

A photograph of three young people, two men and one woman, wearing safety gear like earplugs and high-visibility vests. They are gathered around a table, looking intently at a tablet computer. The scene is set in what appears to be a workshop or training facility, with various tools and equipment visible in the background. The image has a blue tint and is partially obscured by a white circular graphic at the bottom.

How to attract the next generation – a step by step guide

Stace Next Gen Index

January 2022

Methodology

The Stace Next Gen Index is based on interviews with 810 people aged 16-18, living throughout the UK.

The demographic breakdown of respondents was as follows:

16 – 90 (11%)

17 – 354 (44%)

18 – 366 (45%)

Male – 362 (45%)

Female – 436 (54%)

Prefer not to say – 12 (1%)

Black, Asian, and Minority Ethnic (BAME) – 247 (30%)

White – 550 (68%)

Other/Prefer not to say – 13 (2%)

The Stace Next Gen Index was supported by Lee Bryer, Research and Development Operations Manager at the Construction Industry Training Board.

Foreword

Welcome to the second edition of the Stace Next Gen Index, our biennial study into how young people view the construction industry.

When we launched this report in 2019, few could have imagined how dramatically the world would change in the following two years. During the global pandemic, our industry pulled together, keeping workers safe, supply chains running, and sites operating.

Despite everything, we delivered. It is with this collective spirit that we must tackle our next crisis: the skills shortage.

The UK Construction industry requires 43,000 new workers per year between 2021-2025 as we 'build back better' and target Net Zero. An ageing workforce and a drop in the number of European Union-born workers, mean the UK

has a mountain to climb to meet these numbers.

The next generation is our biggest hope. However, our research shows that they still do not consider construction an attractive career. Perhaps, the problem is that the industry has been too busy stating 'we need them' rather than asking 'what do they need?'

This report aims to answer that question and give practical advice as to how we can reach the young, especially the sizeable, yet overlooked, pool of female and BAME recruits. I am worried that the industry continues to wrestle with the challenge of diversity, yet interest from the potential pipeline of talent indicates no significant movement for many years to come.

In Autumn 2021, the UK witnessed what happens when a skills shortage reaches tipping point.



Fights broke out in petrol stations as a shortage of HGV drivers led to limited fuel at the pumps. This should act as a warning for construction companies to act before we too reach crisis point.

The government is dictating to business to stop its reliance on labour from overseas. The need to invest in our workforce, both present and future, couldn't be greater. The challenge of the last two years have shown that this great industry can pull together and be a force for good. It is time to focus our efforts on skills and do it again.

Gareth Sinnamon
Partner
Stace LLP



Foreword

The Built Environment Sector, and its workforce, has shown amazing resilience in the face of the unprecedented challenges we all faced in the period since the publication of the 2019 Stace Next Gen Index. Now, as we start to navigate towards a post-pandemic world, our sector is more important than ever – not only in terms of the national recovery, but also in terms of delivering the decarbonising innovation and solutions that will help the world reach Net Zero.

As we return to something like normality, our previous priorities begin to re-emerge and take centre stage again. Our industry still faces a skills shortage, perhaps even more acute now with national labour shortages across many sectors, and there is still a long way to go to ensure that diverse young talent views construction and the built environment as an aspirational career choice.

We are delighted to be continuing our work with Stace on the Next

Gen campaign. Our mission is to work collaboratively with industry to open up the incredibly diverse range of careers available in our sector, attract more diverse young talent, and ensure all young people have access to the progression opportunities a career in construction can offer.

Our schools partnership work has always supported early careers engagement and aims to challenge misconceptions surrounding careers in the construction industry and built environment. To shed our outdated image, it is important that young people trust the intentions and see the results of the sector's actions. For instance, we need young people to recognise the vital role that our sector plays in the aim to achieve Net Zero and tackling the climate crisis.

Whilst Stace's recent findings suggest we may not have yet achieved the perception shift in young people we desire, the report



does offer us a potential way forward. Engaging directly with young people gives us invaluable insight into what they need from industry and offers the opportunity to creatively engage the next generation.

By working together, we can change the way young people perceive our sector. We want to inspire the next generation and show them how rewarding careers in construction and the built environment can offer exciting opportunities to be at the centre of shaping the future of the planet.

Carol Lynch
Chief Executive
Construction Youth Trust



Foreword

The construction industry proved to be remarkably resilient over the course of the Covid-19 pandemic and, if anything, it perhaps enhanced its reputation, showing itself to be a cornerstone of the UK economy. In recovery, it has also shown that it is an industry that is fundamental to delivering social and economic levelling up policies and meeting the UK's Net Zero ambitions. However, the industry cannot shy away from the major challenges it faces in recruiting the people it needs.

While the industry benefited from remaining “open for business” during the pandemic, retaining much of the workforce, and receiving a substantial boost from the economic bounce back, it has lost a significant number of workers which now risks jeopardising future growth.

The results of this survey show that during the pandemic and the peak of economic uncertainty, interest in construction has remained relatively

stable. While it is disappointing that results haven't improved significantly on the 2019 survey, they haven't gone backwards either, which in context should be viewed as an encouraging outcome.

This stability – together with the industry's prominence in government policy for growth built on environmental sustainability, climate resilience, and social justice – presents an opportunity to create dialogue and raise awareness with young people who seek purpose at work.

