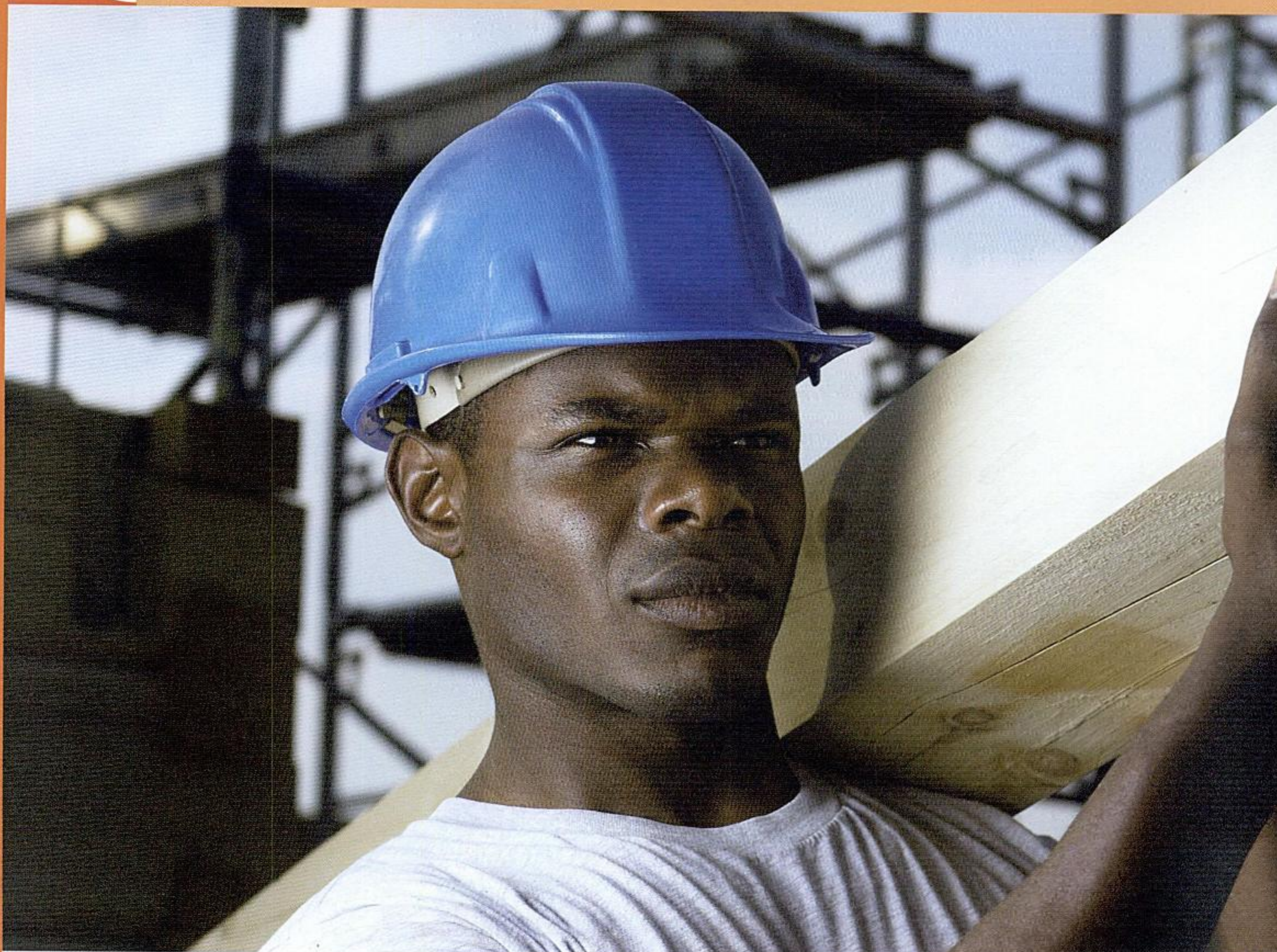






Building hopes

NEW
APPROACH
REQUIRED
FOR SECTOR
TO DEAL WITH
EMPLOYMENT
EQUITY
IMBALANCES
AND BOOST
SKILLS LEVELS



A multi-pronged approach is needed to galvanise the construction industry into addressing its employment equity imbalances and boosting levels of skills development, this is the view of Landelahni Recruitment Group chief executive Sandra Burmeister.

