

Marketing of the Quantity Surveying Profession in Australia

by

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ABSTRACT

The AIQS recently conducted a market research study with the aim of better understanding the issues facing the profession and to gauge opinions from the industry regarding the services that Quantity Surveyors offered. This study revealed, amongst other things, the need for the Quantity Surveying profession to “move up the food chain” and be “more accountable for the performance of its services.” The following discussion presents ways that the Quantity Surveying profession, in Australia, can meet these requirements.

INTRODUCTION

The role of the Quantity Surveyor within the Australian construction environment is of great importance to both clients and other industry professionals. Being in charge of financial matters carries with it a great responsibility and the Quantity Surveyor has the expertise to provide independent advice on these matters. Unfortunately, due to a lack of understanding by other industry professionals, the Quantity Surveyor, who is expected to fulfill the role of cost controller is left simply playing the role of cost monitor. This has meant that the Quantity Surveyor is left wandering in the professional wilderness. The client employs the Quantity Surveyor to assist in maintaining a budget surplus while the other consultants act without regard for the budget and without the Quantity Surveyor’s input, leading to a budget deficit which the Quantity Surveyor must take responsibility for.

The perception that there is a lack of accountability in the Quantity Surveying profession is, to some degree, one of substance as there is often a reluctance on the part of the Quantity Surveyor to challenge the process and take ownership over their work. It is possible for the Quantity Surveyor to have more control over a project and show greater leadership as is shown in other parts of the world, in particular the United Kingdom, where the Quantity Surveyor also has a hand in Project Management. By being more in touch with day to day operations the Quantity Surveyor can have the capacity to lead the project. This is vastly different to the current model in Australia where the Quantity Surveyor receives information far too late to have any capacity to alter the outcome.

THE COST MANAGER

More recently there has been a shift towards the title of Cost Manager rather than the traditional term of Quantity Surveyor, which better reflects the potential role that the professional Quantity Surveyor can have. There are many ways for the Quantity Surveyor to genuinely take on the role of Cost Manager. For example, consider the cost planning process which, as far as the Quantity Surveyor is usually concerned, is an exercise in providing a realistic price for a development as shown on the drawings supplied by the architect. This assists the client in budget allocation and helps the architect to refine their design but it does nothing to improve efficiency. To take greater ownership the Cost Manager could provide the architect with more cost efficient design options based on their own experience and research while still ensuring the architect does not lose the general aesthetic that they are trying to achieve. This initiative may have the effect of reducing the step-wise nature of the design and budgeting process as the architect can consider various cost options as the design evolves rather than having to generate their design without adequate budgetary guidance. This does not entirely change the cost planning role but it does help the architect to understand the importance of cost efficient design

As the Quantity Surveyor moves into this more diverse role they will begin to develop skills that assist in later project stages. Through greater understanding of design criteria, the Quantity Surveyor will be better equipped to provide adequate feedback on documentation provided for tender purposes, thus reducing the uncertainty placed on the developer who must carry the burden of construction contingency. They will also be more capable of providing better budgetary options in the post contract phase when design deficiencies need to be resolved. In doing this, the Quantity Surveyor reduces the load of the Design Team and Project Manager.

MAINTAINING INDEPENDENCE

Perhaps the most important service that the Quantity Surveyor can offer to its clients is independence from other consultants and contractors. This is essential especially in an industry where the level of integrity is often questioned. Quantity Surveyors are

now forming ongoing relationships with construction companies, assisting in tendering and cost planning, amongst other things. This has provided the profession with a means of expanding its services to become more profitable. However, this may also bring into question the independence for which it has always been renowned.

Consider a Quantity Surveyor who earns considerable fees through the outsourcing of a construction company's work while also being involved in ongoing post contract services for other clients. Anyone working within the Australian construction environment will know just how small the industry can be and how quickly paths can cross. Can the Quantity Surveyor genuinely claim to be independent if it must offer post contract services to a client on a project being constructed by the company who provide them with a regular income?

In the current economic climate, where the construction industry is booming and construction companies are under increasing pressure to meet the needs of developers, and given the shortage of personnel, it is no surprise that Quantity Surveyors have expanded their role in this way. However, this practice must be monitored closely to prevent the integrity of the profession ever being called into question.

GENERATION Y AND THE MODERN QUANTITY SURVEYOR

The teaching of quantity surveying, in the classical sense, is something that is slowly being phased out of the university curriculum. Those wishing to become a corporate member of a professional Quantity Surveying body, such as the AIQS, are required to complete a more general degree in Construction Management, covering many different areas of the construction and property industry. This is not entirely a choice on the part of the AIQS but rather the result of changes to university teaching which, in the broader sense, has been due to the degradation of Australian tertiary education.