Attracting entrants from Gen Z, the newest generation, born between 1997 and 2012 will also be good for industry in terms of the digitalisation of the sector and kickstarting the cultural revolution that is required to broaden the diversity of the industry. Gen Z are on track to be the most well-educated generation yet, they are digital natives, and more racially and ethnically diverse than any previous generation.

The results here demonstrate that respondents have high hopes for their employment. They want creative and well-paid employment with clear career paths, and work that is going to make a difference. They also want to work with a variety of people from different backgrounds, races, religions and gender.

Let it be clear that if the industry wants to attract the next generation of talent, it faces stiff competition from other sectors. On the positive side, it has much to offer by way of stability and security, progression, variety of roles and pride in contributing to social and environmental improvement. The challenge is reinforcing those strengths and getting that message across early and in an engaging and lasting manner. At the same time we must address the weaknesses around the perception of the industry, creating an inclusive environment, providing more and greater access to work



experience, and bringing clarity to career progression paths supported by training. These are not “nice to haves” they are essential in attracting the next generation.

Having this Next Gen research available provides an important benchmark to gauge the industry performance and reflection on the progress being made towards creating and showcasing more attractive and engaging careers in the sector. CITB welcomes the opportunity to work with Stace and industry partners to ensure that more people are able to enjoy fulfilling careers in construction.

Lee Bryer
Research Strategy Lead
CITB

The challenge

Despite taking a hit from the global pandemic, the value of new construction work in Great Britain stood at £100 billion in 2020.

We need the next generation to fill the gap.

- UK construction output will return to pre-Covid-19 levels in 2022, growing at an average rate of 4.4% across 2021-2025. The Construction Industry Training Board (CITB)
- The Government's Build Back Better strategy pledges to drive long-term productivity improvement via record investment in broadband, roads, rail and cities, as part of capital investment plans worth £100 billion in 2021-2022. HM Treasury
- The UK government is committed to achieving Net Zero greenhouse gas emissions by 2050, including buildings and infrastructure. The Climate Change Committee

Our workforce is shrinking

- Construction will need to recruit an extra 217,000 workers, or over 43,000 per year, between 2021-2025. The UK government's commitment to achieving Net Zero will require the equivalent of 350,000 new construction roles by 2028. CITB
- More than 500,000 British construction workers are expected to retire in the next 10 to 15 years. CITB
- In the third quarter of 2020, there were 127,000 EU-born construction industry workers, down 28% from the same period in 2019. This was greater than the seven per cent fall in total employment in construction. The Construction Products Association

If we want to attract the next generation, we must first understand what motivates them. In doing this, we need to consider the needs of different race and genders.

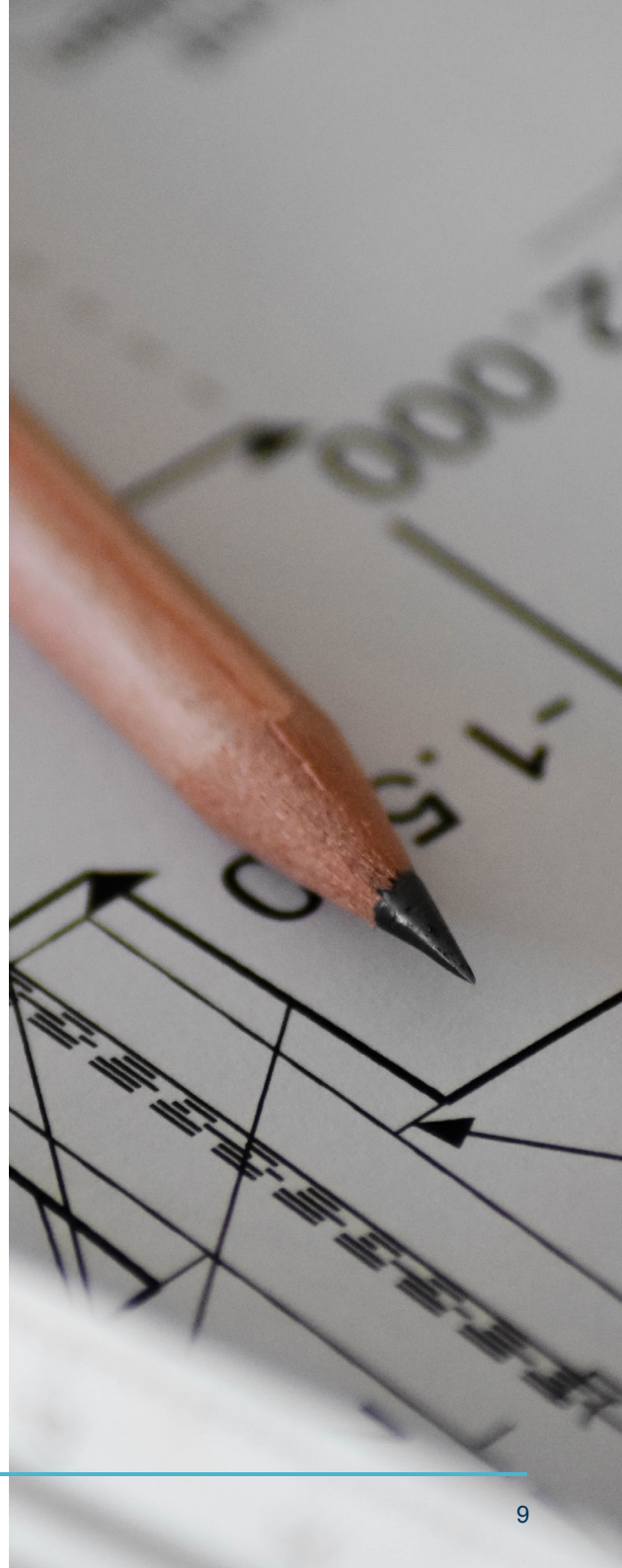
Healthcare beats hard hats – construction lacks youth appeal

The biggest challenge our industry faces is that it is just not aspirational enough for future generations. Construction appears way down the list of dream careers for 16–18-year-olds.

