

# SA INDUSTRY INSIGHTS SURVEY 2022

CONSTRUCTION, ARCHITECTURE, ENGINEERING & PROPERTY

**ROUSSOS**

# SUMMARY

**What is the state of the current market across the Construction, Architecture, Engineering & Property sectors in South Australia, and how is it changing?**

**ROUSSOS Recruitment surveyed more than 700 leaders across these sectors, to gain further insight relative to market activity over the past year, and predictions for the 12 months ahead.**

**By creating a survey focusing on SA-based organisations and publishing this report, we have captured valuable insight into the current and future outlook of the local SA market, whilst also garnering industry reforms for the year ahead. While we understand that every organisation and industry sector is different, these results reinforce that, despite economic challenges, sentiment remains positive across the board, and majority of respondents have stated they are highly buoyant about the SA market over the next 12 months.**

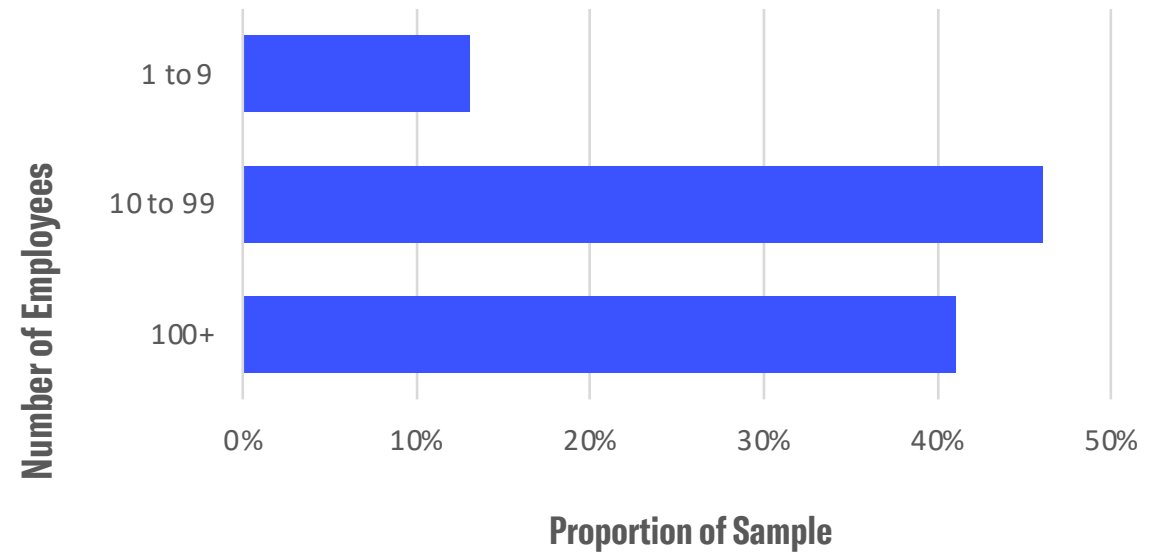
**...majority of respondents are highly buoyant about the SA market over the next 12 months.**

