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CHARACTERISTICS OF QS FIRMS AND THEIR IMPACT ON PERFORMANCE

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QS firms heavily bank on the skills, expertise, and knowledge of Quantity Surveyors to address clients' needs. Thus, employees are indispensable to QS firms since they are service based organisations providing expert advice, services and consultancy. Moreover, possessing right employees is critical to success since firms' knowledge rests in the minds of people instead of in databases or formal documentation. Further, knowledge sharing between individuals is a process that contributes to both individual and organizational learning. In order to retain and share knowledge among employees, the development of a portal that is readily accessible to all the employees is crucial. Nonetheless, since majority of firms do not adequately focus on knowledge management at present, knowledge is often lost when valuable employees leave the organization.

The atmosphere in QS companies however, facilitates team working and knowledge sharing, but the level of performance evaluation, formal training and feedback provided is egregiously low. Therefore, robust staff development systems are essential to survive in a turbulent environment. For instance, On-the-job training, mentoring, problem solving techniques, periodic meetings and performance based reward packages would promote staff development as well as improved performance.

Most of the QS firms possess mechanistic characteristics where jobs are adequately narrowed in scope, allowing employees to become experts in specialised functions with high role clarity so that standard performance can be achieved. A clear hierarchy of authority exists to direct and control the work of staff. Moreover, majority of QS firms are not departmentalized and hence a proper organizational structure cannot be identified. This indicates a power culture where one individual (usually the owner) possesses absolute power and a high dependency on that individual to make decisions. This negatively affects the creativity of QS firms and may create succession problems.

QS organisations are becoming more and more concerned about the educational qualifications and membership of relevant professional bodies of their employees with

the intention of protecting their clients from substandard QS practices. Moreover, since Quantity Surveying companies have access to confidential information, such as tender sums submitted by contractors, adherence to professional and ethical guidelines at all times is of paramount importance in order to sustain business success. Hence, when recruiting employees, it is essential to carry out a thorough background check.

The utmost importance of Information and Communications Technology and the use of software packages to enhance the profession of QS should not be overlooked. However, some firms lack financial backing in order to invest in a solid IT platform. This is a nagging issue since IT infrastructure and knowledge base are the two most important critical success factors for QS firms. The use of software packages such as CostX, AutoCAD and Primavera improve the quality and speed of work. Moreover, it is expected that BIM will play a critical role in determining the future success of QS firms.

International QS firms demonstrate an increasing tendency to form alliances with other QS firms which facilitates knowledge sharing and obtaining specialist services. Moreover, there is a growing inclination for QS firms to play a broader managerial role where management consultancy services such as value management and risk management would be provided by separate smaller business units of a larger firm. This denotes huge future potential due to the increased number of lucrative avenues available.

The success of QS firms is often hindered owing to having a small employee base which makes it difficult for firms to innovate due to lack of personnel, money and time. Moreover, QS firms lack value management knowledge thereby finding it difficult to deliver value for money. Fee cutting and bidding amongst firms, increased legal action due to professional indemnity insurance, the development of CAD, high level of firms' conservatism especially in terms of IT utilisation, incursion and encroachment of other professions, poor marketing and quality of graduates are the main challenges faced by QS firms. Moreover, lack of a proper business structure, the inability to train, motivate and retain specialist employees, low productivity, and outdated operational techniques are shortcomings of QS firms.

Another interesting point to note is that most firms providing QS services face sizable fluctuations in demand.

Firms use the following strategies to cope with the fluctuating demand.

- Staff working overtime
- Transfer of work between offices
- Use of temporary employees
- Use of outsourcing.

Nonetheless, in most cases temporary staff are difficult to find and outsourcing is not encouraged lest quality be compromised. Most QS firms prefer to perform their tasks based on past experience rather than following standard practices. This is quite palpable since more than half of bills produced do not conform to any standard method of measurement. This may create conflicts when it comes to interpretation of measurements as well as if the records are later retrieved for maintenance work, disputes etc.

Conclusion

It is evident that employees are crucial for the survival and success of QS firms. Therefore, it is advisable to focus on employee retention since knowledge is lost when valuable employees leave the organization. As a solution, a digital portal could be developed where valuable information may be stored for later retrieval. Moreover, in order to enhance the quality of the workforce, formal performance evaluation and training programmes shall be introduced.

Since most QS firms are small in nature, departmentalization is not very common. However, there may be specialists providing services of a special nature such as arbitration. Hence, there is often no clear organizational chart and one or two individuals hold the power to make vital strategic decisions. Nonetheless, there is often a sense of camaraderie among employees and they seek each other's counsel and guidance for problem solving.

It is observed that the firms which are devoid of a solid IT infrastructure face a competitive disadvantage which demonstrates how important IT is for QS firms. Advanced software such as CostX, AutoCAD and Primavera generate a significant value addition via quality improvement and reduction in time. Smaller firms however, seem to lack financial backing so as to invest in such software. Nonetheless, QS firms should strive to keep abreast of the latest technology for future survival and growth.

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