Optimising employee experience to enable growth and scalability in construction

How a human capital management solution from Rizing can help your construction firm unlock vital efficiencies and transform the experience you offer your employees.
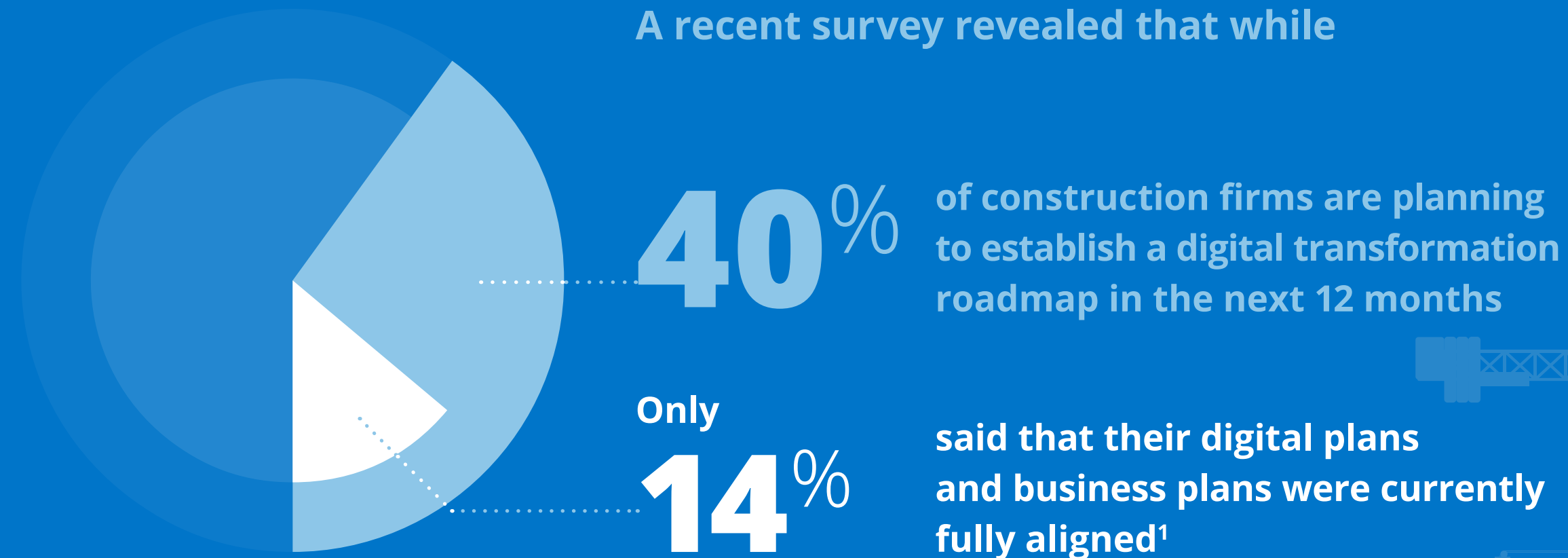
Despite material supply challenges, and temporary pauses to work necessitated by COVID-19, our construction industry is thriving.

Yet the sector still has a way to go in terms of its digital transformation, especially when it comes to the employee experience.

In most construction firms, it's not uncommon for employees to be using paper-based timesheets, and for scheduling to be done using Excel spreadsheets. Payroll is also often managed manually, despite the complexity associated with managing pools of contractors in different teams and with varying levels of expertise and pay rates. Employee enquiries are typically handled on an ad-hoc basis, managed over the phone by the human resources team, or even the business owner, and career development and training is also often managed on a very sporadic and 'as needed' basis.

In this eBook we explore some of the core challenges that relate specifically to employee experience in construction, and explain how a solution from Rizing can help.

A recent survey revealed that while

40% of construction firms are planning to establish a digital transformation roadmap in the next 12 months

Only 14% said that their digital plans and business plans were currently fully aligned[1]

In this eBook:

Challenges for construction

When it comes to employee experience, specific challenges for the construction sector include:

Payroll

Construction is an enormously complex sector when it comes to payroll. Many workers are employed on a contract and shift basis, and many may also fulfill different responsibilities for different project teams. For site-workers, time and attendance is still a very manual process, and larger firms will also have a combination of white collar and blue collar workers, with very different pay terms and structures. Unless a business has data-led tools to manage this complexity, it's very easy for inefficiencies to creep in, and for it to impact the experience of individual workers. If a worker frequently has issues with his/her pay, it's a valid reason to seek employment elsewhere.

