

SOCIO-ECONOMICS AND BLACK AND MINORITY ETHNICS IN THE UK CONSTRUCTION INDUSTRY

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The UK construction industry is positioned as the country's top employer with over two million employees. However, it is facing severe ongoing skills shortages and tends to lack an ethnic diversity of workers compared to the White community of workers across the whole economy. The government's Ethnic Minority Employment Task Force shows that for any given level of qualification, a Black or ethnic minority person is less likely to be employed (i.e. placed further down the 'queue' of those being considered for employment), than a similarly qualified White person. Current research into issues surrounding ethnicity, including how these skills fit in with individual, social and economic issues alongside potential direct and indirect discrimination is very scarce and limited. The European Social Funded Black and Minority Ethnic (BME) in Construction project is researching the main barriers that BMEs face within the industry. Findings gathered from the postgraduate focus group in Higher Education (HE) are analysed and assessed in this paper. These findings have led to the conceptualization of research themes that serve to both inform and direct the activities of the research project as well as outlining areas and issues where further and expanded research is required over the longer term.

Keywords: black and minority ethnics, discrimination, employment, globalization, organizational cultures

INTRODUCTION

The construction industry in the UK employs over two million people, forming the largest employer and a major contributor of Gross Domestic Product (Steele and Todd, 2005). The UK construction industry is also the second largest industry in the European Union (Business Sectors, 2006). The industry itself incorporates a wide range of businesses and services, including the construction and supply of materials and products; building service manufacturers, providers and installers; contractors and sub-contractors and advisors and construction clients that design, build, operate and refurbish buildings and properties throughout the country as a whole (Business Sectors, 2006). Regionally, the value to the local economy is estimated to be approximately £5.5bn (North West Regional Intelligence Unit, 2002). By 2011, the North West region is predicted to reach an impressive employment rate of 309,000 which consists of 11% of the jobs within the UK industry (Construction Skills Network, 2007).

Interest in the participation of Black and Minority Ethnics (BMEs) in the construction industry was initially sparked by concerns about the substantial under-representation of women within the UK construction industry (Latham, 1994). The Centre for Ethnic Minority Studies (1999) commissioned a study concerning BME people in the

construction industry and found that, while BMEs were reasonably well represented on construction industry related training and degree programmes, they were however, significantly under-represented within the industry as a whole, most notably at middle and senior management level. At present, there is limited data on the BME workforce within the built environment sector in the UK, particularly concerning the conversion from education through employment and for trainees, graduates and professionals (Twomey, 2001). With regards to some of the limited existent research, the Commission for Architecture and the Built Environment (CABE, 2005) found that although BME students are relatively well presented within most of the built environment disciplines in higher education (except for the subject area of landscape design), fewer ethnic minority graduates are actually entering the industry (35%) compared to 51% of their White counterparts. On the other hand, the Lloyds TSB Business in Britain survey (2007) states that although the construction industry is predicted to remain very buoyant this year, it is facing ongoing skills shortages.

This research is funded by the European Social Funded (ESF) under Objective 3 to *“promote the integration of and combat the discrimination against people at a disadvantage in the labour market.”* This research also fits in with Priority 2 of the Regional Development Plan (RDP) to reduce the effects of disadvantage faced by excluded groups, by supporting their integration into the labour market. This Black and Minority Ethnic project (BME) in Construction project is aimed at identifying and analysing the issues in both Higher Education (HE) and industry, for their under-representation of BMEs in the construction industry sector in the North West. It is also important to highlight that this research utilizes the ‘Ethnic Group Statistics Report’ definition put forward by the UK governmental Office for National Statistics (ONS) that defines BMEs in terms of aspects of an individual’s heritage and identity, such as kinship, religion, language, territory, nationality or physical appearance which makes them distinct from other communities. This governmental definition includes a statement that this classification is changeable and subject to individual and subjective interpretation (Office for National Statistics, 2003).

The rest of this paper will be examining the issues surrounding the entry, progression and retention of Black and minority ethnics (BMEs) in the UK construction industry that potentially contribute to their current under-representation. In order to achieve this, the next section will provide a background of the current need for skills in the construction industry, both nationally and regionally with a specific focus upon issues of ethnicity. This paper will then progress onto analysing and discussing the potential barriers and enablers to BME entry into the industry gathered by analysis of feedback gathered from a postgraduate BME focus group. These findings have led to the formation a series of conceptualized themes (of barriers and enablers) that serve to focus the research activities of the BME in Construction project alongside highlighting areas where further and expanded research is required. This paper concludes by discussing these themes with reference to both the research project and the potential impact of these themes upon the construction industry over the longer term.

