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Human Resource Management Practices in Quantity Surveying Firms

Ayodeji E. Oke, Clinton O. Aigbavboa, Oamen M. Odia

*Federal University of Technology Akure, 34001, Nigeria
University of Johannesburg, Auckland Park, 2006, South Africa
Federal University of Technology Akure, 340001, Nigeria*

Abstract

It is vital for organizations to carefully design and implement the right mix of Human Resource Management (HRM) practices to achieve the desired result in terms of productivity and performance among members of staff. Literatures point to the fact that failure to understand and meet what staff expect and require from the organization will lead to deterioration in commitment and loyalty, stress, lack of motivated workforce and eventually, low productivity. This study therefore examined HRM practices in Nigerian quantity surveying firms. Various HRM practices in quantity surveying firms were assessed, taking a look specifically at staff strength, staff welfare, staff training, staff mentoring and succession. A total of 44 questionnaires were administered on quantity surveying firms in Lagos state, Nigeria using convenient sampling method. The study revealed that firms are not giving staff welfare and mentoring the expected attention, while the level of staff training is below average. It was recommended that quantity surveying firms should ensure proper recruitment and selection process, improve staff training, staff welfare, a strong/stable/increasing staff strength, staff mentoring and succession in order to enhance productivity and performance of the firms. There is therefore a need for quantity surveying firms to be active in the management of their human resources, as this will enhance their innovation and competitiveness in both local and international market.

Keywords: Human Resource Management (HRM); Mentoring, Nigeria; Quantity surveying firms; Quantity surveyors.

1. Introduction

Human resources management is fast becoming an important aspect of most organizational development. Qureshi *et al.* (2007) argued that the study of human resource management practices can be seen as a determining factor for organizational enhancement and staff performance. Business dictionary (2015) defines human resource management as the process of hiring and developing staffs so that they can become more valuable to the organization. According to Ayanda, Lawal and Ben-Bernard (2014) human resources management can be seen as the procedures and practices needed to carry out the human resource aspect of a management position, including selection, job definition, training, performance appraisal, compensation, career planning and encouraging employee participation in decision making as well as mentoring the staff to rise to the point of becoming partners or directors. Human resource management can therefore be seen as a determining factor for a firm growth and its knowledge, a powerful tool for a firm competitiveness and firm innovation practices.

Quantity surveying firms are some oriented organizations that provide services that cover all aspects of procurement, contractual and project cost management in infrastructural development. Sonia (2005) points out that knowledge management processes interaction in quantity surveying firms has become a powerful tool for sustaining firms' competitiveness and robust innovation practices. However in Nigerian today, there is a decline in human resource management aspect of most quantity surveying firms as more attention is given to the financial aspect of the organization that the development of staffs. Francis, Cyril and Samuel (2011) observed that the inefficiency of manpower, lack of performance evaluation, human relation problem which may include planning management, management not based on established merit, lack of technological experience, remuneration and motivation might hinder the performance of staffs in Nigerian quantity surveying firms. The management of increased workforce might create new problems and challenges as the workers are becoming more conscious of their rights.

Adrian, Stewart and Keith (2009) observed that human resource management has the complicated responsibility of balancing the needs and interests of staffs against the needs and interests of the firm. Normala (2006) posited that human resource management faces a lot of problems because of the continuous changing socio-economic, technological and political condition, management of labour, based on this. Thus it is important for human resource managers in quantity surveying firms to update themselves due to the changes in their environment and as well as in the management of staffs and the firm. It is in view of this that this research was carried out to examine human resource management practices in quantity surveying firms with a view to achieve human resource productivity. In achieving this stated aim the extent of staff welfare and the various staff training activities in quantity surveying firms was examined and the various ways of staff mentoring and succession in quantity surveying firms were identified and assessed.

2. Literature Review

2.1 Human Resources Management

The development of human resource management can be traced to the Industrial Revolution in England in the late eighteenth century though it was not labelled human resource management (Loosemore, Dianti, and Lingard, 2003). The economic and political conditions prevalent after the Second World War increased the demand for labour and personnel specialists to lead this era of Human Resource Management, viewing staffs as resources. These conditions which lead to the era of human resource management was due to the fact that the second world war has just ended, so people were urgently needed to work in factories etc. hence specialists were contacted so as to ensure good human resource management practices (Agbodjah, 2008). Normala (2006) observed that the concept of Human Resource Management became prevalent in the early 80s, there have been increasing academic interest in the concept as well as research in the area of human resource management.

