

Survey for the Construction Industry: Training and Recruitment Practices



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Survey for the Construction Industry:

Training and Recruitment Practices

The German-Philippine Chamber of Commerce, on behalf of the <u>Future Movers Programme (FMP)</u>, conducted a survey on the recruitment and training practices of construction companies in the Philippines. The aim of this survey is to collect insights to support the implementation of FMP, in particular, the transition of the youth to employment, towards a more inclusive Vocational Education and Training environment in post-conflict Marawi.

Key Summary

- Majority of the respondents signified capacity to hire for the year 2021/2022.
- The positions of carpenter, construction laborers and helpers, and masonry workers are the most in demand in all three areas of Mindanao, Visayas and the National Capital Region.
- Technical Skills, Safety and Health Awareness, and Prior Working Experience are identified as the top three criteria employers are looking for when hiring new workers.
- Generally, employers find it difficult to look for workers exhibiting these criteria.
- Majority of the respondents offer on-the-job training which focuses on training both technical and soft skills. Of these companies, most have their own in-house trainer.
- There is high interest in upgrading an employee's skill set to be a more effective in-house trainer.

Respondents

Respondents: 43/167 (26% response rate)

• 18 questions delivered online via Jotform

Survey Views: 360

Number of employees

17/43 (40%) of the respondents come from small-sized companies with 11-49 employees. 9/43 (21%) come from companies with 5-249 employees. The same number applies for those with 500 and above employees. 6/43 (14%) belong to companies with less than 10 employees. 2/43 (5%) are from companies with 250-299 employees.

43 Responses 11-49 40% 17 2 250-499 5% 6 Less than 10 14%

500 above

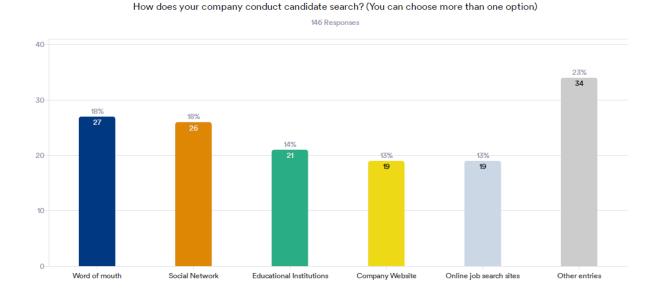
Number of Employees:

Recruitment Outlook and practices

Candidate Search

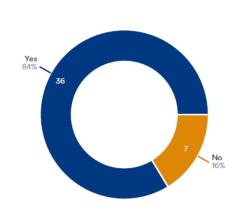
Majority of the respondents mostly recruit hires through word-of-mouth and social network at 27 and 26 responses respectively. This is followed by recruitment through partnerships with educational institutions, company website and other online job search sites.

Other entries include recruitment through employee referral programs, Public Employment Service Office, Job fairs and head hunters.



Recruitment Outlook for 2021/2022

36/43 (84%) of the respondents signified that they are hiring for the year 2021/2022. 7 (16%) are not hiring.



Is your organization hiring for the year 2021 / 2022?

43 Responses

Personnel needed

The following table shows the number of organizations hiring in Mindanao, Visayas, and Luzon and the number of workers they need for specific construction-related positions. The top three positions most in need are carpenters (with a total demand of 563 workers), construction laborers and helpers (demand: 670), and masonry workers (demand: 601). Companies situated in NCR have the most demand for these positions, they also show a higher labor-demand across other construction-related positions as compared to companies in the Visayas and Mindanao.

- o In Mindanao, 17 out of 21 respondents signified workforce demand for the year 2021/2022. Out of those hiring, 76% are small companies with 11-49 employees, 12% have 50-249 employees, 6% with less than 10, and another 6% with 250-499 employees.
- o In Visayas, 8 out of 9 companies are hiring, 50% of those are companies with 500 employees and above, 25% are companies with less than 10 employees, and another 25% with 25-249 employees.
- o In the National Capital Region (NCR) 11 out of 13 companies are looking for workers. 45% of those are companies with 500 and above employees, another 45% with 50-249 employees, and 10% with 11-49 employees.

