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The Human Factor

Abstract

An important side effect of the technological renovations in the dredging industry is the upgrading of the training requirements for operational staff. Nearly all recently hired employees in dredging companies appear to be educated at secondary or higher level technical schools. The phenomenon of apprentice dredgers is no longer common in the more developed countries. The human factor has thus become an important aspect in developing successful policy, and effective management of human resources is as much a part of the modern, high-tech dredging industry as is thinking in terms of costs and expenditures.

Introduction

An important side effect of the technological renovations in the dredging industry is the upgrading of the training requirements for operational staff. It is interesting to note that a recent study published by the Dutch labour union FNV, when referring to the construction section, reported that nearly all recently hired employees in dredging companies appear to be educated at secondary or higher level technical schools. In fact, the phenomenon of apprentice dredgers being trained on the job is no longer common practice in the more developed countries. In these countries dredging has become a venerable technological activity. Each venture's strategy is developed and put into practise by people. The human factor is therefore essential in determining a successful strategic policy. Thus a successful management of organisations, independent of the juridical structure, actually implies the effective and objective handling of human capital. Effective management of the human workforce in a technologically highly developed industry, such as the modern internationally operating dredging companies, has evolved from thinking in terms of costs and expenditures to thinking in terms of investments and added value.

MOTIVATED PEOPLE

Within an organisation a motivated person is more important than a nicely formulated management policy or other developed internal structures. In this context, human capital is one of the recognised elements in the organisation. Investments in people are unlike other investment components, such as equipment and other

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production factors, because they are not expressed in money terms in the company's official annual report. However, the considerable importance of these investments are shown in an indirect way: For example by the action pictures in official company publications. The first page of the 1993 Annual Report of the HBG Group shows a full page action picture of a female surveyor from dredging company HAM. Also the Annual Report of Royal Boskalis Westminster contains several colourful action pictures of employees. The human factor has however been given even more attention in the company brochures. These brochures not only present a concise outline of the strategic aims, organisational structure, main types of dredging equipment, and recently realised projects. By means of action photos an impression is given of the human versus machine relationship, suggesting an obvious presence of know-how and experience. To date only Royal Boskalis Westminster publishes an Social Annual Report. Amongst other issues covered in this document, they describe their social and personnel policy, including training and educational activities of the recently graduated engineers they have employed.

INVESTING IN PEOPLE

The significance of investing in young people is a matter of great importance to most of the large internationally operating dredging companies. In the Boskalis 1992 Social Annual Report it is emphasised that "healthy growth" means that "more attention is given to quality and safety". The CEO of the Belgian Dredging International/Overseas Decloedt (DEME) described the year 1992 as "the year of training and perfecting the technical staff", in preparation for the future in which investments include not only new dredging equipment but also focus on people and quality. And the Japanese



Team spirit on the job during a beach nourishment project along the south coast of England. Well-trained motivated people can make the difference in the success of a project.

dredging company Penta Ocean also puts an enormous effort into recruiting young employees with potential.

Finding the Best

Every year the personnel departments of these large dredging companies are inundated with hundreds of applications from recently graduated engineers. But even earlier on, many of the companies give students, prior to graduation, the opportunity to gain practical experience by offering internships and guiding their final theses. In fact these days the large dredging companies no longer have to rely on personnel advertisements to be sure of attracting their quota of well-qualified young technicians. Internships, information days at universities and other technical educational institutions, plus, last but not least, personal contacts, ensure the dredging companies a large pool of well-qualified people.

Training

On an annual basis dozens of young people participate in the trainee programmes organised by Boskalis and DEME. After a selection process, these trainees are offered a contract by the company and are given a period of time to familiarise themselves with the company's entire operation, including work experience at home and abroad.

At Boskalis all trainees are guided by a mentor from senior management for a period of twelve months. The purpose of this mentorship is twofold. On the one hand the trainees are given the opportunity to discuss their experiences, problems or questions with the senior managers; on the other hand these managers, who have operational responsibility, can acquaint themselves with the working methods and policies within the organisation on a regular basis. What is more, this structure stimulates a collective team spirit.

Besides gaining work experience, trainees are guided by a central coordinator from corporate headquarters. This staff person also has a key position in organising supplementary theoretical education which is given within the company.

Penta Ocean seems to maintain a similar strategy hiring between 100 and 200 young technicians each

year. Since a large part of Penta's activities are in civil engineering, a central in-house training is conducted in this area in which work experience is gained on specific construction projects. When Penta's dredging department, one of the largest private dredging organisations in the Far East, needs new experienced people, they can appeal to the engineering corps of the group. In the industrial branch in The Netherlands a variety of training programmes have been developed so that Dutch dredging companies can rely on external training facilities. But individual companies continue to develop their own in-house programmes. For instance, Boskalis has recently developed a cutterhead simulator to train its employees. And DEME has been using a hopper suction dredger simulator for quite some time. DEME has concluded that for the optimal use of dredging equipment, the transfer of personal know-how and familiarity with the most relevant types of dredging equipment is essential. Although the financial cost of developing human resources is significant (approx. US\$ 50,000 or more per trainee), both Boskalis and DEME bear this patiently as a long term investment.

Team Spirit

As at Boskalis with its system of mentors, the development of a collective team spirit is of great importance at DEME. DEME striving for the same goal publishes a bi-monthly newsletter *The Beaver* for internal communication and information on company policy. In addition, DEME organises in-house seminars a few times each year to reach this objective. Within the framework of these seminars discussions take place about specific projects which are of core importance to the group. Engineers who share comparable functional responsibilities participate in this "exchange of ideas" programme. In addition, the seminars focus on social aspects which will strengthen contacts within the group. At Penta Ocean as well a permanent structure of in-house education has been developed for engineers with 5 to 10 years work experience. Depending on the level of education and the pace the individual sets for becoming familiar with company policies and assuming responsibilities, an engineer can progress from assistant supervisor to supervisor to executive supervisor in approximately 10 years time.

Conclusion

Well-trained and well-motivated employees form the core of a long-term investment. Management must in this respect ask itself how best to use the organisation's human capital. This should include a vision and action plan of how it can avail itself of equally qualified and motivated people in the future. The challenge of management when recruiting and training new employees is to stimulate them to give the utmost of themselves and to encourage them to feel an interest in the organisation.