

Solving the recruitment conundrum

Experienced project managers are in great demand in the Middle East. But how can organisations recruit and retain staff they have trained for a highly specialised role? **Craig Jordan** of ESI International, the project management specialists, analyses the issue

Regular readers of Middle Eastern newspapers will be familiar with the concept of the 'mega project'. Indeed, the region's press is full of stories and announcements on a seemingly unending series of new developments.

The Khurais oilfield in Saudi Arabia, Yas Island in Abu Dhabi, the Pearl in Qatar and, of course, the Palm Islands and Burj Tower in Dubai are just a few of the many dozens of initiatives that are being touted as mega projects in the region.

But what exactly is a mega project? One definition comes from Mark Amirault, Group Senior Director, Development, Emaar Properties, speaking at the Arabian Hotel Investment Conference (AHIC) in Dubai in April 2007. "A mega project rises above any ordinary definition; a very tall building is not a mega project but the tallest building is," he said. "A mega project must be the best, largest and the most dominant in the region." By this definition the number of mega projects in the region is actually more limited than the press would have us believe. Whether or not you subscribe to this definition, the fact remains that there are more projects with values in excess of \$1 bn underway than ever before, putting a corresponding strain on the limited resources available to manage such cutting-edge developments.

According to the database company Proleads, it is estimated that the current value of projects in the GCC (Gulf Cooperation Council) countries alone tops \$2.4 trn. Civil engineering and infrastructure projects of all kinds lead the way, totalling a staggering 2,081 projects with a combined value of \$1.3 trn. The sheer scale of this activity is putting a huge strain on resources at every level. Recruiters are busy

scouring the world to find suitably skilled engineers and project managers to run these projects, but this in itself creates communication and standards problems which tend to make projects even more difficult to run.

We have found that the first thing our clients from across all industry sectors tell us is that they are struggling to recruit and retain professionally qualified project managers. The

certified, will then move on. This then leaves the organisation back at square one, but having spent a considerable amount on training.

According to Flyvberg, Bruzelius & Rothengatter, mega projects have a calamitous history of cost overruns ranging from 50 per cent to 100 per cent, something which often puts the viability of the project at risk. This adds another layer of complexity to the

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question is always the same, "What can we do about this?"

In summary, as competition for resources intensifies, organisations wishing to stay at the head of their field must address the following issues:

- Finding staff: recruiting well-qualified, experienced project managers at the speed required is proving almost impossible.
- Keeping staff: staff retention is a huge issue, with organisations getting into bidding wars for the best resources.
- Keeping trained staff: if in-house resources are trained to international best practice standards then many individuals will see this as a passport to a higher salaried job, often in another organisation.

This last point is a particularly interesting Catch-22. Companies know that they need to train their staff to the highest standards if they want to be genuinely world-class market players, but they also expect that many of the project managers, once trained and

conundrum. If we don't have properly skilled project resources in place then we risk the project's very viability. At the same time we find them almost impossible to recruit and if we train them then they will simply move to other organisations offering more money. If the project does go ahead without properly skilled resources, as they almost invariably do, then cost overrun seems inevitable.

The big question is, "what, if anything, can we do about this?" As discussed above there are two elements to the problem, recruitment and retention. What we are now seeing across the Middle East is more mature organisations beginning to address these issues seriously, and they have already met with some success.

Focusing on recruitment

Firstly, let's look at the recruitment problem. What is it that good, experienced resources look for in prospective employers? The following list is not meant to be definitive, and I'm sure the reader will have their own

thoughts and opinions. However, in my view the following are the key factors to those vetting prospective employers:

- Salary
- Commitment to individual development
- Nature and kudos of projects – what experience does this role give me?
- Location
- Scope for promotion and growth

I have deliberately not put these factors in any particular order. I will leave the reader to do that for themselves. But, irrespective of order, which of these factors can employers really influence? Assuming that the project is already underway or about to start then there is nothing we can do about points three or four, so that leaves salary, commitment to development, scope for promotion and growth. Most organisations view project and programme managers as middle management and, as such, are looking for individuals with a good career track record. I would argue that this puts the profile of the individuals we are looking to employ as being at levels three, four or five of Maslow's Hierarchy of Needs. Looking back at the three factors which we can influence, I would therefore argue that the order of importance should be:

1. Commitment to individual development
2. Scope for promotion and growth
3. Salary

This is not to say the salary is not important, it clearly is and many organisations compete almost solely on salary.

However, if you are to attract the brightest and the best then demonstrating commitment to the individual and offering real growth prospects will easily outweigh an extra \$5,000 per annum. In order to attract committed, highly-qualified resources, organisations must be able to offer genuine world-class opportunities for progression through practical, theoretical development programmes tied in with a well-planned, defined career path.

Retaining key resources

In many ways, solving the recruitment question automatically leads on to solving the retention one.

By offering genuine, well-structured development programmes, organisations have already gone a long way to solving the problem of how to retain their staff. Project managers by nature are smart, shrewd individuals who can easily see where their long-term interests lie. Most people of this calibre were happy to spend three, four or more years of their lives getting a university education. Why would their mindset suddenly change in the workplace?

The secret behind retaining staff is in being seen to have a long-term, world-class programme in place provided by world-class partners. Everyone wants to be associated with the best, and when individuals perceive themselves as being part of the best organisation, with the best projects and the best development prospects, then their desire to leave is either greatly curtailed or completely eliminated. Many organisations across the world have explored this concept over the last 50 years or so. Volvo, with their autonomous working groups, is just one. What the Volvo example demonstrated is that by offering growth opportunities and working in a nurturing environment the belief that "we are the best" becomes a self-fulfilling prophecy. The rate of staff retention was exemplary, all the more creditable in an industry that is not known for its high salaries. The other point we must mention is that the best projects meet their targets more often - meaning that bonuses are paid and the whole salary argument is rendered redundant.

The Holy Grail of staff retention is actually getting individuals to sign an upfront commitment to the organisation for a specified period of time ranging anywhere from one to three years. Most commonly this commitment takes the form of the individual concerned agreeing to pay for any training they have been provided with if they leave within a stated period after the completion of the training programme. What could demonstrate commitment better than offering to take a hit in

your own pocket should you leave the company? This may sound difficult, but it is now being successfully implemented by several organisations. However, it can only be achieved by offering genuine development and growth paths, not through some half-hearted training scheme. This, in turn, allows the organisation to move forward confidently with their projects, knowing they will have quality resources with the ability to deliver for the foreseeable future. Not only that, but with the additional benefit that these same resources are only going to get better through further experience and training.

When I'm asked what to do about people who don't want to sign such a pledge, my answer is always the same; let them go as quickly as possible. The quicker you get to a position of having fully committed resources then the quicker you can build a genuinely world-class project organisation. 



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