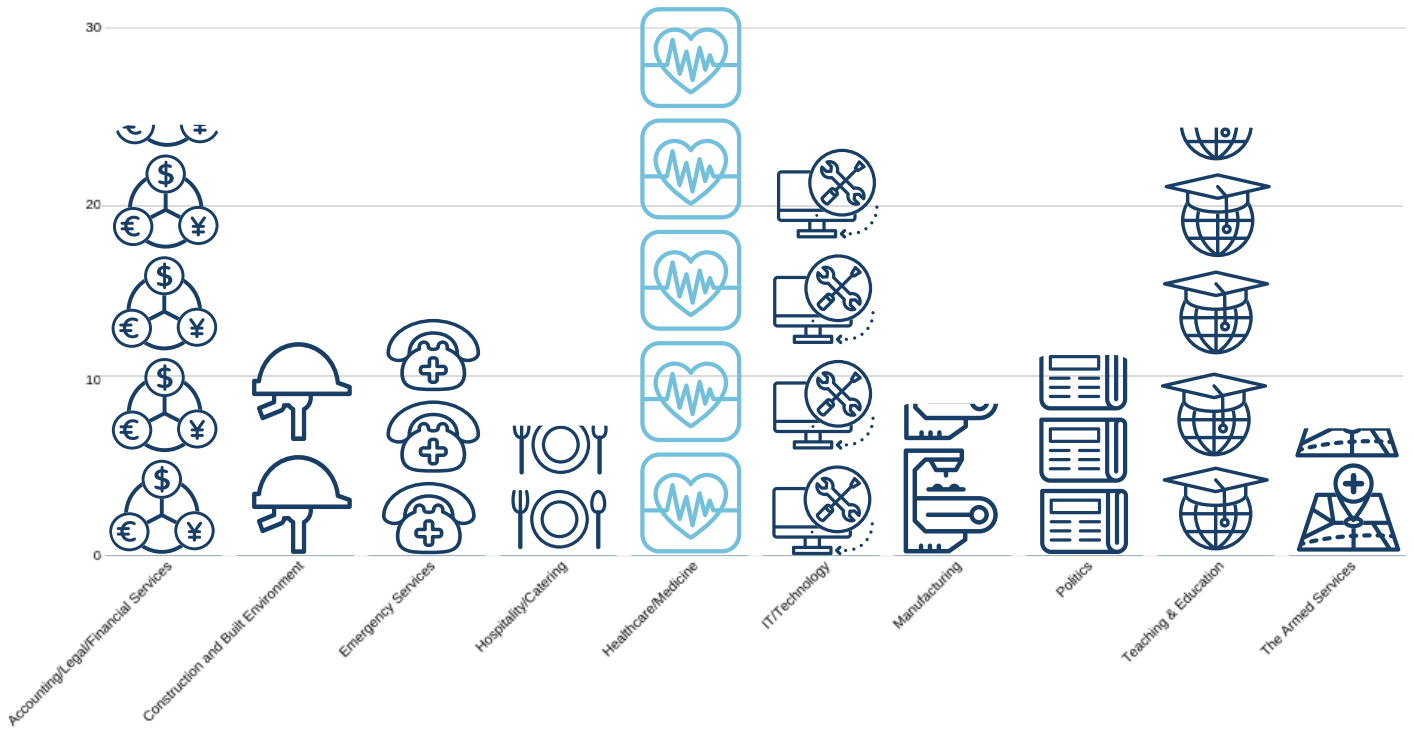
Only 8% of respondents said they are very likely to consider construction and the built environment as a future career (compared to 7% in 2019). Overall, medicine, accounting, teaching, and IT proved more popular.

Drilling down into the data, there was a significant increase in male interest in the sector (13% vs 9% in 2019), however this was offset by a very disappointing halving in interest from females (3% vs 6% in 2019).

BAME children had a high level of interest in medicine and healthcare; accounting, legal and financial; and IT. These sectors accounted for 61% of their interest (compared to 43% for white children). To attract this group, construction must better market its many professional career paths.



Which of the following industries would you like to work in?