Hiring for 2021/2022	Carpenter	Construction Laborers and Helpers	Electricians	Plumbers	Masonry Workers	Welder	Elevator Mechanic	Equipment Operators	Project Manager	Foreman	Total
Mindanao (17/21)	105	88	52	42	88	65	26	32	40	51	589
Visayas (8/9)	108	117	36	20	107	13	1	49	4	4	459
NCR (11/13)	350	465	124	142	406	141	117	161	140	158	2204
TOTAL	563	670	212	204	601	219	144	242	184	213	3252

Hiring Criteria

The respondents were asked to rank the importance of seven criteria when recruiting new workers.

The respondents were also asked to define the difficulty or ease of finding these given criteria, ranging from a scale of very difficult to very easy.

The respondents identified Technical Skills, Safety and Health, and Prior Working Experience as the top three criteria in hiring. Generally, the respondents found it crucial and advantageous for job applicants to possess all given criteria. At the same time, these skills are also identified as difficult to find in applicants. The overall ranking of criteria to look for in potential new workers according to their importance reads as follows:

Criteria:

- Technical Skills
- Safety and Health Awareness
- Prior Work Experience
- Soft Skills
- Educational Background
- o Computer/Digital Skills
- o Entrepreneurship

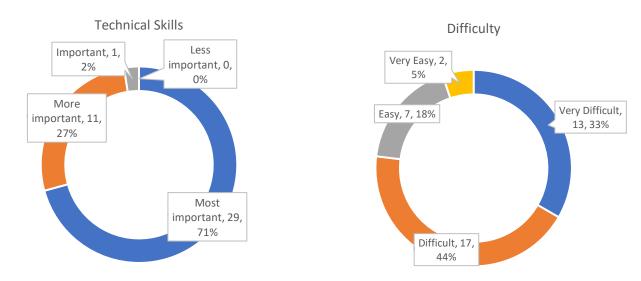
The choices "most important", "more important", "important" and "less important" where defined for the respondents and with accompanying description as follows:

- Most important It is crucial for the candidate to possess this skill to be hired. In case s/he does not, s/he cannot not be hired.
- More Important It is advantageous for the candidate to possess this skill. Her/his hiring strongly depends on it.
- o Important It is appreciated if the candidate possess this skill. However, her/his hiring does not depend on it. It is expected to learn this skill on the job.
- Less Important This skill is less strategically important for the company and the candidate must not possess this skill to be hired

i. Technical Skills

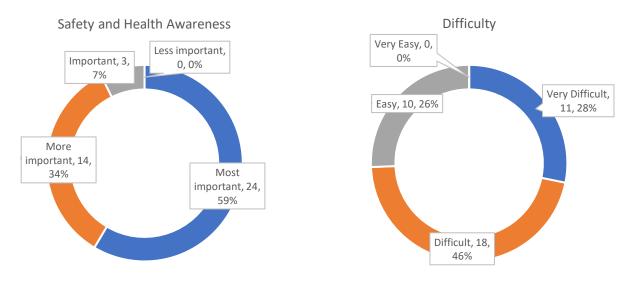
Most of the respondents, 29/41 or 71%, identified Technical Skills as the most important criterion a job applicant should have when applying for a position in a construction company. Another 11/41 or 27% of the respondents identified this skill to be advantageous for a job applicant to have.

13/39 or 33% of the respondents identified that it is very difficult to find candidates who possess technical skills, followed by 17/39 or 44% that identified it as difficult.



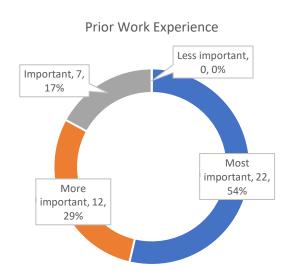
ii. Safety and Health Awareness

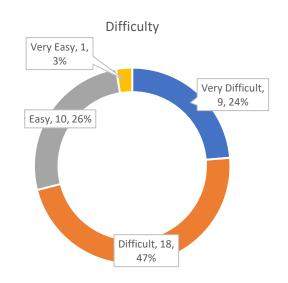
24/41 or 59% of the respondents identified Safety and Health Awareness as another crucial criterion in hiring. Based on their response, they find it generally difficult to find candidates who exhibit this awareness.11/39 or 28% of the respondents identified Safety and Health Awareness as a hiring criterion that is very difficult to find. 18/39 or 46% signified that it is difficult to find.