Today the human resource management concept is concerned with the management of what most researchers describes as an establishment's most valued assets, the people within it in order to provide a competitive advantage (Agbodjah, 2008). According to Armstrong (2003) the main features of human resource management includes: emphasis on the strategic management of people (the human capital of the organization) which achieves 'fit' or integration between the business and the human resource management approach; a comprehensive and logical approach to the provision of mutually supporting employment policies and practices; the development of integrated human resource policies and practices (configuration or bundling); the importance placed on gaining commitment to the organization's mission and values; and the treatment of people as assets rather than costs. Walton (1985) believed that, staffs share the same interests as the firm's principle of mutuality rather than that these interests will not necessarily coincide; the performance and delivery of human resource management as a line management responsibility.

According to Fitz-enz (2000), staffs of a given firm are seen as what economist describe as what is called "human capital" because of how they add to the productivity of the firm and by virtue of the role they participate in the firm. He added that the human resource is the 'most bothersome of assets to manage'. Apart from achieving high performance through people which advocates for appropriate integration of people and processes (Becker, Huselid, Pickus, & Spratt, 1997), appropriate Human Resource Management is also seen to enhance motivation, commitment and job engagements (Agbodjah, 2008).

2.2 Human Resources Management Practices in Quantity Surveying Firms in Nigeria

The origins of quantity surveyors can be traced back to the ancient Egyptian civilization who used dedicated personnel to carry out estimates and costing for their magnificent structures and buildings. It developed into an occupation during the 17th century restoration of London after the Great Fire (Ilias, shafie and Abdelnaser, 2010). In 1836 the profession entered its new age when the new Houses of Parliament of Great Britain, designed by Sir Charles Barry, became the first major public contract to be fully measured and tendered using detailed bills of quantities for financial accountability (RICS, 2005). Then came early in twentieth century when the Royal Institute of Chartered Surveyors (RICS) London developed the early modalities of becoming a quantity surveyor which later gained global recognition. Foreign members later established similar professional bodies in their countries. One of these is the Nigerian Institute of Quantity Surveyors (NIQS) (Ilias *et al.*, 2010). The NIQS was founded in 1969 as a parallel body to the Royal Institute of Chartered Surveyors (RICS) of United Kingdom. In 1986, the Federal Government recognized the NIQS through the Quantity Surveyors Registration Board of Nigeria (QSRBN) decree No. 31 of December 1986. Chief Osuigwe Nwogu is recorded as the first Nigerian qualified quantity surveyor (Onwusonye, 2013).

In general, the principal services that could be offered by any quantity surveying firms are: preliminary cost advice and feasibility estimates, cost planning, advising on contractual methods, advising on selection of other consultants, advising on contractor selection, preparing tender documents, obtaining or negotiating tenders, reporting on tenders received or package deal/design and build offers, evaluating construction work, preparing and agreeing accounts for/with contractors, preparing expenditure statements for tax accounting purposes, periodic financial reporting, technical auditing, assessing replacement value for insurance, project management related services, giving expert evidence in arbitrations, adjudications and legal disputes, preparing/defending against construction contract claims (Ilias *et al.*, 2010).

The challenge to the management of quantity surveying firms is not only to focus on devising strategies for driving performance but to ensure sustainability by giving consideration to influences on implemented performance strives (Olanipekun, Aje and Abiola, 2013). Human resource management as a social phenomenon has therefore been affirmed as enhancing and sustaining performance of an organization and its staffs when its practices are rightly utilized. Quantity surveying firms can be more efficient and achieve sustainable performance if they focus their attention on those human resource elements/practices such as staff welfare, staff training and development, staff mentoring and succession so as to enhance their performance as well as increase their staff strength and staff performance.

3. Research Methodology

This study set out to examine the human resources management practices in quantity surveying firms. A survey design was adopted and questionnaires were distributed to quantity surveying firms in Lagos State, Nigeria. Since the total population of these firms is 57 (NIQS, Lagos chapter, 2013), census sampling was used. Various factors of human resource management practices such as staff strength, staff welfare, staff training, as well as mentoring and succession were considered.

4. Results and Discussion

4.1. Characteristics of the respondents

A total of 44 questionnaires were retrieved out of the 57 distributed. The analysis of data gathered showed that about 32% of the firms sampled have below 10 years working experience, while a larger percentage (68%) have above 10 years working experience, thus response from them can be relied upon due to this vast years of experiences of these firms. Their ownership status revealed that 55% are sole proprietorship, 41% are partnership while the remaining 4% are consortium. Result also shows that 32% of the sampled quantity surveying firms are involved in mainly building works while 68% are involved in both building and civil engineering works.