UK Green Building Council (UKGBC) announced that membership has grown by 16% since January 2020

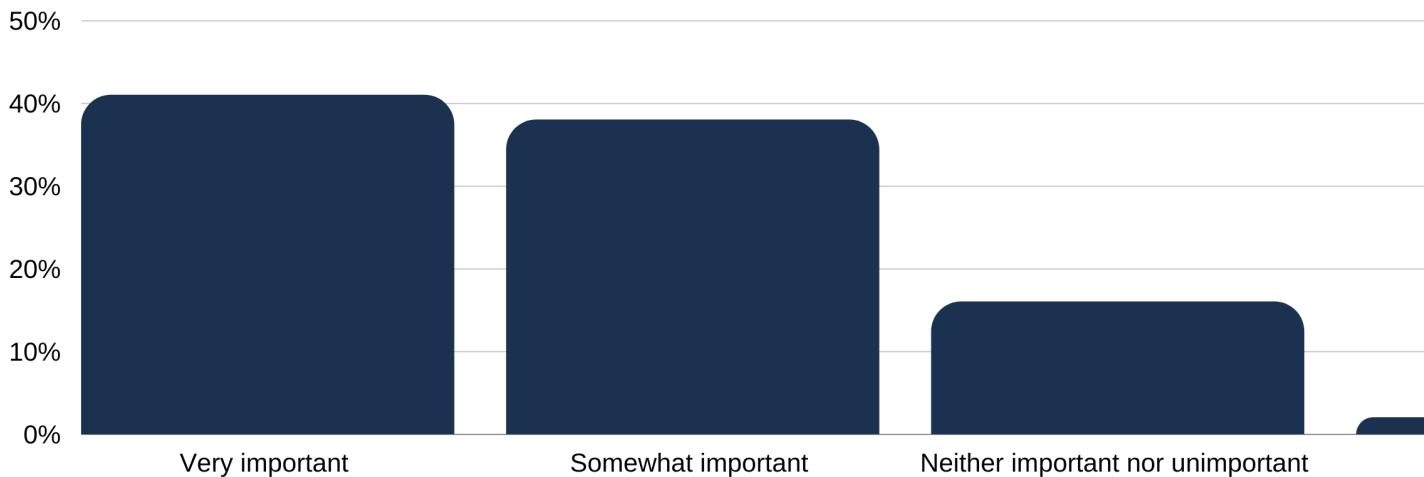
What motivates the next generation?

Sustainability

In the UK, 45% of our CO2 emissions relate to the built environment. The construction industry has a vital role in meeting the government's targets to halve carbon emissions by 2030 and reach Net Zero by 2050.

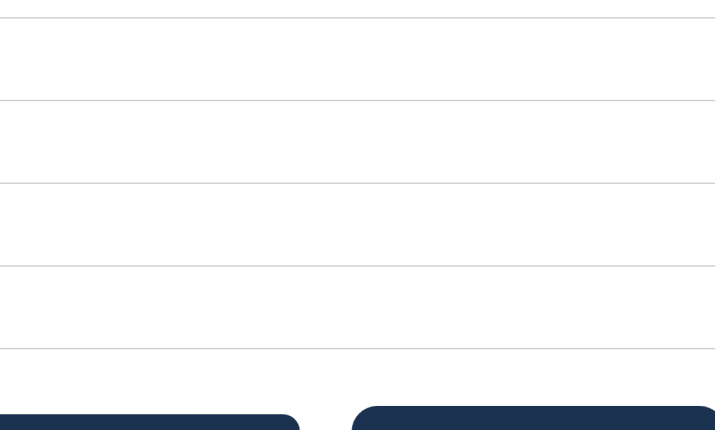
The industry recognises that things have to change, both radically and quickly. It is no longer just talking but acting and delivering on a wide range of green initiatives.

How important is it that your potential employer tries to help the environment and community?



The opportunities for those entering the world of construction, who want to join the battle against the climate emergency, are many, varied and rewarding.

Our respondents, the generational peers of global activist Greta Thunberg, have witnessed the impact of global warming and are worried. The majority said that it was either very or quite important that the company they work for tries to help the environment and communities. Some 56% of female respondents said it was very important compared to 38% of males.

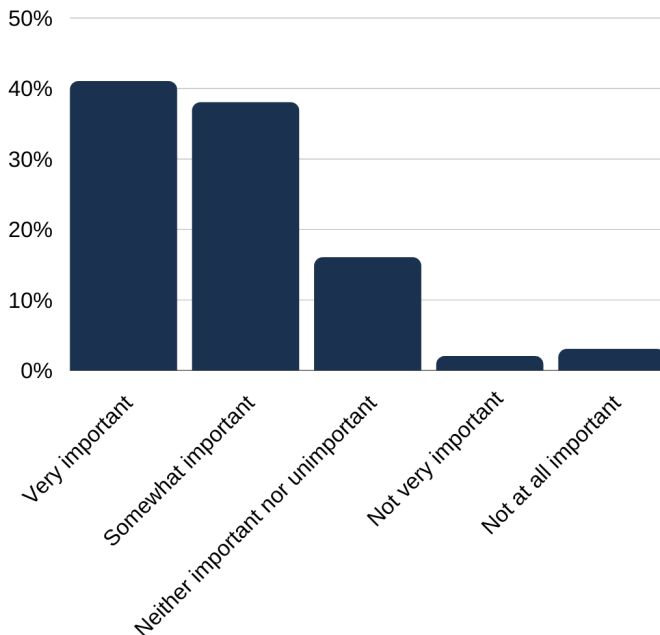


The next generation will have the chance to pioneer the new roles and skillsets required to meet environmental targets. We need to make Gen Z – particularly females – aware of our industry’s commitment to delivering a Net Zero society.

Diversity

Around 79% of individuals said that having a variety of people from different backgrounds, races, religions and gender in their place of work either very or quite important. Females felt more strongly about this, with 52% considering it very important compared to 27% of males.

How important is it that your future place of work is made up of a variety of people from different backgrounds, races, religions and gender?