SKILLS AND THE CONSTRUCTION INDUSTRY

The construction industry has greatly expanded over recent years. The economic argument is the current driver for change, with government support to tackle skill shortages and to develop the workforce of the UK to try and compete in the global market. As the construction industry related employment is projected to continue to

grow, recent figures (CITB, 2003) show that the construction industry is forecasted to grow at the rate between 1% and 2% annually. Recent research has highlighted that the industry needs to recruit and retain over 88,000 trained people each year for the next five years (CITB, 2003). Regionally, employment in the North West is predicted to grow by 6.6% between the years of 2007 to 2011. This forecasted expansion has led to an estimated annual increase with the need for 8,830 workers, 1,870 professionals and technical staff and an additional 1,110 new recruits each year for the wood trade and interior fit-outs (Construction and Skills Network, 2007). With regards to these increased demands for trained people, the construction industry as a whole is predicted to continue experiencing difficulties in meeting these skills requirements, particularly in the South and South East of the UK where the demand is at the greatest (Construction and Skills Network, 2007). This is attributed to a number of factors, including competition for workers of other industries, and a gap in the workforce that occurred during low levels of recruitment in the early 1990s.

Although the overall levels of training have been increasing in recent years, with a number of students on trade and technician courses up from 29,000 in 1997 to 47,000 in 2001 (Department of Trade and Industry, 2002-2003), there continues to be a major shortfall in terms of properly qualified recruits joining the industry. Moreover, there is an over-concentration of training on the main building trades, rather than the growing specialist occupation (CITB, 2003). The CITB has therefore identified the significant training need for both professionals and technical staff, as being mainly due to the declining number of the first-year UK domiciled students on construction industry-related degree courses, with the exception of architecture.

The skill level of the construction industry shows that the industry has 46% of all in employment qualified to NVQ level 3 or equivalent, or above in spring 2002, compared to 61% for energy and water and 30% for agriculture and fishing (CITB 2003). Table 1 shows the forecast demand over the period 2003-2007.

Table 1: Labour Demand, Supply and Training Requirements: 2003-2007

	2003	2004	2005	2006	2007
Labour Supply	1,928,615	1,887,015	1,843,343	1,801,013	1,758,653
Labour Demand	2,045,897	2,101,328	2,137,879	2,174,938	2,209,998
Cumulative Requirement	117,281	214,314	294,537	373,901	450,346
Annual Requirement	85,301	97,033	80,223	79,365	76,444
Requirement due to Expansion	43,458	55,432	36,551	37,058	35,061
Requirement due to Supply Side	41,842	41,601	43,672	42,306	41,384
Factors					

Source: CITB Employment Model, 2003

Such demands for a skilled and qualified workforce in the construction industry have created a considerable pressure on the labour market to match the demand in the number of skills. The industry will therefore have to recruit and retain, from non-traditional groups, both to stave off projected shortfalls of all categories of workers, and to respond to the legal and social pressures to ensure equality and to draw on the diversity of the UK population. Thus, the participation of BMEs in the construction industry is vital in terms of meeting the industry's demand for labour and the shortfall of skills. Given the skills shortage, it might be expected that BMEs and particularly BMEs within the SME sector would be in a strong position to take advantage of this situation with the levels of declined capacity within the construction industry sector. However, this does not appear to be the case as BME consultants and contractors still seem to face barriers that limit their chances to gain from the ongoing growth in the construction based industry (Steele and Todd, 2003).

In the North West, the construction industry requirement for employment is expected to increase by an average rate of 1.4% over the forecast period, below that of Great Britain of 1.9% (CITB, 2003). According to the Employers' Skill Needs Survey (2002), 71% of employers in the North West experienced difficulties in recruiting skilled staff. However, 59% had long-term vacancies (i.e. in addition to normal recruitment). The recruitment of wood trade occupations was worst affected, followed by bricklayers (CITB, 2002).