4.2. Human Resource Management

Result revealed that indicates that almost half of the quantity surveying firms (48%) does not have department responsible for human relations issue, while 30% have and 22% are not sure of the existence of such in their firm. Also about 16% of the firms that have a department that is responsible for human relations actual named such department as Human Resource Management and this department is responsible for the productivity of the staff and the firm. The remaining 14% have various names for this department. Result further shows that 19% of the firms have this human relations department managed by either the managing director, personnel manager or the general manager, while about 11% are headed by Human resource manager which indicates that human resource manager are rarely employed by quantity surveying firms so as to oversee the human relations of the firm.

4.3. Staff Strength

Result showed that the total number of overall staff strength in a quantity surveying firm has an average of 14.14 which is on a high side considering the number of firms under survey. Also the average number of industrial training students is 7.14, while graduate/probationer has an average number of 5.76. For registered staffs for both NIQS and QSRBN, the average number of staffs is put at 5.5 and this is considered to be very low. Also about 55% of the respondents believe that skills of staff is the main criteria through which Qs firms determines their strength of their staffs, while 36% and 9% believe ability and talent are the main criteria.

4.4. Staff Welfare

On staff welfare provided by quantity surveying firms for their staffs, result reveal that the adequate payment of staffs' salaries in quantity surveying firms is on a high side with more than half of the firms (64%) indicating that is very adequate, 32% indicated that it is adequate and only 4% indicated that it is inadequate. For staff pay increment less than half of the firms (43%) indicated that it is satisfactory, while the rest 57% believe it is not. This implies that quantity surveying firms increases salaries of their staffs only when necessary. Also 46% have no idea if their firm matches their pay with performance, while 18% and 36% indicate yes and no respectively. This implies that in most cases the workers are not carried along during the decision making that concerns their welfare.

On the support provided by quantity surveying firms for their members of staff, it was observed reward and incentives given to staff is not encouraging as 48% of the respondents affirmed that reward and incentive are given once in a while, 25% believe it is given sometimes while 27% claimed it is never given. Also 44% of the respondents have no idea if their reward is linked with their performance, while the number of respondents that stated yes and no were 28% each. In terms of staff health/medical insurance, 43% of the respondents believe it does not come often while 34% claim it is often and 22% believe it is not given at all. However the performance of transportation allowance is better as 46% believe it is given often, 14% believe it is given sometimes and 40% believe it is not.

4.5. Staff Training

Result revealed that 55% of quantity surveying firms assess their staffs based on performance appraisal so as to provide for their training needs, 14% of quantity surveying firms said that the training needs of their staffs are not assessed based on their performance appraisal while 32% of quantity surveying firms had no idea. Also 41% of quantity surveying firms provide social training for their staffs once in a while, also 32% of quantity surveying firms sometimes provide a training environment for the socialization of their staffs, while 23% never carry out such training for their member staffs. Also indicates that 41% of quantity surveying firms sometimes provide training for the general problem solving skills of their staffs which in turn brings about productivity from the staff and affect the firm positively, while 30% provide such training once in a while and 16% does carry out such training often.

Result further shows that 50% of quantity surveying firms never provide for professional training of their staffs within or outside the country which is on a high side, leaving 21% of quantity surveying firms to send their staff within or outside the country on a professional training, 11% of quantity surveying firms carry bout such professional training within or outside the country very often, while 9% and 7% respectively send their staff out for professional training sometimes and often. Also 34% of quantity surveying firms provide training for their staff for the broader knowledge of the firm aims and objectives sometimes, while 32% once in a while provide training for the broader knowledge for the firm aims and objectives, 14% never provide for such training and 18% of quantity surveying firms often provide for the training of their staffs for the broader knowledge of the firm aims and objectives.

4.6. Staff Mentoring and Succession in Quantity Surveying Firms

On opportunity available for staffs to rise to the position of partners and directors in the firm, 50% of the respondents believe that yes there is an opportunity for staffs to rise to the level of partner or director in their firm while remaining 50% believe such opportunity does not exist in their firms. However, it was observed that more than half of quantity surveying firms does not have any staff that rose to become partners or directors of the firm, while less than one third of staff that rose to become partners or directors of the firm, less than one quarter of firms had 3-4 numbers of staff that rose to become partners or directors, an average of 0.96 staffs has ever rose to become partners which is very low. Also more than half of the firms agree that mentoring offers benefits to the mentor, mentee and the firm.