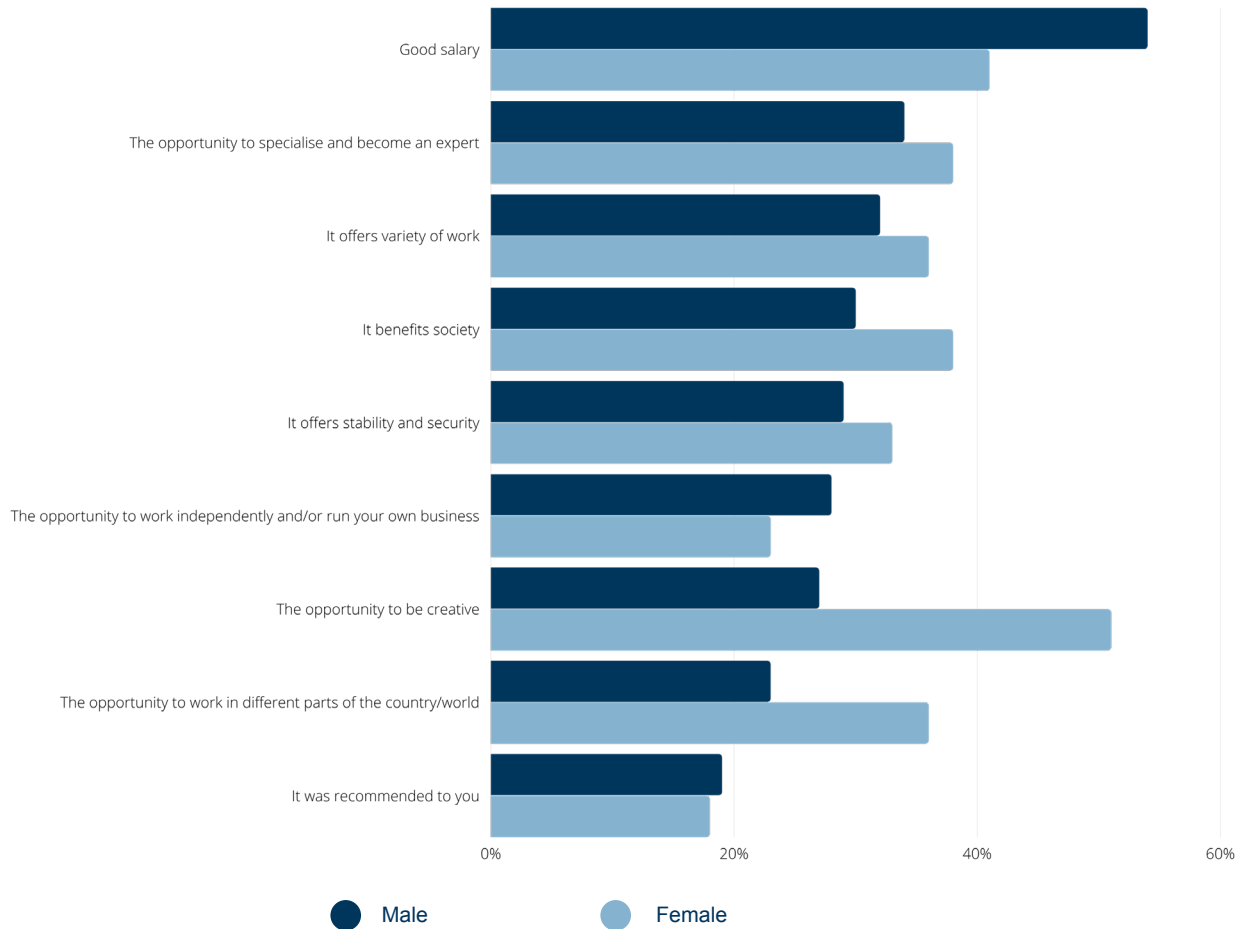
Construction needs to stop recruiting in its own image and promote diverse role models.

We must promote that our industry offers clear career paths, from entry-level to well-paid management roles. Likewise, we must raise awareness of professional roles – such as legal, IT and project management – available to those joining from academia. To target females, we must highlight the creative opportunities in areas such as architecture and design.

Money and creativity

The construction industry's biggest pull for males was the ability to earn a good salary; for females it was the opportunity to be creative (a good salary was the second most important).

What appeals to you about a career in construction?





Five steps to sell construction to the Next Gen

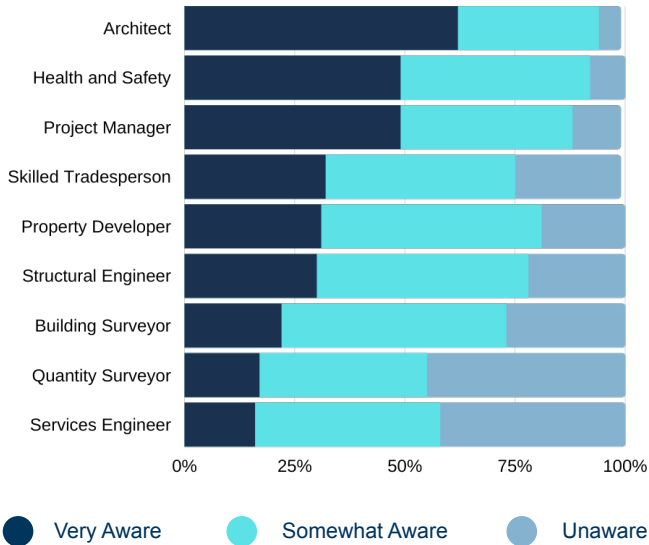
How can we get the message across that construction can deliver what Gen Z wants?