Project costing

In the construction sector, the cost of a project is very closely tied to head hours. However, a lack of digitalisation means many firms lack clear access to data to determine how they are tracking against their budget. This means it can be hard to provide clients with an accurate and detailed reconciliation – or to use the insights from one project to inform a quote for another.
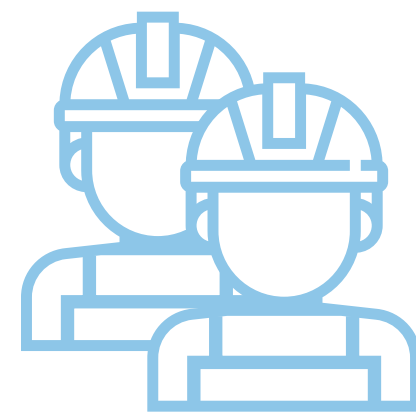
Shortage of skilled staff

The COVID-19 pandemic, and the associated restrictions on immigration, have seen a considerable labour shortage in Australia's construction sector. As a result, workers are currently very much in the driving seat when it comes to choosing where they work – and if an employer fails to provide a positive experience, they can quickly secure a job elsewhere. In fact, a recent study revealed that only 25% of early career project managers could see themselves staying in the construction industry beyond their first five years of working there.[2]
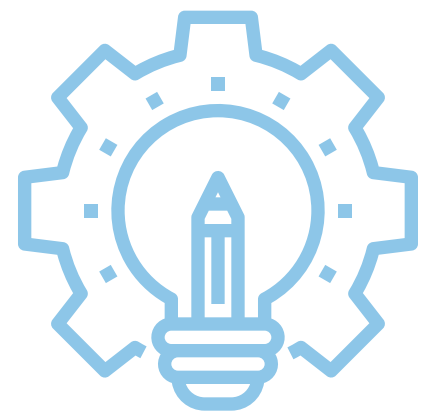
Learning and development

Most construction institutions simply lack quality, digital tools for learning and development. As a result, many construction workers simply don't end up doing anything beyond government-mandated training and development. Similarly, checks that workers have necessary qualifications for a certain role are often performed manually, with records retained by the human resources team.
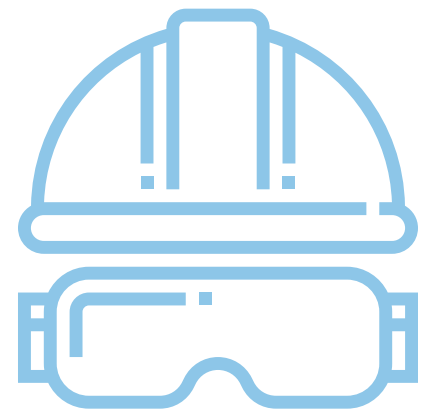
Regulations and Compliance

The construction industry is one of Australia's highest risk industries, and every year, too many workers are still killed or seriously injured while working on a construction site. While there are significant workplace health and safety regulations in place, individual workers may not be aware of their responsibilities, and actual information on the latest regulations that pertain to a specific project may not also be readily accessible. Also, in many firms, lodging a claim for compensation relating to a workplace injury can be a complex and very manual process.
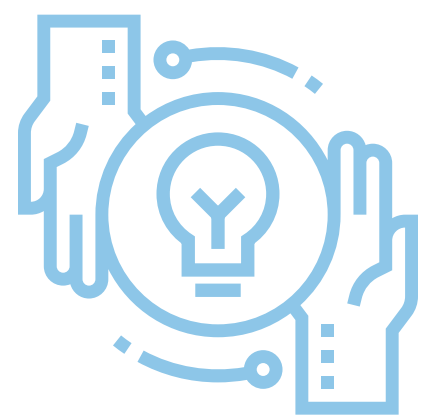
Onboarding and knowledge transfer

When a new employee joins an existing project, it's often a case of having to hit the ground running, especially on a busy construction site. Most businesses simply don't have the time or tools in place to provide sophisticated and automated onboarding. There is typically a lot of manual paperwork, and the process of getting up and running in terms of payroll, scheduling and rostering can be slow and inefficient.