iii. Prior Working Experience

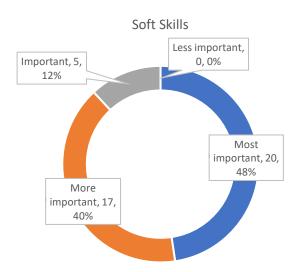
22/41 or 54% of the respondents selected Prior Working Experience as another important criteria in hiring. 12/41 or 29% identified it as advantageous to have. 18/38 or 47% signified that it is difficult to find job applicants with Prior Working Experience, 9/38 or 24% reported that it is very difficult to recruit workers with this background. 10/38 or 26% identified it to be easy.

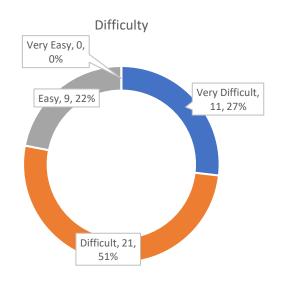




iv. Soft Skills

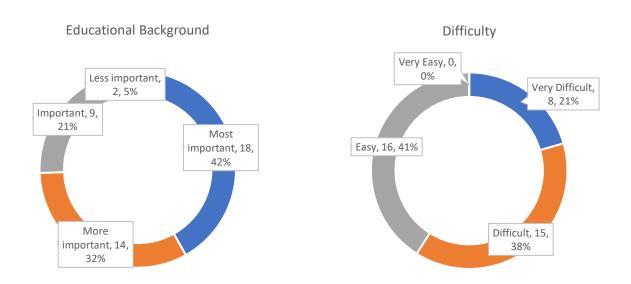
20/42 or 48% of the respondents considered soft skills as a necessity for job applicants to have, followed by 17/42 or 40% that identified it as advantageous. 11/41 or 27% found it very difficult to find applicants who possess soft skills with another 21/41 or 51% that found it difficult.





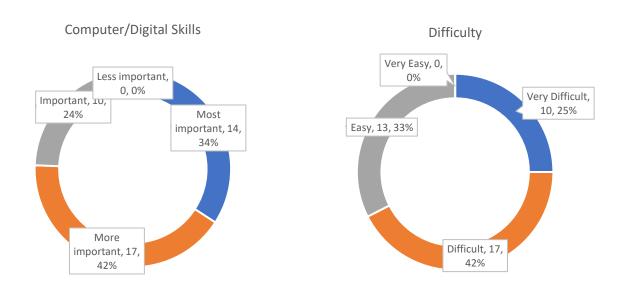
v. Educational Background (Diploma, Certificate)

18/43 or 42% of the respondents signified that having a formal education background is crucial when applying for a job. Another 14/43 or 32% identified it as being advantageous, while 9/43 or 21% reported that while it is a criterion that is appreciated for job applicants to have, their hiring does not depend on it. For this criterion, 16/39 or 41% of the respondents identified that it is easy to find it among job applicants. 15/39 or 38% answered it is difficult and only 8/39 or 21% found it to be very difficult to find.



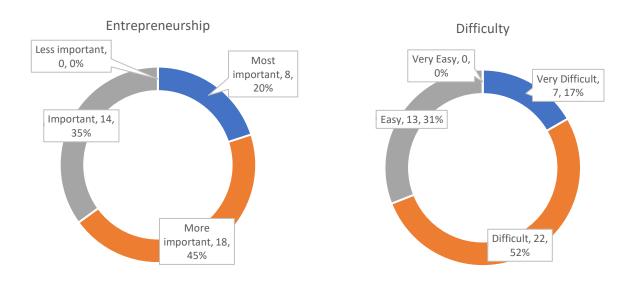
vi. Computer / Digital Skills

17/41 or 42% of the respondents identified that it is advantageous for job applicants to have computer / digital skills while 14/41 or 24% reported it as crucial. 17/40 or 42% found it difficult to find applicants who possess this skill while 13/40 or 33% found it to be easy.



vii. Entrepreneurship

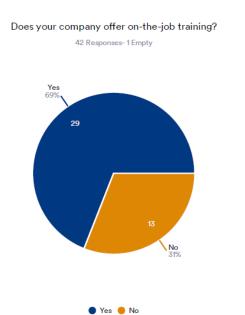
18/40 or 45% of the respondents identified that entrepreneurial skills are advantageous to have for job applicants. This is followed by 14/40 or 35% that signified that it is appreciated. 22/42 or 52% of found it difficult to find applicants who possess this skill, while 13/42 or 31% found it to be easy.