STEP 1: Recognise the root of the problem

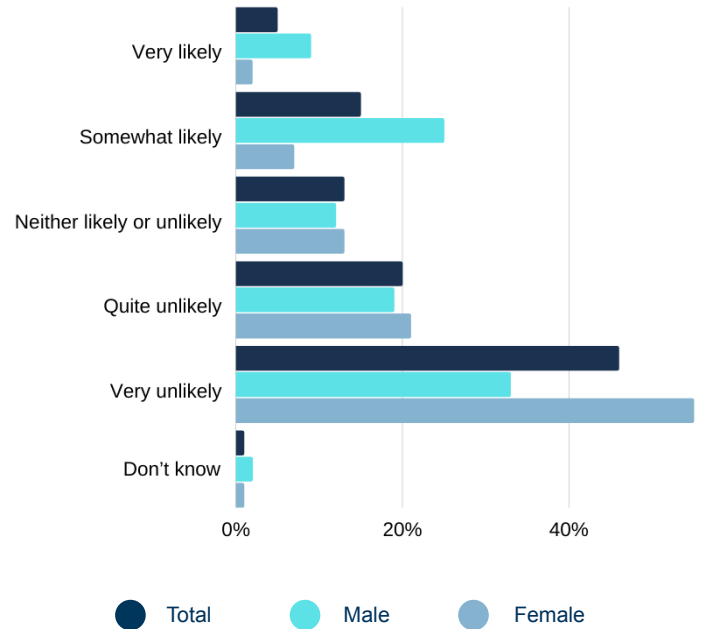
The Next Gen's awareness of our industry hasn't shifted since 2019. As well as the majority (74%) of respondents being unaware of RICS, there remains an awareness issue of individual roles. Some 45%, for example, did not know what a quantity surveyor was. As in 2019, the role of architect had the highest recognition, but work must be done in every other position.

Interestingly, there was an increase in the number of BAME respondents who had heard of RICS 31% in 2021 vs 14% in 2019. This could indicate that industry initiatives to raise awareness among BAME youth are starting to take hold.

How aware are you of the following roles?



Information on making career decision



Some 19% of the Next Gen believe that the information that they received on the construction sector was worse compared to other sectors.

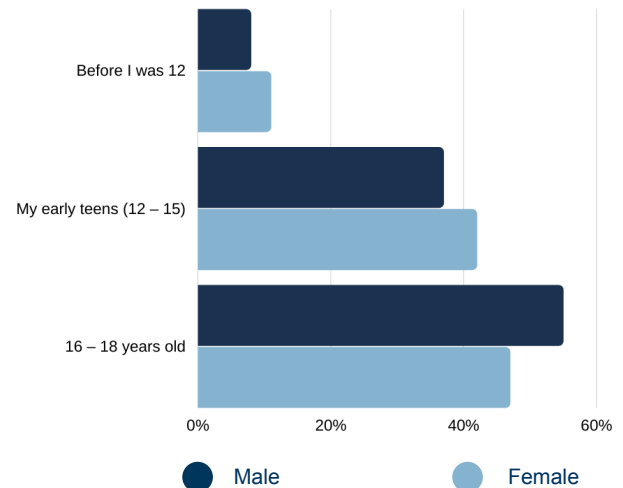
When asked if they felt they had enough information to decide on a career in construction, female and BAME respondents said there could be more information given.

The problem doesn't lie with the industry but awareness of the industry.

STEP 2: Target recruits at an earlier age

Traditionally our industry targets students at university age. However, our research shows that we should be getting into schools well before A-Levels. Some 40% of respondents said that they identified what job they wanted to do in their early teens, with 51% making the decision aged between 16-18-years-old.

At what age did you identify what job you would like to pursue?

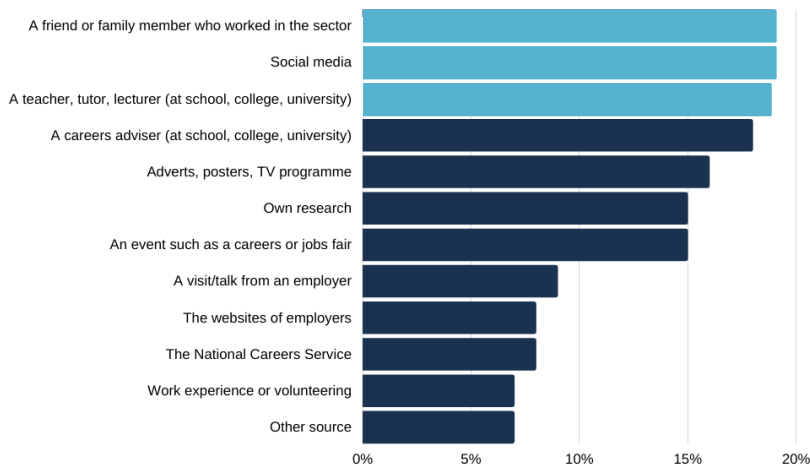


Young people decide on a career path much earlier than we think. Construction needs to target secondary schools.

STEP 3: Influence the influencers

For a generation that is no stranger to influencers, it is heartening to note that parents and teachers hold as much sway as social media as an information source on careers in the built environment.