In spite of slight increases of BMEs within some professions (i.e. civil engineers, town planners, quantity surveyors, chartered surveyors), since 2001-2002, BMEs are still under represented throughout the professions, in comparison to BME representation within the UK population as a whole, which is 7.9% of the total population. The division of jobs occupied by Black and ethnic minorities has stayed roughly the same over the last decade (CITB, 2004).

Table 2: Percentage of BMEs in Architectural and Built Environment Professions

Profession	Average Winter 2001 – Autumn 2002 (not seasonally adjusted)		Average Winter 2002 – Autumn 2003 (not seasonally adjusted)	
	Total no. of BME people	Percentage of profession	Total no. of BME people	Percentage of profession
Managers in construction				
Civil engineers	4839	3	2801	2
Architects	1790	3	4058	6
Town planners	3041	7	1655	4
Quantity surveyors (QS)	565	3	807	5
Chartered surveyors (not QS)	503	1	1184	3
Architectural technology	512	1	1869	3
Architectural technologists and town planning technicians	1194	8	888	6
Total (% in profession)	12443 (3%)		13259 (3%)	

Source: ONS Labour Force Survey

The majority of BME workers in the construction industry are employed in the skilled manual trades. Approximately 15% work in professional and technical occupations, whilst a further 12% work in management posts. However, taking into consideration the total number of employees in the construction industry as a whole (over two million), BMEs, only count for approximately 3% of this workforce (CITB, 2003).

BME FOCUS GROUP (SAMPLE ANALYSIS)

To develop a conceptualization of the potential enablers and barriers that BMEs may face upon attempting to enter the HE sector or the construction industry, a mixed gender and ethnic based focus group of twenty five BME postgraduates was formed. The group was split into five teams (all were male and non-British apart from one White British male and two BME non-British Women). The postgraduates were asked three main questions;

- What are the advantages and disadvantages of working within the HE sector in comparison to working within the construction industry?
- What are the entry barriers that BMEs face upon attempting to enter the HE sector or the construction industry?
- What good practice mechanisms are needed to encourage BME entry into the construction industry?

Following the brain storming session, the answers to these questions were presented collectively. Table 3 outlines a summary of the perceived advantages and

disadvantages of working within the HE sector compared to working within the construction industry. These findings provide a foundation upon which further insights will be assayed and balanced from directors and their employees in the construction industry later within the research process.

The initial findings clearly indicate a greater number of ‘perceptual’ advantages of working within the HE sector. ‘Economic’ themes arose with regards to salary issues, but these views were mixed as this issue was seen to be potentially both an area of advantage and disadvantage, especially when given the flexibility and freedom that higher education provides, as opposed to the number of hours spent on site, or in the office. Additional economic issues include the perception of increased levels of job stability and security within the HE sector.

Table 3: Collective views of HE versus the Construction Industry

Higher Education	Construction Industry
Salary/less income	Salary/incentives are higher
Job Stability/Security	Less secure
Academic freedom/Comfortable/Flexible	Restrictions to working hours
Autonomous	Driven by set targets
Continuous Professional Development	Long training
Lack of real world construction experience	Transferable skills and on the job learning
International recognition/Status/Image	Status/Image at higher status only
Sharing of knowledge with others	Fully responsible for one’s own action – Risky
Impact on others (Unique influence, make change)	Eliminating all the risks, it can be very satisfactory
Inclusiveness/Cultural perceptions	Less cultural recognition

On the one hand, there was a perception that HE provides greater support for Continuous Professional Development (CPD) and the smoother transfer of skills, whereas, on the other hand, there is a perceived disadvantage of needing to undergo longer periods of training in order to succeed within the HE sector over the longer term. Therefore, the construction industry is seen to provide more focused training, for a longer term effect, to cope with the essential on the job skill requirements

‘Environmental’ and ‘Cultural’ themes (i.e. in terms of the organization) also arose with regards to working conditions and practices as there was a view that individuals would benefit from greater academic freedom, comfort, flexibility and autonomy of working within HE. ‘Social’, ‘Cultural’, and ‘Support Network’ themes (i.e. in terms of societal and interpersonal factors) also arose. Internationally, the status of being a lecturer is perceived as being more positive and powerful in some countries compared to the UK. The greater pull towards working in HE rather than the construction industry is also seen as being influenced by the media. For example, in the U.K. a footballer is more highly respected than someone who is e.g. within a civil engineering role. Within Asian culture, medicine and pharmacology is highly respected and parents are not keen to let their children go into the construction industry. The overall perception is that an engineer in the UK is not highly regarded. Within HE, there is a greater perceived advantage of the opportunity to share knowledge with peers and colleagues as well as having an impact upon others within a culturally more diverse, supportive, inclusive and familiar environment. However, these grouped advantages were seen as being offset by perceptions of an overall lack of real-world experience.