The construction industry cannot thrive if its sought-after skilled professionals continue to leave after a few years in the industry; employers can no longer continue to ignore the low retention rates in their organisations. The culture of the industry itself needs to be more conducive to the inclusivity and wellbeing of construction workers.

Australian Institute of Project Management[3]

Is your employee experience up to scratch?

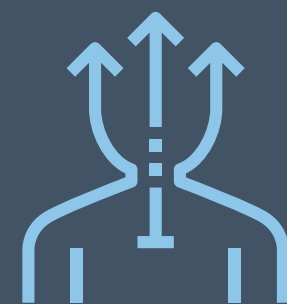**Flexibility**
Do you support flexible, hybrid ways of working?

360° view
Do you have end-to-end HR software in place?

Payroll
Is your payroll smooth and efficient?

Learning and development
Do you support continual learning?

Incentives
Do you support pay for performance?

Support for growth
Do you enable continuous performance management?

Leadership
Are you building a generation of future leaders?
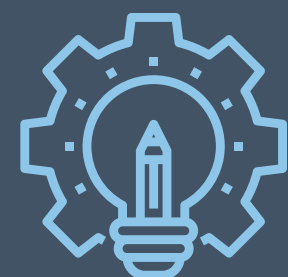
How a modern technology solution can help

When it comes to the employee experience, there is a very real need for businesses to move away from HR solutions that are simply focused on payroll and employee administration, towards more robust, data-led solutions that support the employee experience at every step – and no matter whether they're on-site or at head office.

Key features to prioritise
for construction

Tools to attract and retain staff

Given the shortage of available staff, your HR software needs to support you in processing both new and internal applicants quickly and efficiently, while also helping you attract the right talent to your recruitment funnel. This means including features for recruiting marketing (for attracting and engaging top talent), recruiting posting (for seamless posting to job boards) and recruiting management (for selecting and hiring the best candidates) to drive better results.

Automated and efficient scheduling

In construction, being able to effectively roster and schedule staff is of vital importance – and critical to your employee experience. A modern HR solution should help you streamline the scheduling process and automate as much as possible.

Payroll and compliance

It's not uncommon for larger construction firms to waste tens of thousands of dollars every month addressing administrative or compliance issues to do with HR management or payroll.

**In fact,
typical error rates are between**

1% to 8%

**of total payroll when companies
do not use robust payroll solutions.**

Also, even though the cost for non-compliance can be significant, most companies underestimate the level of risk they currently hold by using dated payroll software. Instead, a modern solution should be based on accurate, automated and centralised data.

End-to-end experience

Many HR solutions serve merely as filing cabinets for record-keeping, with no business impact. Siloed from talent, they prevent organisations from making workforce decisions based on a 360-degree view of the employee. They also feature primitive analytics that provide minimal insights into the workforce and no support for workforce planning. Ideally, your HR software should offer a central view of your construction workers, with support for qualifications and certifications, personal data, time off and payroll data with full employee lifecycle process support. It should also help you digitise and simplify your processes to improve efficiency, while ensuring compliance with relevant legislation.

Support for continual learning

Ensuring your construction workers can continually develop and grow their skills is essential for compliance as well as staff retention. It's also important in ensuring you are delivering quality services and buildings, and ensuring everyone is aware of, and committed to meeting, relevant legislation and requirements. A modern HR solution should enable employees to develop new skills, share ideas, and gain insights, making them more motivated and productive. It should support formal, compliance-related training, as well as informal, self-directed training, mobile learning and extended enterprise training.

Career succession and development

Having the right people in the right place to effectively execute on your strategy is quite a challenge. While HR needs to ensure that current leaders are in place and working effectively, it is equally critical to ensure a healthy pipeline of future leaders who are recognised, mentored and developed early to support company strategies.

Support for mobile workforces

In construction, workers are regularly on the road and out on site. The ability to engage and communicate with all employees – no matter where they are – is crucial. Your HR solution should include iOS- and Android-native apps that are easy to use and accessible from any worksite. This way, if a worker wants to log a leave request or update their details, they can do it on break, no problem.

How John Holland evolved its HR with SAP SuccessFactors

When John Holland was acquired by China Communications Construction Company in 2015, it went from being a successful engineering and building contractor to a leading, integrated infrastructure and property company, securing billions of dollars in new projects across Sydney and Melbourne.

SAP SuccessFactors has been key to this success, helping with:

- **Employee retention:** By tailoring training programs, the business is aiming to improve satisfaction, improve retention and attract talent.