# ABOUT THE SURVEY



**South Australia**

## Business Size



## Industries



**Construction/Property**



**Architecture**



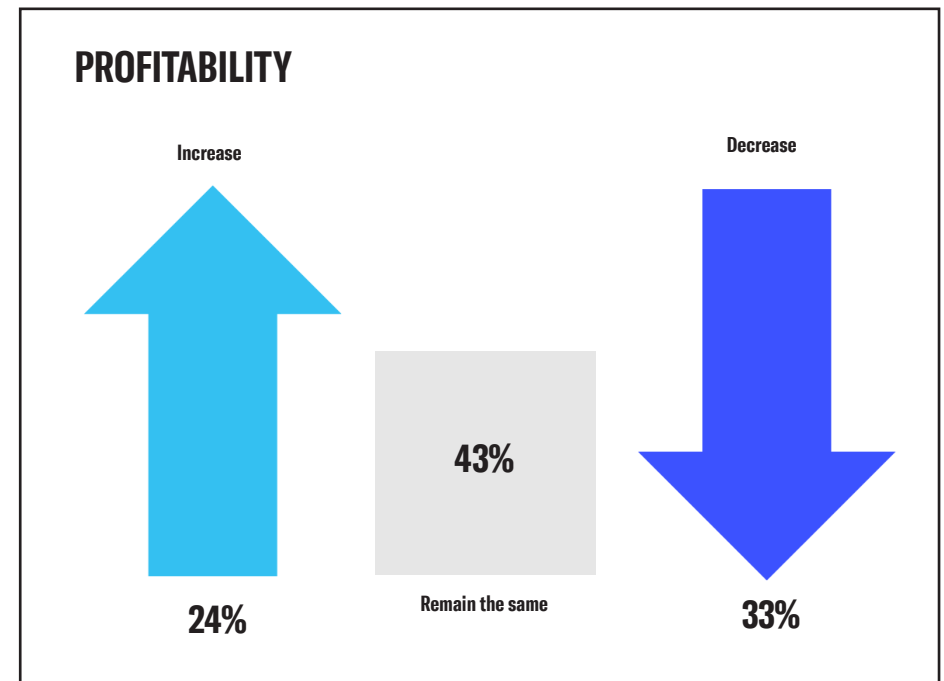
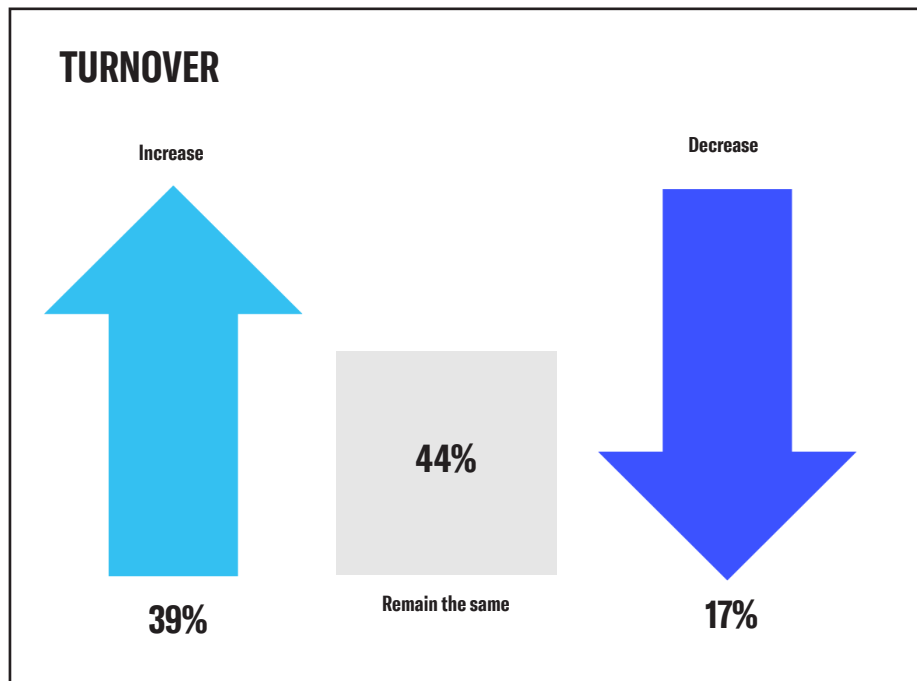
**Engineering**

# MARKET CONDITIONS

## Turnover vs Profitability

Reinforced by expectations for turnover to increase and profitability to either decrease or remain the same, organisations within the industry remain confident for what is to come in the next 12 months.