The answers to the second question are gathered in Table 4 indicating the perceived barriers for BME entry into the HE sector in comparison to the construction based industry. It can be seen that the list of barriers for entry into the construction industry is greater than the list of barriers for entry into HE. However, there are existent

barriers in both. Within HE, ‘Educational’ themes were highlighted regarding prior vocational qualifications not being recognized and there being a need to undertake longer periods of training in order to teach within HE. It can be stated that these barriers can affect both ethnic and non-ethnic based groups. However, BMEs also face ‘governmental’ visa problems as well as ‘language’ and nationality barriers.

Table 4: Perceived BME Entry Barriers into HE or the Construction Industry

HE	Construction Industry
Vocational qualifications not effective	Membership of professional institutions/recognized international qualification
Lack of training to teach in HE	Lack of understanding the U.K. law and industry regulations, standards, etc.
Visas	Visas
Language	Language
Nationality	Nationality
	Appearance
	Status/image
	Lack of Support Networks
	Lack of Experiential Learning

Beside these barriers, it was perceived that within the UK industry, there are ‘Educational’ barriers with regards to the international recognition of qualifications and membership of professional institutions. Often, BMEs from overseas find that they need to retrain and/or join UK recognized bodies or institutions in order to be able to enter the profession. There is also an ongoing ‘Governmental’ problem of visas and the need to keep constantly updated with UK laws, regulations and standards. As within HE, those attempting to enter the construction industry face visa problems as well as ‘Language’ and nationality barriers. In addition, the dress standards within the construction industry can be more restrictive in terms of appearance. BMEs are also aware that the status/image of an ‘engineer’ in the UK is very low.

Issues involving networking and nepotism also exist to varying degrees and at varying levels within differing countries. Therefore, the postgraduate focus group viewed it important to be well connected and networked in order to facilitate a successful entry into the industry sector. Many of the postgraduates stated that within the UK, there are ‘Cultural’ cross-generational UK families in the construction industry, and that these family associations can form very powerful barriers to those that don’t ‘fit the mould’. Therefore there is a need to address the barrier of the current ‘Lack of Support Networks’.

The focus group argued very strongly for the need to re-investigate the role of learning styles and experiential learning theory in directing learning activities and training within the construction based industry. It was also stated that there is a need to build further (and earlier skills abilities) in maths and physics within the training process. ‘Cultural’ awareness of the concepts of various job roles can also greatly vary. For example, the role of Project Manager is not defined in some countries as contractors undertake the entire tasks and activities of a construction based job. There are not many ‘new build’ projects within the UK compared to some countries. Therefore, this potentially limits the learning and working style options that new build projects can offer. In some countries architects are multidisciplinary and the ‘ladder is already set, whereas in the UK most people desire to become an Architect but have less desire to become a Quantity Surveyor.

The answer to the third and final question is outlined in Table 5, highlighting the good practice mechanisms that the focus group stated to be needed to facilitate BME entry into the construction industry. They argued for a need to introduce positive role models alongside monitoring processes (to assess the effectiveness and efficiency of good practice mechanisms). The facilitation of expanded ‘opportunities’ for entry are also required, inclusive of more ‘experiential learning’ work placements (for longer periods of time) in order to facilitate the learning of ‘real world’ knowledge and skills that can be directly beneficial to a smoother and less stressful entry into the profession. Alongside these good practice mechanisms, were the ongoing concerns surrounding family based organizations and institutional nepotism. To assist in counter balancing this, it was recommended to introduce and expand BME ‘Support Networks’.

Table 5: Good practice mechanisms to Facilitate BME Entry into the Construction Industry

Good Practice Addition	Good Practice Alteration
Positive role models	Total anonymity in job applications
Monitoring	Agreements in implementing guidelines
Opportunity	
Building Support networks	

In addition to introducing good practice mechanisms, there were also recommendations put forward regarding the alteration of current construction industry policies and practices. The focus group outlined the benefit to BMEs of introducing total anonymity in job applications. This would remove any potential discrimination based upon deriving the ethnicity, religion or gender from application names as well as additional irrelevant details such age and marital status. The focus group argued for the need to bring closer agreements on the implementation of guidelines surrounding issues of diversity and equality within the construction based industry. The next section of this paper, provide a summary of the themes that arose from the gathered views and analysis of the postgraduate focus group.

