



Productivity, a view from the Industry – Executive Summary

INTRODUCTION

Productivity within the UK engineering construction industry has been a matter of major concern to both clients and contractors for many years, contributing towards decisions by international clients to locate new build overseas.

This independent study of the views of key industry players was commissioned by the ECITB to:

- assess the state of productivity on engineering construction sites in the UK
- identify the key inhibitors to productivity
- compare productivity levels with those experienced on overseas sites.

FINDINGS

Both clients and contractors agree that:

- productivity in the UK is unsatisfactory
- little is being done to significantly improve it
- without improvement, the UK based industry will find it increasingly difficult to compete effectively in the global market.

The clients and the contractors tend to blame one another for failure to improve.

The clients argue that they need to reduce costs on repair, maintenance and capital work to maintain international competitiveness, but perceive:

- negative attitudes and inefficiency in the labour force
- low quality site managers and site supervisors
- costs are rising without improving productivity
- a lack of motivational drivers.

The contractors accept that it is their responsibility to ensure satisfactory productivity, but argue that barriers are presented by:

- the continual client drive for reduced costs
- deeply rooted outdated practices and cultures
- skills shortages
- the skewed age distribution of the labour force
- inability to attract young people into the industry.

The trade unions argue that shortcomings in the motivation of the labour force are due to prevalent casual and indirect employment practices.

The view from overseas is that the UK industry lacks both competent site management and a well-motivated labour force.

Productivity levels in the UK however, currently seem to be similar to those in Germany, France and the United States, although possibly slightly lower than in Belgium.

CONCLUSIONS

There does not appear to be a routine culture of improving productivity amongst the various contributors to the design and project execution processes. Those responsible for the delivery of projects are frustrated at being restricted by outdated practices. There appears to be regression towards a culture of blame and mistrust within the industry.

A fundamental review of both employment and manpower policies is needed, with the creation of a new strategy for the industry that places the issue of productivity at the top of the priority list.

Such a review could be conducted by a strategic forum comprising employers, trade unions, clients, government

and other stakeholders. Its initial focus should be the development of manpower and employment policies, which are conducive to the development of a dynamic, world-class industry.

The forum will need to address the issues that the industry faces, including:

- skill shortages and the training investment needed
- attraction of new entrants
- more effective utilisation of people on-site
- the attitude and motivation of people when on-site
- enhancement of the workforce's commitment to the industry
- honing of construction planning and management skills
- greater empowerment and professionalism of supervision.

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For the full report please go to the ECITB website www.ecitb.org.uk



The views expressed by the author do not necessarily reflect the views of the staff or Board of the ECITB.



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