

Developing the People Resource: MPA's 22nd Annual Conference held at Latimer House, Chesham Buckinghamshire on 29–30 September 2004

Participant companies

Some 90 participants attended the conference and the following organizations were represented:

AEA Technology, Arup, BAA Plc, BAE SYSTEMS, Balfour Beatty, Bechtel Ltd, Bovis Lend Lease, BT Plc, Buro Happold, Cross London Rail Links Ltd, Defence Procurement Agency, EC Harris LLP, EDF Energy, Electronic Data Systems, Emcor Rail Ltd, Ernst & Young, ESC Lille, Freshfields Bruckhaus Deringer, Generation for Collaboration – g4c, Halcrow, Henley Management College, HM Customs & Excise, IBM, Imperial College London, Kellogg Brown & Root, Laing Rail, Lloyds Bank Plc, Lockheed Martin UK Ltd, Mott MacDonald, Mouchel, National Air Traffic Services Ltd, Office of Government Commerce, PA Consulting Group, Partnerships UK, Rolls-Royce Naval Marine, Rolls-Royce plc, Scott Wilson Kirkpatrick & Co Ltd, Strategic Rail Authority, Taylor Woodrow Construction, Thames Water, The Nichols Group, UMIST, University of Loughborough, Washington Group International, WS Atkins, WSP Group Plc

Bridging the generational divide

Generation for Collaboration (g4c) was set up in 2001 as a young-generation action group. Its mission is “to instil the spirit of collaboration within the new generation, creating a movement for change”. Its objectives are to raise the profile of careers in the built environment, help make undergraduate education as relevant as possible and be a voice for the new generation.

Being close in age to potential recruits to major project businesses, g4c group members are a constituency who have empathy with the current generation of students and might provide useful solutions to the problem of skills shortages.

A survey of 152 graduates and 56 companies conducted by g4c showed that 65% of employers were not satisfied with the quality of new graduates. There is room for improvement in course content. “Public perception of the major project industries can be improved if we sell the positives about our work.” – *G4c Board member*

Other g4c activities are workshops, communications and developing a contacts database.

Major projects are prestigious, well-publicized affairs, with an outcome that generally leaves a long-term legacy to the country. With a glittering profile and stimulating work, why are major projects failing to attract enough good people to work on them? The engineering function—crucial to many major projects—has insufficient new recruits to balance older engineers who are retiring. And, too often, good new recruits leave their companies within a few years of joining. The question of the people resource needs to be tackled with understanding and determination.

MPA elected to devote its 22nd annual conference to the people resource—a measure of how seriously it takes the subject. The conference offered analysis and action points to help project organizations to attack the problems at both strategic and tactical levels.

At the beginning...

The problem of securing a skilled and effective workforce starts even before recruitment:

- school students do not see science and engineering as subjects that leading to an exciting career; so
- not enough school leavers are applying for science, engineering and construction courses.

Recruitment

At the point of recruitment, major project industries often experience difficulties in getting enough suitable graduates:

- project businesses cannot compete with the financial services and consultancies who offer highly lucrative packages;
- poor experiences gained during work placements or their year out in industry deter graduates from pursuing a career in the projects sector;
- young people become home owners at ever-younger ages, so the idea of travelling to other parts of the country or overseas for long periods is less attractive today;
- not all graduates relish the prospect of the unsocial hours and the need for heavy commitment at key periods;
- the industry is male-dominated and not attracting enough women.

Retention

For companies that recruit successfully, there are further pitfalls ahead:

- turnover is high, especially among younger staff;
- graduates today have high aspirations and sometimes unrealistic ambitions, so they may move on if they don't get early responsibility.

A divide across the generations

The conference ensured that the voices of both younger and older generations were represented.

What the older generation wants

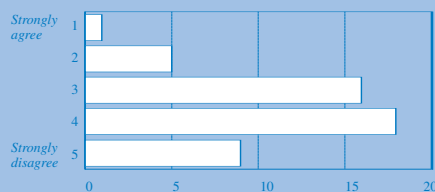
- a steady flow of good graduates;
- modifications to university education to ensure graduates have all the right skills;

MPA events are confidential, although this summary has been compiled so as not to breach confidentiality. Full proceedings and entry to MPA events are available only to members.

Staff retention

Young staff are leaving projects at a rate that affects the stability of project teams. An organization with a substantial major projects content found that 16% of its staff leave each year, of whom 60% leave within three years of joining; 45% of its leavers are under the age of 30.

Respondents were asked to comment on the statement: "the whole culture of our industry looks attractive to young people"



Major project industries have staff retention problems, with many leavers departing within three years of joining

Case study: Creating a career structure for project managers at Rolls-Royce

The project management community at Rolls-Royce was scattered around its separate businesses, with no proper career path and insufficient networks among project managers.

To remedy the problem, Rolls-Royce set up a career structure for its project managers, with development "cells", structured work levels for project management people and improved training, most notably its MSc course. Together with two other large organizations, AMEC and Goodrich, and two universities (UMIST in the UK, Penn State in the US), it created a distance-learning MSc in programme management. This has increased the number of people with a qualification in programme management and is starting to have a positive impact on projects.

Rolls-Royce has made swift progress in training and helping its project managers, who have become a coherent, visible and outward-looking profession within the organization.

- sufficient graduates with the potential to become project managers;
- a spirit of flexibility to allow high individual aspirations to be sensibly reconciled with company needs.

What the younger generation wants

Among the improvements suggested are:

- a better indication of career opportunities at the point of recruitment;
- recruitment for individual jobs rather than "en masse" recruitment;
- good career-long training;
- a stronger vocational emphasis in universities.

The role of the universities

The top universities are already collaborating with industry to provide an appropriate education and even help promote a career that will culminate in project management:

- in its marketing to students, the University of Loughborough argues that a degree from Loughborough gives its graduates a well-paid job;
- Loughborough, like some other universities, has strong links with industry, including vacation placements, a year out in industry and sponsorship, both of programmes and individuals;
- some courses are set up in response to industry needs;
- companies sponsoring courses provide a contribution to the university for each student and take part in designing and managing the programme; they benefit by securing a stream of well-trained employees.
- Rolls-Royce, AMEC and Goodrich have set up a distance-learning MSc in programme management (see case study);
- universities want to be flexible and respond to industry needs; in some disciplines, the technologies are fast-moving.

Tools to encourage retention

Industry can adopt specific tactics and approaches to improve retention:

- offer as good a remuneration package as you can;
- provide a good training programme—training is a big selling point to graduates. Make sure, too, that training and development continue throughout the individual's career;
- give young graduates wide experience and early responsibility as far as possible and ensure a well-mapped career path;
- remember that graduates need a focus, so let them see their goals;
- show that you value project management in the organization and that you value the individual's contribution;
- create a strong mentoring and help culture;
- recognize the work-life balance of employees and understand the mobility (or otherwise) of staff;
- ensure senior managers understand the needs and perspectives of the wider team.

And finally...

Major project businesses need people of all disciplines. This people resource is essential to the delivery of major projects and to ensure a new generation of project managers.

Respect your workforce: show that you consider them part of the solution, not part of the problem.

Help your people take pride and ownership in their work.