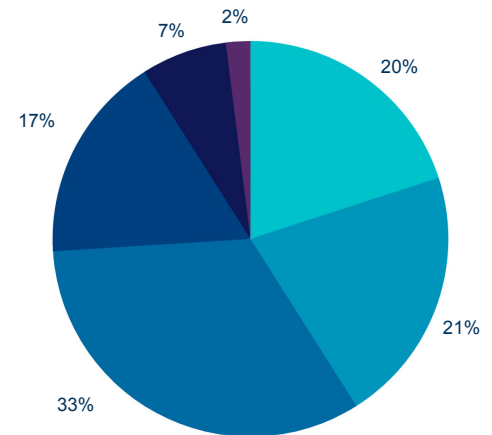
Finding out about the industry



Parents have high aspirations for their children. We need to show them that construction can offer a strong career path in terms of skilled manual labour and professional roles.

Given parents are one of the most important information sources about the construction industry, it's important to know what they are saying! Overall, 41% of respondents said that their parents would encourage them to enter the industry. Meanwhile, 24% said their parents/guardians would discourage them. This figure increased for Indian (33%) and Other Asian (37%) respondents.

Influencers



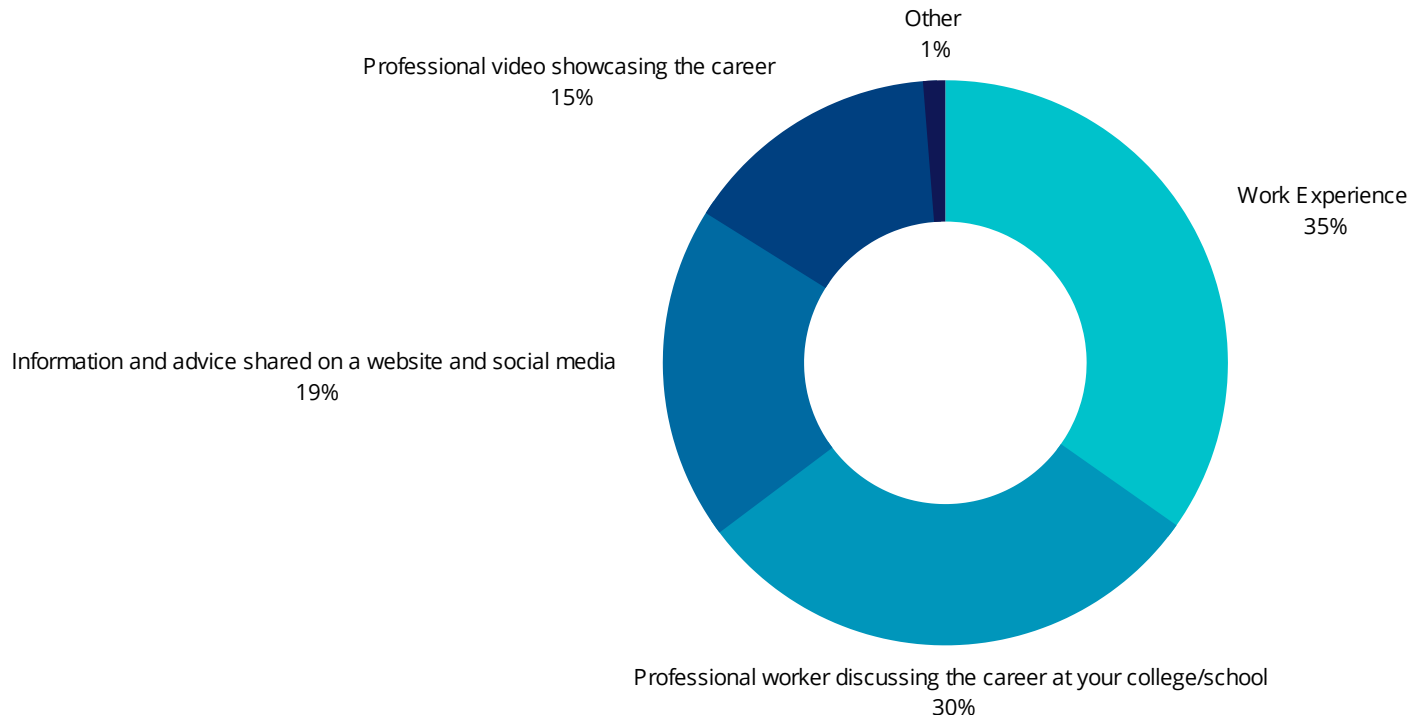
- They would actively encourage me
- They would mildly encourage me
- They wouldn't mind one way or other
- They would mildly discourage me
- They would actively discourage me
- Don't Know

STEP 4: Provide work experience opportunities

When asked about what is helpful when deciding on potential careers, work experience and career talks were rated highly by 68% and 57% of respondents respectively.

Helping decision making

We need to ensure we are actively targeting youth with careers talks in secondary schools, and work experience opportunities for all demographics.