The flow on from pricing bids and winning more work, from a resourcing perspective, an increased number of staff are being hired in order to keep up with demand for work and competing businesses tendering for projects. As a result of this, earlier in 2022, there was a surge in demand for Marketing and Submissions roles, as well as Estimators. The great news is, the market has remained busy from this period.

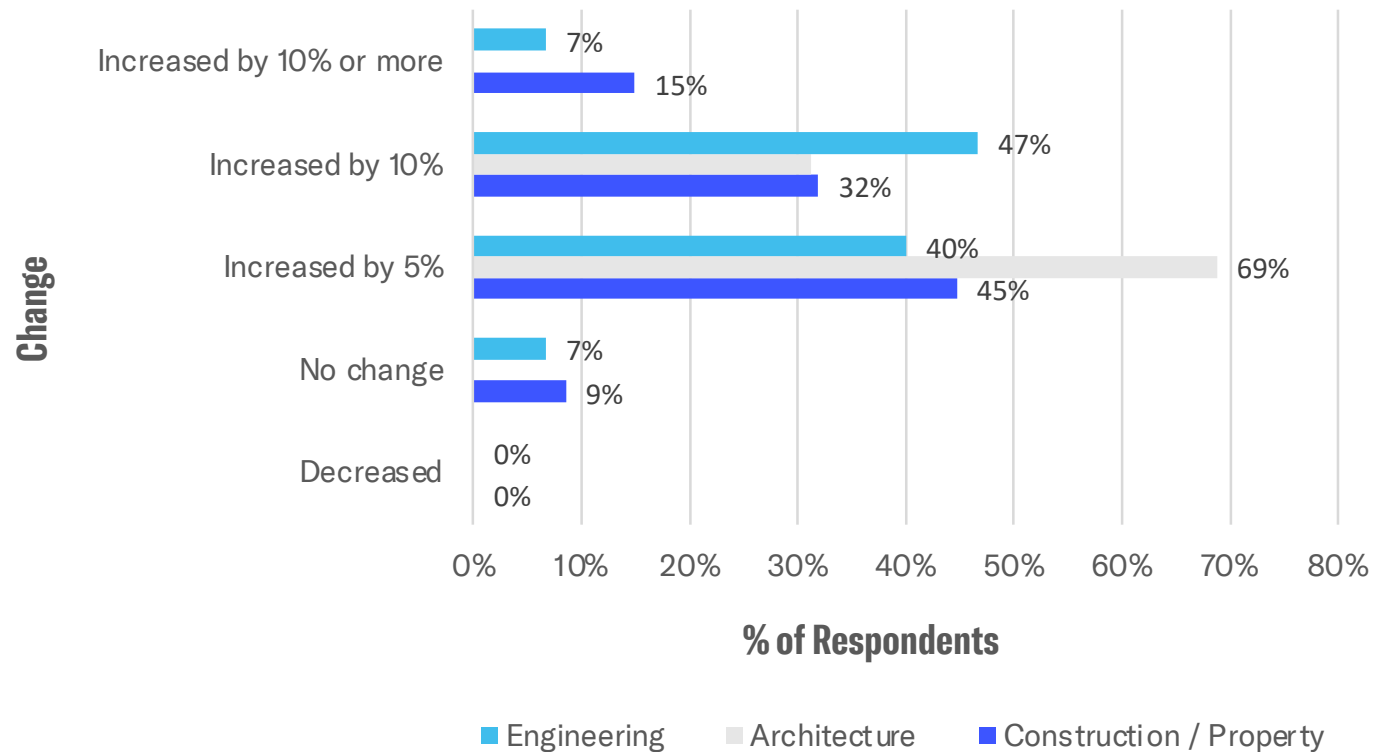


# SALARIES

With skills shortages being an ongoing, and more prevalent issue over the last 12 months, organisations have felt the pressure to remain competitive and as a result, salaries have increased across the board.

The first half of 2022 saw salaries being a key driver for talent to reach out in search for a new opportunity, however the last few months have seen a shift, where culture and structured career development is the top consideration for candidates when they are searching for a new role.