FUTURE RESEARCH

The themes identified by the postgraduate focus group are illustrated in Figure 1. However, prior to discussing this background conceptual framework, it is important to point out that at this preliminary stage of research, the exact ordering within the conceptual themes (i.e. how these themes impact upon one another) and to what extent (i.e. in terms of the relative importance of their potential affective impact) is yet to be analysed and assessed.

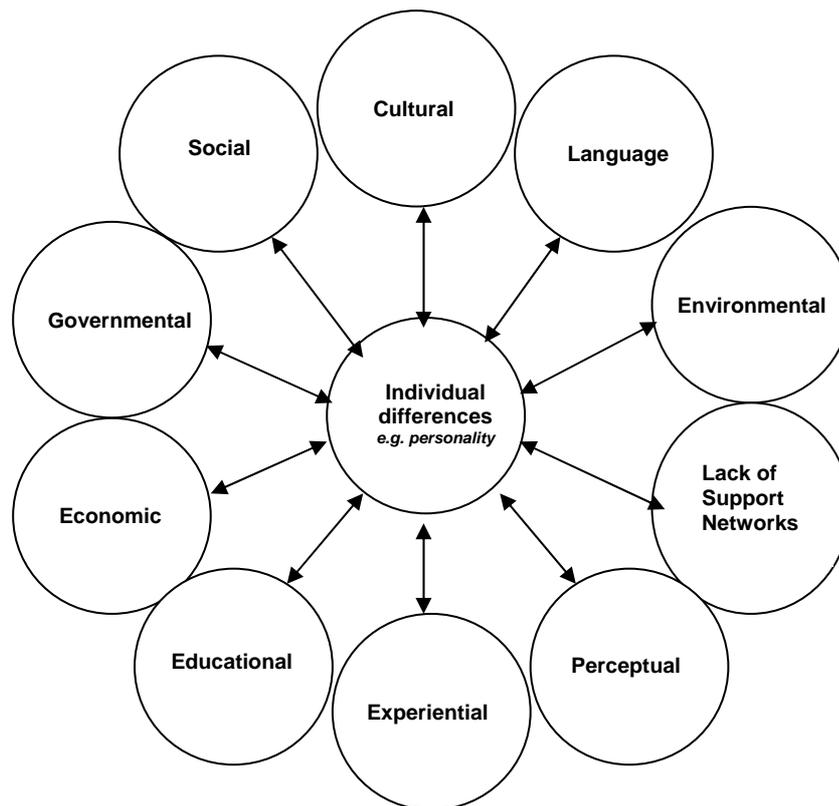


Figure 1: Background Conceptual Framework

Figure 1 is specifically designed to provide a background conceptualization of research themes. ‘Individual Factors’ (located within the middle of the Figure) are ‘surrounded’ by a number of potential enablers and barriers that potentially affect BME entry, progression and retention in both HE and the construction industry.

The relative ordering of the importance and impact ‘flow’ of these themes is yet to be analysed, therefore, they are currently evenly spread around the central individual factor theme in terms of their potential affect upon it. The project aims to produce a directional flow diagram towards the end of the research process that illustrates how these themes affect one another (and their order of potential relative importance) once the ‘story’ of their affects is analysed following a thorough analysis of the detailed empirical data gathered from the semi-structured interviews and questionnaires from students and lecturers based within the HE sector and managers/personnel directors and employees based within the construction industry.

CONCLUSIONS: FURTHER WORK

The ongoing challenge to the HE sector and the construction industry is to recognize that people are different. The themes identified within Figure 1 can have an important part to play in affecting recruitment and retention of BMEs within the construction industry. Many themes need to be further explored with key players in HE and the construction industry, with an analysis of undergraduates and lecturers in HE, directors and their employees in the construction industry as well as policy makers and governmental policy initiatives. Further research is required (and is underway within this project) to ascertain a clarified picture of the barriers and enablers regarding these themes. A more informed and educated awareness of the full range of

factors and issues will potentially assist in improving the entry, retention and progression rates of BMEs over the longer term.

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