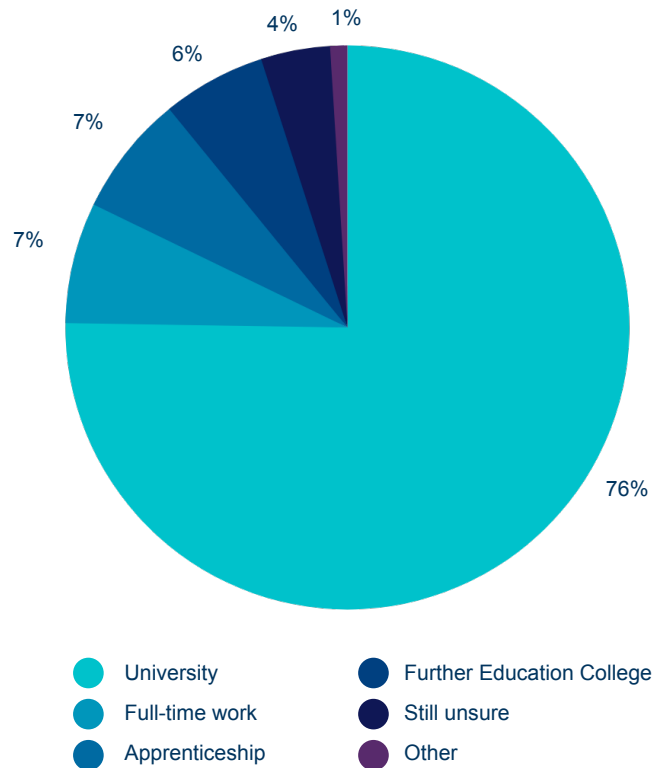
STEP 5: Promote learning on the job

Only 7% of respondents are considering pursuing an apprenticeship on leaving school. This is disappointing given the industry push on apprenticeships, including degree apprenticeships. Despite facing tuition fees, the majority (76%) said they would like to go on to university.

Only 6% said that they planned to attend a further education college. This poses a problem for an industry in which there is a shortage of level 4 and 5 (post-18/pre-degree) qualified workers.

In 2020, the UK Government introduced T-levels. These two-year courses were developed in collaboration with employers and businesses to meet the needs of industry and prepare students for work, further training or study.

Plans once finishing school



We need to better market degree apprenticeships and play our part in the success of T-Levels by recognising them as a qualification.

This is what success looks like

Harnessing the potential of individuals with apprenticeships in the construction industry.



Jessa Lee

Assistant Quantity Surveyor
Stace LLP

My route into the construction industry was a spur-of-the-moment decision, yet one I would choose again and again given the opportunity. I'm currently in my fourth year of a degree apprenticeship in quantity surveying and have found this to be such a fulfilling route. I didn't believe full-time university was the ideal option for me as I find it easier to learn with a more hands-on approach and applying practical use to knowledge gained. As I was looking at apprenticeship vacancies, I stumbled upon quantity surveying which ticked all the boxes of what I wanted in a job- working with numbers, being out and about with opportunities to go on-site, teamwork and social interaction.

At sixth form, neither construction nor apprenticeships were presented as desirable options, mainly promoting the likes of medicine, engineering, and opting for

full-time university if we were unsure about what to do. Looking back, I'm sure many young people would appreciate careers talks in schools about lesser known but much needed jobs. In a world where work experience can be difficult to come by and financial security a common concern, I've found my apprenticeship route to be the perfect solution, building up years of work experience simultaneous to obtaining a degree funded by my employer and the government.

Working in construction has proved so rewarding, where I am able to provide input on projects that will impact real people - teaching facilities, student accommodation, offices, and so much more. Whilst the construction industry will face various challenges in upcoming years, diversity can introduce more innovation and fresh perspectives, helping drive the industry forward to improve its processes and reduce its carbon footprint to help meet sustainability goals.

Turning the tanker

There has been little shift in the Next Gen's attitudes towards construction since we launched this survey in 2019, which is why we have not dwelt on comparisons in this report. This is not particularly concerning as we anticipate it takes about five years to properly affect change. What is heartening is the variety of initiatives launched across the industry since 2019 to tackle the skills shortage problem:

The Construction Leadership Council is developing proposals to introduce a common set of equality, diversity and inclusion metrics for the sector. This will help construction reflect the communities in which it works, in turn attracting a more diverse workforce.

At Stace, we launched the Next Gen Programme in 2019 supported by the Construction Youth Trust, which offers paid work experience placements across our UK offices. Our younger workers are also getting involved in spreading the message - a careers video shot by one of our female apprentice quantity surveyors featured in a school's Year 8 and 9 careers day.

We hope that these efforts by individual companies will have a cumulative impact and when this study is next published in 2023, we will see change in the right direction.

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Stace is a leading, independent multi-disciplinary construction and property consultancy, delivering our services across the UK.

From our inception over 60 years ago, the aim has been to deliver exceptional services to our clients, working in partnership with them to understand their goals and provide a measurable difference to their projects. This aim continues to be the core of our DNA and is testament to 85% of our services being delivered through repeat client business.

2019 Willmott Dixon launches Women's Leadership Development Programme, to develop gateways for women into the construction industry and once there, support the progress of high potential women into leadership positions.

In September 2020 the government introduced T Levels, new courses which follow GCSEs and are equivalent to 3 A levels. These 2-year courses have been developed in collaboration with employers and businesses so that the content meets the needs of industry and prepares students for work, further training or study.

The Construction Leadership Council is developing proposals to introduce a common set of equality, diversity and inclusion metrics for the sector. The intention of the proposal – which the CLC committed to as part of its Skills Plan earlier this year - is to ensure companies have access to better information about the makeup of the workforce, helping to shape efforts to ensure that construction reflects the communities it works in across the UK.

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