Training Practices

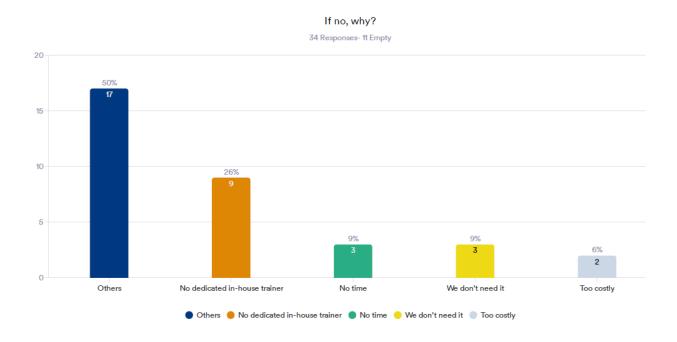
On-the-Job Training (OJT)

The capacity of the institutions to conduct on-the-job training was also inquired. Majority, or 29/42 or 69% of the respondents reported that they are offering on-the-job training. 13/42 or 31% are not offering this training at the moment.



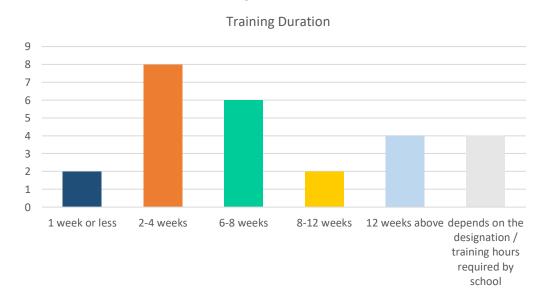
Limitations

There are some limitations on the companies' capacity to conduct OJTs. 17/34 or 50% answered other reasons for not offering OJTs, the specifics of which were not captured in the report. 9/34 or 26% of the respondents reported that they do not have a dedicated in-house trainer. Others answered no time, not needed and too costly.



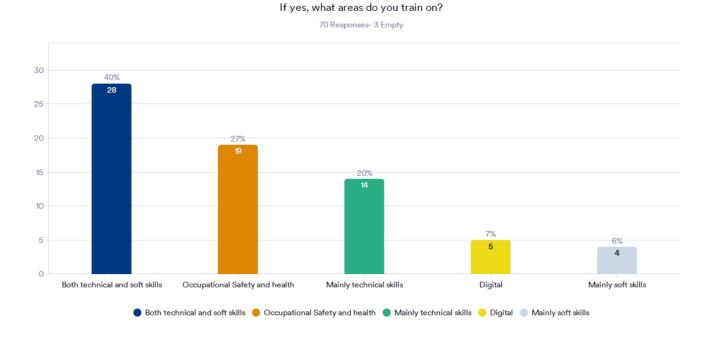
Training Duration

Of those offering training, 8/26 or 31% reported an average training duration of 2-4 weeks. Followed by 6/26 or 23% of respondents having a 6-8-week training duration. 4/26 or 15% have OJTs running from 8-12 weeks, or depending on the training hours required by the school or the designation. Lastly, 2/26 or 8% offer 8-12 weeks of training, and another 2/26 or 8% for 1 week or less.



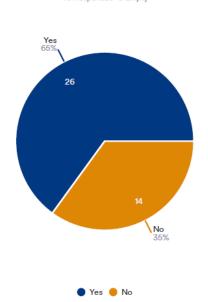
Area of training

Most of the respondents (40%) signified that they are training both technical and soft skills in their OJT programs. Another 27% reported that they also include Occupational Safety and health in their trainings.