4.7. Discussion of Findings

The questionnaire use for this research was used to assess the human resource management practice in quantity surveying firms operating in Lagos state, Nigeria. The findings look at the objectives of this survey which are; staff strength, staff welfare, staff training sand mentoring and succession as they are carried out in quantity surveying firms. With respect to the analysis carried out in the previous sections, the results indicates that staff strength of quantity surveying firms is below average as staffs tend to seek opportunities elsewhere due to the fact

that their needs are not met by the firm. Anakwe (2002) in a study of human resource management practices in Nigeria found that traditional human resource management functions, are very much practiced by human resource professionals which seems to be missing in half of the firms under survey.

The training of staffs in quantity surveying firms is on the average as some firms provide training in areas such as social training skills, general problem solving skills training, professional training and training for the broader knowledge of the firm aims and objectives, seminars, workshops, etc. According to the observation of Aliyu (2011), staffs in quantity surveying firms are poorly trained, resulting to inability to retain specialist knowledge and potentials there by weakening the strength of the firm. According to Chris (2011) training of staffs can be done by measuring the extent to which trainees have applied what they have learnt from the training on their job, this can be effective if the staffs are subjected to some training as his view is contrary to the survey carried out on staff training in quantity surveying firms. Training programmes increases the firm specificity of staff skills, which, in turn, increases staff productivity and reduces job dissatisfaction that results in staff turnover (Huselid, 1995). But the findings prove otherwise as Qs firms rarely send their staffs to such training programs their by lowering the outcome of the staff which will later come to hunt the firm.

According to Staff welfare (2013) staff welfare is an all-encompassing term covering a wide range of facilities that are essential for the well-being of a staff offered by an employer/firm. From the research most quantity surveying firms pay their staffs adequately so as to make them feel secured with a satisfactory pay increase, but majority of these firms don't match pay with performance as this won't make the staff competitive and productive.

It was discovered that quantity surveying firms once in a while distribute rewards/incentives as this might depends on the financial strength of the firm, as some firms does link their rewards to staff performance. In the area of health/medical insurance, welfare packages are sometimes provided by some firms, they also often provide transportation/allowances, housing and occurrences such as accident. Also, quite a number of quantity surveying firms did not have procurement manager and lawyers on their pay-roll as this will cost more if these professional are been contracted outside during a given project.

Linney (1999) opined that succession involves identifying staffs within an organization who possess the skills necessary to move into positions of greater responsibility. Mentoring offers benefits to both the Mentor and Mentee. But based on the analysis staffs in quantity surveying firms rarely rise to become partners or directors, while some firms are saying that there are opportunity available for staffs to rise to the level of partners or directors, while some other firms are saying that there are no opportunity for such rise.

Generally it can be observed that quantity surveying firms are less aware of the fact that human resource management is a fundamental key to firm growth and sustainability, productivity and stability, there by shying away from its practices such as staff welfare, staff training, staff mentoring and succession, as well as why the staff strength of this firms are dwindling year after year, as staffs tends to look elsewhere for a better job security just because quantity surveying firm cannot provide you with such assurance of a secured job. The influence of human resource on firm's performance was not rated well from the research, meaning that management have to focus more on ways of improving human resource to bring about a great output of work from staffs and in turn enhance the overall performance of the firm.

5. Conclusion and Recommendation

The fact that there is an improvement in the level of staff performance is not indicative of an effective staff management system. The issue is that the staff manage to put in their best because of the fear of not getting a better job elsewhere, irrespective of the fact that they are denied some of the basic conditions and benefits which will improve their work life and enhance the firm's productivity as they lack the right motivation. Some staff management practices such as; appraisal, finance, prospects for promotion/succession, incentives/awards, health/medical insurance, transportation allowance, housing allowance, occurrences such as accident etc. will hinder the productivity on the performance of the quantity surveying firms and the staff. To ensure that staffs perform their jobs effectively, quantity surveying firms should ensure that the selection and recruitment process of staffs should ensure that skills, abilities, aptitude and other traits of the staffs are known and available. This process reduces turnover rate and dissatisfaction of the staffs and improves staff performance and productivity. Staff strength of most quantity surveying firms seems to be fairly adequate there is need to actually develop a benchmark as to the size and mix of categories of quantity surveyor for firms based on their age and nature of business.

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