According to a recent survey conducted by Landelahni, the construction industry is not well-placed to meet the challenges of rapid infrastructure development.

"The delivery thrust is likely to exceed current capacity," says Burmeister, who adds that, with huge infrastructure demand, the industry is going to have to come up with some innovative solutions.

The construction industry in South Africa has caught up with the global infrastructure boom. The industry was in recession for much of the 1980s and 1990s, and now faces a situation where engineers and artisans are in short supply, both locally and globally. In addition, the industry has suffered from

being seen as male-dominated, unglamorous and lacking career growth opportunities.

"For these reasons, the construction industry is not shaping up well when it comes to employment equity," says Burmeister.

According to Department of Labour statistics, only 15% of top management in the sector is black, compared with 27% across all industries. Not surprisingly, only 4% of top management is female, compared to an all-industry average of 17%. Of far greater concern, argues Burmeister, is the lack of successful skills-development initiatives in the sector.

Burmeister notes that, according to Engineering Council of South Africa records, between 1998 and 2004, 50 570 people enrolled at South African universities for engineering courses and 8 900 graduated.

This is a graduation rate of 17,5% across all engineering disciplines. The graduation rate for engineers is even lower at universities of technology. Between 1998 and 2004 there were 139 820 enrolments and 14 250 graduands – a graduation rate of 10% across all disciplines. Construction-specific disciplines display the same trends.

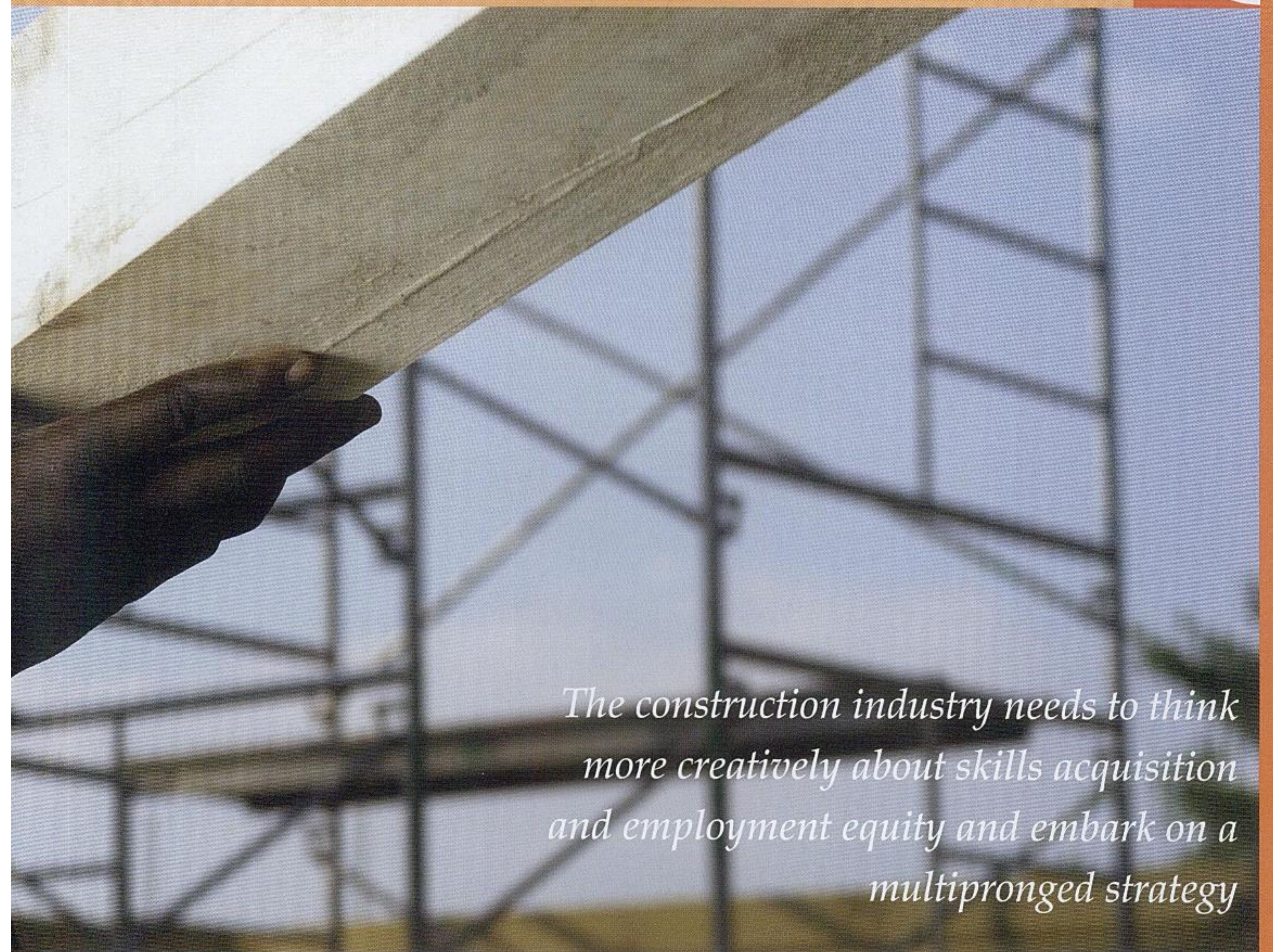
Artisan training has dropped dramatically over the last 30 years. Whereas in 1975 there were 33 000 apprentices in training across all industries, by 2005 the number of apprentices had dropped to 1 440.