Trainer Availability

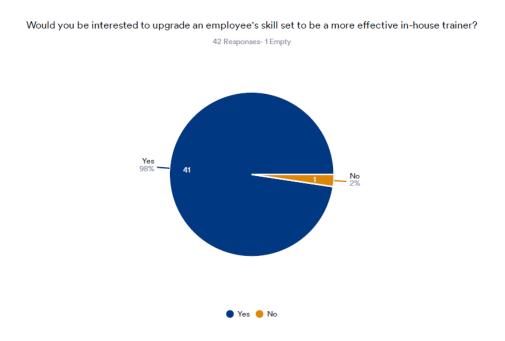
26/40 or 65% of the respondents have their own in-house trainer for their respective training programs. While 14/40 or 35% do not have a trainer.



40 Responses- 3 Empty

Interest for Train the Trainer

Majority of the respondents or 41/42 or 98%, expressed interest in upgrading an employee's skill set to be a more effective in-house trainer. Only 1/42 or 2% signified non-interest.



Conclusion, FMP Interventions & Recommendations

This survey was conducted to collect insights to support the implementation of Future Movers Programme (FMP). In particular, the questions looked into the parameters that can support the transition of the youth into the world of work. Here, the identification of industry-demanded skills is significant in the endeavor to bridge the skills-mismatch between academe and the industry and to pave the way to gainful employment.

To that end, the FMP has been engaging the private sector and the academe before the conduct of this survey, through the Industry Placement Committee (IPC), to help identify needed skills, validate in-company training practices, as well as current employment demand and preferred skills in applicants. This engagement helped design the survey questions in line with initial insights gathered.

Further strengthening industry-academe linkages will therefore be crucial to support technical vocational institutions and related agencies to gain better insights into industry-demanded skills. Incorporating those skills into existing curricula will improve graduates' competitiveness and chances in the job market.

The survey results show that most construction companies prefer job applicants who have technical skills, occupational safety and health awareness, as well as prior working experience.

The FMP has successfully partnered with technical vocational institutes (TVIs) around Lanao del Sur which are conducting trainings in construction-related courses such as carpentry and masonry – two of the most soughtafter positions by employers. In addition, the learning modules on occupational safety and health awareness that were developed under the FMP – based on industry-insights – cater to the second highest skill sought after by construction companies in job-seekers. Together with the soft-skill modules they now supplement the training delivery of the FMP partner-TVIs in Marawi to further prepare their trainees for employment.

At the same time, the FMP actively advocates for the concept of skills training being a "shared responsibility among the academe and the private sector", encouraging companies to provide On-the-Job-Training (OJT) opportunities for young graduates to teach practical skills in an industry environment.

Based on the survey results, the majority of the respondents reported that they are already conducting OJT programs. The learning modules, converted into videos, power point presentations and hand-outs in English and the Maranao language, can therefore be used not only by TVI teachers, but also by in-house trainers of construction companies to support the onboarding of new-hires or on-the-job trainees. Seeking out companies that provide OJT can also be an avenue for TVIs to involve the industry in training provisions, in identifying additional skills for curriculum enhancement, and for assessment and certification efforts.

Since learning is a lifelong endeavor, the FMP also focused on upgrading existing trainers' skills, especially in the wake of heightened online training. Again, the majority of the survey respondents also reported to having their own in-house trainers. The demand to upgrade trainers' skills is very high with almost all of the respondents indicating interest. A training for in-company trainers was conducted as part of the FMP for construction companies to support the professional development of their personnel and their capacity to deliver trainings.

Last but not the least, a significant number of respondents stated, that they are hiring for the remainder of the year 2021 and the year 2022. The highest employment demand was registered in the National Capital Region among larger construction companies. However, 17 out of 21 construction companies in Mindanao, where the FMP-students are located, signified a combined demand of 589 workers. Through an FMP-developed job-matching online platform the program envisions that future job-demand in the Marawi area can be filled by the graduates of the FMP.

Recommendations at a glance:

- Industry-academe partnerships to identify, train industry-demanded skills and facilitate transition to employment;
- Company-TVI partnerships to garner support for OJT / hiring opportunities;
- In-company trainer skills upgrading to support industry-based skills training;
- In-company trainer-TVI trainer partnership to jointly develop training provisions