction is shown in Figure 1, which are:

– Clients (public/private, large/small, individuals/corporate).
Figure 1: HR main Groups

- Client Group
  - Financier,
  - Consultant group
    - Architect, Engineer, surveyor
  - Contractors Group
    - Main contractor, subcontractor, suppliers, managers, operatives, etc

- Performance - occupation & use
- Disposal/transfer of ownership
- Demolish

Feedback

Brief

Construction documents
• Consultants (architects; engineers; surveyors)
• Contractors (building, civil engineering, main contractors, subcontractor management.
• Design and built contractor, operatives/managers
The client is unlikely to be an individual.

Corporate clients are complex organizations which include many sub-groups.

Within the client org there are vested interests some of which will seek to highlight the success of the project and others to opposing.

Clients are
1. Experienced
2. Expert
3. Naive
Clients

- **Expert clients**
  - drive the projects (know how to perform and achieve aims)

- **Naive (inexperienced) clients**
  - know little of the industry
  - Influenced easily by others
  - Affect by the first contact with them.
Consultants

• **Consultants groups comprises:**
  - architects,
  - structure/civil engineer,
  - QS,
  - project manager,
  - planners

• The interface problems between client and consultant are subject to the first contact (architects).

• Most of Clients do not know what information should be provided to designer as design brief.
General Tendencies

• About 80% of the cost of building was committed by around 20% of elapsed design time.

• Initial decisions tend to have the widest ranging effect.

• Designing from experience is likely to have a very much stronger input of avoiding repetition of failure than repeating successes.
General Consequences

- Consultants carry out functions sequentially.
- The input from consultants is discrete.
- The design period is lengthened.
- Project finalization may be stockpiled.
• Such approaches facilitate consultant constant employment of resources.
• But design phase may enlarged.
• Long design period afford greater opportunity for iterative design development.

• **General Constraints**
  – Consultants seeks to be superior(aloof) and separate from construction industry seeing themselves as artistic.
Contractors

• The general contractor provide the primary construction management for subcontractor.

• Current tendencies
  – Employment in construction operation has become more casual and fragmented.
  – The shift of contractor work to management role transferred the employment authorities to the sub-contractors and suppliers
• For short term projects, still the contractors have the power to buy/bid the project at his free prices.
Government

- Government is the most important part in construction.
- It acts as direct client, as indirect client and as primary influencer of the business.
- Impact of Privatization
- Governmental involvement has been diminished due to privatization as a mainstay of policy.
- The public sector was the client of 35%.
### Impact on Trade Unions and Employment

- Growth of sub-contracting and self employment has placed main contractor in a stronger bargaining position.
- Such enhanced power is subject to countering influence through the increased power of clients due to their increasing knowledge, sophistication, and experience.
- The result is more liquidations and bankruptcies.
Relationships and Industrial Process

• It is important to examine how people relate to each other and to the process and procedures adopted in the industry.

• Planning
  – Decision making is problematic.
  – Because they are related to people, involve the future, are connected with change & used imperfect information and knowledge.
• Prediction has inherent errors regardless the used tool.
• Construction relay more in the experience than tools to predict future.
• Slow progress made to utilize computer for prediction.
Centralized Decision Making

• The more sophistication of project procurement have resulted in encouraging the centralization of the decision making point.

• Standard procedures for resource management has not taken adequate account of client requirements.

• During procurement processes consideration to be given to non price items like good performance, image of company..etc
Quality

• **Quality assurance concept**
  – used to develop procedures to ensure that they will provide, as quality, what is specified.
  – Unfortunately, such system provide no assurance that appropriate quality is specified.

• **TQM seeks**
  – to overcome the quality assurance more globally by considering what quality should be specified, that is specified and then achieved.
Management Tools

• The quality control was used to check the output.

• The essence of achieving quality is:
  • to get things right first time,
  • avoiding waste and reworks, and
  • continues quality checks.

• “Just in Time” concept require ensuring that inputs arrive when required “no storage cost”
Risk

• Risk should be
  – Identified
  – Quantified
  – Allocated

• To the contractor only if the contractor is able to control those events.
Procurement

• It is important to regard procurement methods as a selection of sub-systems
• The result is greater flexibility, individuality and suitability but with the requirement to evaluate alternative.
• Expert system can be used to assist the selection of procurement method as in figure 1.2
• The decline in using traditional procurement is expected to continues.
Marketing

• The elimination of fee scales amongst consultants and reduced role of price in selection of contractor has exerted pressure on the industry to move from selling to marketing.

• Normally marketing has been originated to production industry.

• It has been common for marketing to take a system wide approach, requiring analysis of the supply environment and of the particularities of the item organization consulting and supply.
The Relevance of Supply to Marketing

- Functional performance of an item in marketing is Product, Price Promote, Place promotion,
- It seems that the more involved are clients personnel with a project, the greater is their satisfaction with the level of project performance achieved.