- **Strategic growth:** Aligning resource needs with business growth ensures project teams are equipped with the necessary skills.

- **Remote working:** The SAP SuccessFactors HCM solution can be used remotely, untethering employees from desks and improving productivity.

- **Performance management:** Continuous performance management enables employee reviews to be aligned with projects instead of an annual review cycle.

- **Personalised experience:** Staff are given the tools to take control of their own careers and receive individualised career opportunities.
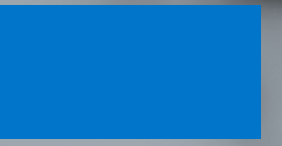
Ensuring a positive employee experience: **a checklist**

FLEXIBILITY

Do you support flexible, hybrid ways of working?

Challenge:

According to a recent KPMG survey, the top three priorities for employees post COVID-19 are: increased flexibility (41%), option to work remotely (39%), and more frequent communication (34%).[4]

Solution:

Updating your HR processes and policies to support a remote workforce, and providing the technology that people need to work reliably and efficiently from anywhere, at any time.

360-DEGREE VIEW

Do you have end-to-end HR software in place?

Challenge:

Many HR solutions serve merely as filing cabinets for record-keeping and are siloed from talent; preventing companies from making workforce decisions based on a 360-degree view of the employee.

Opportunity:

Investing in HR software that offers a central view of your employees, with support for organisational data, personal data, time off and payroll data, with full employee lifecycle process support.

PAYROLL

Is your payroll smooth and efficient?

Challenge:

Employees can very quickly become frustrated when their pay is inaccurate, or when errors occur. In fact, typical error rates are between 1 to 8% of total payroll when companies don't use robust payroll solutions.

Solution:

A modern, end-to-end people management solution based on accurate, automated and centralised data that is compliant across multiple countries and jurisdictions.

LEARNING AND DEVELOPMENT

Do you support continual learning?

Challenge:

Ensuring your employees can continually develop and grow their skills, and that everyone in your business is aware of, and committed to meeting, relevant legislation and requirements.

Solution:

Modern HR technology that enables employees to develop new skills, share ideas, and gain insights, making them more motivated and productive. Ideally, it should support formal, compliance-related training, as well as informal, self-directed training, mobile learning and extended enterprise training.

INCENTIVES

Do you support pay for performance?

Challenge:

Employee compensation is the largest expense for most companies, yet compensation planning that relies on e-mail and spreadsheets can be error-prone, unsecure, and unproductive.

Opportunity:

A modern HR solution to help business leaders, compensation managers, and HR professionals dramatically improve budget accuracy and reduce risk, by providing data to help managers determine who is truly high-performing and reward them appropriately.

SUPPORT FOR GROWTH

Do you enable continuous performance management?

Challenge:

If your talent is not aligned to your desired outcomes, you risk not delivering the results required. Performance being measured yearly or twice yearly is a practice that is fast being phased out, as the focus shifts to providing team members with continuous, meaningful feedback and coaching.

Solution:

Modern software that enables managers to align employee activities with organisational strategy and monitor the performance of achieving those goals.

LEADERSHIP

Are you building a generation of future leaders?

Challenge:

While HR needs to ensure that current leaders are in place and working effectively, it is equally critical to ensure a healthy pipeline of future leaders who are recognised, mentored and developed early to support company strategies.

Solution:

Modern HR software that helps HR professionals identify and develop the talent needed to improve organisational strength and achieve today's business goals, while providing visibility and planning for future growth.

How can Rizing help?

Rizing is a leading SAP services and solutions firm with deep human capital management experience. We help construction organisations accelerate their digital transformation by providing best-practice HR technology based on SAP SuccessFactors, which supports the full employee lifecycle.

Find out more

Interested in evolving your construction organisation's human resources technology? Request an assessment and industry benchmark from our expert team.

RIZING

1. Build Australia, How Australia's constriction industry can adapt and build resilience in today's landscape, [online], https://www.buildaustralia.com.au/news_article/how-australias-construction-industry-can-adapt-and-build-resilience-in-todays-landscape/

2-3. AIPM, Why are early career professionals leaving the construction sector, [online], https://www.aipm.com.au/blog/why-are-early-career-professionals-leaving-the-con

4. KPMG, Embedding new ways of working, [online], https://home.kpmg/au/en/home/insights/2020/08/embedding-new-ways-working.html