"More encouraging," says Burmeister, "is the increase in Engineering Council registrations of new candidates, particularly blacks, indicating that companies are registering a diversity of employees. The 2004 intake is balanced, with 907 blacks and 940 whites registering across all disciplines."

However, by far the greatest numbers of registered engineers in all disciplines are in the professional category, a trend that is even more in evidence in the construction sector.

"This means that the industry consists predominantly of professionals who are aging out of the system. Add to this the fact that the average age of artisans is 53, and we get a measure of the magnitude of the skills challenge," says Burmeister.

"This trend has been in evidence for years. So the question is: what are we going to do to turn it around?"



The construction industry needs to think more creatively about skills acquisition and employment equity and embark on a multipronged strategy

Under its Accelerated and Shared Growth Initiative for South Africa (Asgisa), government plans to spend R372-billion on infrastructure over the next three years, so there is no shortage of capital. And Burmeister believes that the Joint Initiative for Priority Skills Acquisition (Jipsa), with its focus on developing and recruiting priority artisan and technical skills and, in the short term, developing a graduate-employment strategy and recruiting retired specialists and expert mentors, is a huge step in the right direction.

“However, the private sector needs to join government in implementing far-reaching training and skills development initiatives, if we are to meet development goals ahead of the 2010 soccer World Cup and beyond,” she says.

The construction industry is already ahead of the all-industry average in training at the management and professional levels. However, training at technician level lags the industry average and, when it comes to training of black employees, construction lags the industry average across all levels.

“The construction industry needs to think more creatively about skills acquisition

and employment equity and embark on a multipronged strategy.

“Importing skills at a significant cost is a short-term solution, and needs to be balanced by more effective use of local project and contract labour. We need to accept that more and more skilled professionals will be working on projects around the globe, and to encourage this as a way of accelerating skills development,” Burmeister comments.

“A solid graduate programme that goes beyond merely providing bursaries to black candidates is also required. Graduate development programmes need to focus on ensuring that we achieve a higher number of graduates. Business can then play a more significant role to provide the necessary support, guidance, career planning, mentoring and coaching.”

Once they have graduated and are employed, a fast-track programme for black candidates with management potential is needed so they can achieve executive status within the company, particularly on the operational side.

Beyond that, notes Burmeister, external recruitment strategies need to be developed

to address the skills shortage and to ensure that senior positions are occupied by black people. Often, she says, potential candidates exist at executive and management level in other industries, with transferable skills.

“It is important to remember that, particularly at senior level, construction is not just about engineers – it is about introducing fresh leadership and management talent into the industry. That’s one way of giving the sector a capability boost in the short term, so as to help the country achieve its immediate infrastructure-development goals,” she adds.

The survey sample was drawn from the Construction Industry Development Board’s 2006 list of registered contractors tendering for projects in excess of R30-million and included consulting engineering firms employing more than 200 people. Sixty-five companies employing some 80 000 permanent employees were surveyed. The construction industry employs some 935 000 people permanently and temporarily, representing 8% of the South African workforce.

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