Most salary increases over the past six to 12 months have been a result of businesses realigning what they are paying their employees – and because of this, salary is starting to become less of a factor as to why people are moving jobs in this market. Some businesses that have been unwilling to stretch salaries further in the past, have now done so over the past couple of months, and as a result there has been more consistency across the industry.



# ATTRACTING TALENT

**Retaining and attracting talent in a labour short market is proving to be a challenge across all industries.**



**COMMERCIAL PROJECT  
MANAGER**



**ARCHITECT  
(5-8 YEARS)**



**CIVIL/STRUCTURAL/  
BUILDING SERVICES  
ENGINEER (7+ YEARS)**

In Construction, experienced Project Managers are in higher demand than ever, and this is putting pressure on employees to find the right people to deliver on projects. Similarly, across Architecture, project leadership skills are in demand for the same reason, making experienced Architects (five to eight years) the hardest role to fill across 75% of studios surveyed in South Australia.

Within Engineering, experienced Engineers have traditionally ranked in the top 10 as the hardest roles to fill, and this is no different in South Australia. Engineers are known to express high satisfaction with their career choice, meaning a lot of them are loyal to their current employer, resulting in a smaller candidate pool for hiring managers to work with.

# KEY CHALLENGES

**Each industry unanimously identified that the rising costs of materials and equipment, as well as the ongoing issue of attracting retaining talent, are amongst the biggest challenges that we are currently facing, and will continue to face over the next 12 months.**

**RISING COSTS  
OF MATERIALS  
AND EQUIPMENT**

**HIRING AND  
RETAINING TALENT**

**WINNING  
COMPETITIVE BIDS AND  
SUSTAINABLE  
MARGINS**

# HR & PEOPLE PROCESSES / POLICIES

## High level employers are doing a lot more to retain and attract employees.

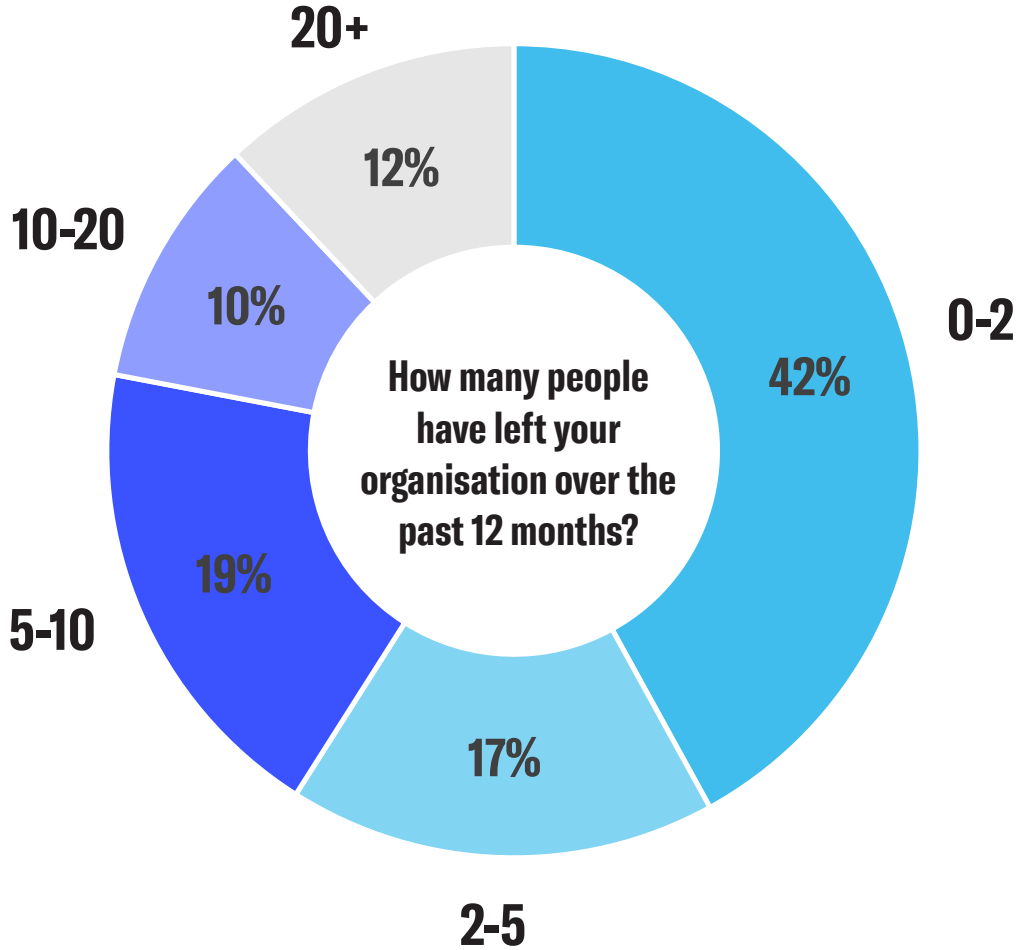
Increased salaries and flexible working conditions are amongst the top HR and people processes and / or policies that have been implemented over the past 12 months in attempt to boost employee attraction and retention.

