



NZTG's new general manager, Andrew Jameson



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Collaborative networking the key to navigating the construction boom

With a chronic skills shortage and an abundance of construction work underway, it's never been harder for the trade sector to manage workloads and retain staff.

However, NZ Trade Group (NZTG) has a solution that is working exceptionally well. With a nationwide membership network of over 120 trade businesses, NZTG is combatting the skills shortage head-on with a practical and collaborative solution for businesses aiming to thrive in the current construction boom.

Andrew Jameson, NZTG's new general manager, explains the advantages of being a part of the collaborative NZTG network. "Even though there is a boom happening right now, work is not coming through uniformly. On one hand we've got member businesses who are struggling to resource the influx in jobs, yet there are others who are faced with project delays, resulting in the possibility of experienced tradies coming off the tools for a period of time," he says.

"Take, for example, an electrical contracting business facing a three-month delay on a job which keeps 10 tradies on the tools – the business owner is unable to redeploy all of these contractors internally, and typically has to make the call to release them

or absorb the cost, knowing that in three to four months he will need the staff again."

Mr Jameson says NZTG facilitates a platform where contractors can gain from hiring and subcontracting their tradies within the NZTG network until the original job is ready to start again. "Or it could be that a contractor has a deadline to complete a job that they know they're unable to meet. NZTG sends out a message to other member contractors in the area to see if anyone can spare some labour. The great thing about our network is that our members know and trust each other with their quality of workmanship," he says.

PRESSURES SET TO GROW

There has been no shortage of news suggesting that 50,000 more tradies will be needed by 2021. Mr Jameson says the shortage of skilled tradies, particularly affecting the Auckland region, is the result of many factors.

"It's quite ironic really," he says. "Despite the flood of work, some tradies are opting for a change of lifestyle. They are moving to the regions or even overseas, due to rising house prices. Moving out to the regions means they are more likely to get a foot in the door of the housing market, but, in turn, it means high staff turnover rates for business owners and a saturation of tradies in already tight markets."

NZTG offers advice to business owners who may be dealing with employee losses and are looking to increase their likelihood of greater staff retention. "Losing employees results in an intellectual loss of company knowledge and a productivity downturn while trying to find new workers and getting them up to speed," says Mr Jameson.

"This is sometimes one of the pitfalls that come with growing your business during a construction boom. The process of getting a new employee up to speed with correct procedures, before they take to the tools, can be costly and a long and enduring nightmare," he adds.

"A lot of business owners are now therefore looking at offering company share options or other expensive incentives to retain their key staff, simply because they cannot afford to lose them."

MENTORING AND TRAINING

NZTG is working to help business owners ensure they are putting their best foot forward to avoid costly procedural errors. Incentives, succession plans, apprenticeships and company culture, however, can improve the likelihood of tradies choosing to stay with a business.

"NZTG provides business mentoring and training to help our members grow their businesses in sustainable ways," says Mr Jameson. "They only need to pick up the phone and that support is there."

He adds that NZTG members benefit from access to powerful software that enables them to accurately calculate the true cost of a job and what profit margin is in it. "It's important to know when to walk away from a job because it's not going to be profitable – it's about trying to help turn good tradespeople into good business owners," he says.

COMBATTING SKILL SHORTAGES WITH COLLABORATION

Mr Jameson says it's all about turning a negative into a positive – which is strengthening the quality of tradies and the quality of work being provided within New Zealand's trade sector. He says the NZTG network reassures business owners that quality will not be compromised.

"This helps to avoid the additional cost and time which can arise when a subcontractor's capabilities are unknown until it's too late – it's about doing smarter business," he says. "The collaborative network creates a winning scenario for both parties involved in the exchange."

Mr Jameson says that, while the NZTG can't stop tradies from venturing elsewhere, this is certainly a solution that the trade industry can embrace.

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HIANZ conference a stunning success

Over 300 delegates from across Australia and New Zealand attended the 2016 Hire Industry Association of New Zealand (HIANZ) conference, which was held in Rotorua over two days in August.

The conference involved an extensive programme of workshops, trade shows, presentations and networking opportunities that culminated in the Hire Excellence Awards Dinner on the final evening, hosted by Youngman Richardson & Co.

HIANZ CEO Phil Tindle says this was the first time the conference had been held at the new Rotorua Convention Centre, and because of its size, most of the activities – including the trade show – were able to be held under the one roof. "The increased amount of space and height allowed exhibitors to fully showcase their range of products in a comfortable and real-world environment," he says.

The HIANZ conference is an industry event that is growing each year. The aim is to provide hire company delegates with good educational material and an overview of the association's current and future initiatives. A focus this year was on sustainable business growth, with guest speakers and related workshops to ensure that delegates



The 2016 HIANZ conference was held at the Rotorua Convention Centre

went away with a greater understanding of key industry drivers and metrics that ultimately aid in good future decision-making.

Key speakers included NZI-sponsored extreme adventurer Kevin Biggar, the ITM Fishing Show's Matt Watson, entrepreneur Karl Varley, and Stewart Kearney from accountants Rightway.

EXCELLENCE AWARDS

The Hire Excellence Awards are always a highlight of the conference. President Tim Mikkelsen presented an appreciation award to retiring board member Tom Kimber of Kennards in recognition of his commitment and service to the association.

The 2016 Hire Excellence Award recipients were Hirepool Wellington and Stella Hire, Invercargill (gold awards); and Timaru Hire and Taranaki Tool Hire (silver awards).

According to Phil Tindle, feedback from conference delegates suggests that this year's conference was one of the best. "We're especially grateful to the generous support of our sponsors. It's fair to say that everyone in the hire industry is looking forward to next year's event," he says.