The new Construction Management degrees being offered at various Australian universities are providing a diverse construction curriculum which gives a broad skill set to the participants. However, many of these courses are putting more emphasis on professions such as Project Management, Construction Management and Property Development, than they are on Quantity Surveying. This lack of "marketing" at the

tertiary education stage has meant the new generation of construction industry professionals are not gaining enough exposure to the profession and therefore not pursuing it as a career.

It needs to be considered that the new generation of industry professionals are from the demographic group known as Generation Y. There has been much debate about the characteristics that Generation Y possess, some of these include, the desire for faster career progression, less routine office based work including a shift away from the 9 to 5 work day and, possibly the most important being the desire to gain international experience. While the role of the Quantity Surveyor implies a mundane task of sifting through sets of drawings to measure bills of quantities, the role of the Cost Manager offers a more exciting prospect, aligned with other more popular professions.

Consider also that Quantity Surveyors tend not to be able to demand the high salaries that other professionals such as Project Managers and Construction Managers, even though their role may be just as important. While many of the older generations believe that young professionals need to spend time gaining experience before they start demanding higher salaries, it is not unreasonable for recent university graduates, who will be carrying university tuition fee debts in excess of \$30,000, to search for jobs with better earning potential. Not to mention the additional pressures they face with the rising cost of living and housing affordability.

It is vital that the Quantity Surveying profession harnesses the enthusiasm of this new generation as they have the potential to bring new insight and a greater desire to move the profession into a leadership role which the older generation is lacking. Most industries across Australia are facing a shortage of skilled professionals, and with an aging population, Quantity Surveying cannot risk becoming isolated as those with experience begin to retire with no-one to pass the skills to.

THE ROLE OF THE AIQS

As the authority on Quantity Surveying within Australia, the AIQS is in a position to have a great impact on the profession, particularly in helping to boost its status. One

major issue that needs to be considered is the fees that Quantity Surveyors are able to charge for their services. As the cost of goods and services continues to rise there has been a mentality in all industries that it is more important to offer a service to the consumer at a cheaper price regardless of the effect on quality. Businesses in some industries have continued to be profitable using this approach. However, this is not appropriate for consultants within the construction industry where high quality client service is vital to the success of a project.

The recent rises in the cost of construction, due to increased material costs and labour shortages, have put significant financial pressures on developers, who are now trying to find ways of reducing their capital expenditure. Naturally this tends to encourage developers to search for the lowest possible price for all services, not just the construction itself. Quantity Surveyors, who have traditionally earned lower fees than other consultants have felt the effects of this and companies must often compete solely on cost rather than be selected based on previous success. It is important that the AIQS monitor the fees being charged by Quantity Surveyors against the recommended fee scales that they issue and take a hard line with those that are involved in cost cutting practices to prevent undercutting of fees to win work and subsequently offering a lesser service. If the fee scales are controlled in this way, the profession can be appropriately compensated for its services and therefore maintain its profitability. This may also have the effect of providing Quantity Surveying companies with the capacity to pay its employees higher salaries, thus further encouraging people, especially Generation Y, into the profession.

It is also worth noting that many traditional Quantity Surveying companies have now branched into other fields, Project Management in particular, which enables them to offer both services within the one office. This can be quite beneficial as it is important that the Quantity Surveyor and Project Manager work closely together for a project to be successful. By providing these additional services, the Quantity Surveying companies also increase the range of jobs that they can employ people to fill. This is particularly useful for graduate recruitment where the company could have a rotation policy to provide future professionals with some exposure to Quantity Surveying, where they previously may not have considered this option.

Unfortunately it is not always possible for the one company to be engaged for a range of services as the choice of consultants will generally be dictated by the fees being charged in the open market, as mentioned above. It is therefore not always feasible for one company to only offer its services as a package as it risks not being engaged for either service if a lower fee is being offered elsewhere even though the higher fees may be compensated for with a more efficient service and thus better value for money. The fact that Quantity Surveyors and Project Managers from the same company do not regularly work together on projects is perhaps an indication that developers have not yet discovered the potential benefits of this combined service. Continued marketing of these benefits may help this to become a more common practice.

CONCLUSION

Through greater communication with other industry professionals, a more motivated approach to management and becoming more involved in projects it is possible for the Quantity Surveying profession to “move up the food chain” and “become more accountable”. This will only be possible if they continue to expand the scope of services that they offer and push for greater exposure within the planning and construction process. Maintain the capacity to charge appropriate fees for their services is also critical to continue to offer a high level of customer service.

The industry must also find a way to encourage and develop the next generation of Quantity Surveyors who will be more open to change and more willing to implement these initiatives to ensure the future of the profession. More direct marketing within tertiary education institutions, better short and long term salary prospects and a greater level of recognition within the industry will assist in developing an interest among young professionals, who will ultimately be the future leaders.