\*Respondents were asked to select up to three options.





# HIRING & RETENTION



Over the past 12 months, 42% of organisations experienced between 0-2 staff members leave, however 26% of these organisations also hired between 5-10 new employees. This indicates the number of businesses that have scaled in size and continue to grow as a result of changes in the market.

### Key reasons:



CAREER PROGRESSION



INCREASED SALARY



LEFT THE INDUSTRY

# HIRING & RETENTION

**Skills shortage and labour has always been an issue in SA – it's not something new, it has just become bigger.**

With South Australia typically experiencing peaks and troughs in relation to volume of work, this creates uncertainty and concern from those within the industry, providing little confidence in relocating to Adelaide or remaining in SA long-term.

Accessing and retaining talent has continued to be the biggest challenge for organisations and the industry in 2022. Beyond the current demand, we need to invest to ensure there is a continued pipeline of work and associated confidence in South Australia and the construction industry.



# INDUSTRY REFORMS

**Concerns raised around rising costs in building standard guidelines has triggered plans for discussions around what needs to be done to combat the issues amongst the industry.**

## **Changes in Construction Contracts**

Rise and fall clauses in building contracts have been implemented as a way to manage fluctuating building costs, and this has slightly alleviated the pressure on builders. In times of volatile building cost variations, builders are starting to look at ways of reducing the risk of signing “fixed price” contracts with clients - those contracts which leave builders wearing the fluctuating costs throughout the construction period.

## **Overseas Skilled Migration**

Before the pandemic, South Australia traditionally lost 4000-5000 people to interstate migration every year. The great news however, is that Australia as a whole is raising its cap on permanent migration for the first time in a decade, to help ease the pressure of talent shortages - and as a nation, we are recognising that we are in a global war for talent. South Australia in particular is looking at targeting those higher skilled migrants, considering ways to offer sponsorships and placing a focus on retaining more international students when they finish their degrees.

## **5-Day Work Week**

The construction industry - particularly those organisations working on larger projects - is typically renowned for a 6-day work week. An increasing number of forward-thinking organisations are now trying to embed flexibility for their people, either through rostering and / or mandating a 5-day program to prioritise the health and wellbeing of their staff. Further to this, 42% of construction professionals see a 5-day working week as being an important change for the industry over the next 12 months. Site Managers in particular are taking this seriously, with an increasing number of professionals in this space pushing back on a 6-day working week.

# THANK YOU

We would like to express our gratitude to all organisations and leaders who took the time to complete our survey. Your contribution allows us to produce this comprehensive report that provides valuable insight into the future of South Australia.