The relevance of professional institutions to students and early career practitioners in the property and construction industries within Australia

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Abstract

The role of professional institutions and the transition from student membership to full professional membership among real estate and construction students in Australia is examined. Students’ perceptions of professional qualifications and institution membership is explored to show that graduates seek networking and career advancement opportunities over professional training and development opportunities. The expectation of many young practitioners is that they will work outside Australia during their career and this has significant implications for the future policy development of professional bodies. The paper provides a valuable insight into the aspirations of young professionals and goes some way to identifying the reasons for the low level of transition from student membership to full membership of the national and international professional bodies.

Keywords: professional institutions, student membership, real estate and construction education Australia.

1. Background

The property and construction industry has relied heavily on its professional bodies to maintain educational and professional standards among its members and to regulate the profession for the benefit of its members and the public. It is widely recognised that professions fulfil an important role in society and much has been published on these benefits over the years. Grimshaw (2001), writing on the facilities management profession, identified a number of underlying characteristics of a profession. He posited the hallmark of a profession to be; ‘specific and have a definable knowledge and skills base that has to be acquired and tested; a high degree of self-control of behaviour via codes of ethics; and a recognised social responsibility that gives a primary and selfless orientation to the community interest.’ (Grimshaw 2001;55).
The regulation of ethical standards by professional bodies is recognised as a cornerstone of professional practice and, in many jurisdictions around the world, it is the professional bodies, with their well established codes of ethical practice, that provide a regulatory buffer between the professional in practice and the role of the state in protecting the public. The role of professional codes; ‘is to prevent professionals from exploiting the asymmetrical information that is a part of the professional-client relationship.’ (Jamal & Bowie 1995). It is for these reasons that professional bodies have grown in national and international contexts and the import of the quality of membership and the ethical standards which they maintain is essential to their continued success (Grimshaw 2001; Jamal & Bowie 1995).

While the importance of professional body membership has not changed, there is an apparent change in the attitude of young members towards membership. The value for money and the need to belong have been questioned. Wilson (1997) examined the role of the accounting professions, highlighting the need for value for money in professional institutions stating: ‘At a more tangible level of services, when the value of their annual subscriptions is questioned members of both bodies are scratching their heads.’ This reluctance to join is echoed in many professions where the benefits of membership are weighed against the financial costs to the individual or the organisation (Dalton & Dignam 2007). Yet other research in the USA points to an increasing membership of trade associations by ‘generation x’, with a focus on what they can get out of the membership in terms of career advancement and the benefits of networking that can be achieved (Amer 2006;11; Wallace 1995).

There is little research in the property and construction professions with respect to the value of membership to young graduates. As the professional bodies seek to become global organisations the need to attract new members is a quintessential element of the growth strategy. This rapid growth expectation, while being realised among established practitioners, is not being so readily translated into student and early career professionals.

The Royal Institution of Chartered Surveyors (RICS), the largest international professional institution in the property and construction industry, established an office in Australia in 2000 with a stated objective of attracting new members and growing its professional influence within the Asia-Pacific region. It was envisaged that young practitioners would be attracted to the global brand as interest from Universities to accredit courses in both property and construction, was strong. One early strategy to attract young members was to offer free student membership. Not surprisingly this strategy paid off with student membership rising from virtually nil in 1999 to over 3000 by 2007 (RICS 2007). While free student membership has grown, the level of conversion to full membership has not been as strong. The reasons for this lower than expected conversion is not clear, although it might be as a result of changing attitudes to professional body membership and perceptions of value for money as has been demonstrated in some other professions.
2. A survey of student attitudes to professional institution membership in Australia

This paper reports on research supported by the RICS Oceania into the perceptions of students and young property and construction practitioners to the professional bodies within Australia. The research, although supported by the RICS, sought to address the full range of professional bodies serving the property and construction sector and was not influenced by any individual professional body.

2.1 Methodology

The research methodology was based on a paper based questionnaire which could be distributed easily among students studying property and construction courses in Australia. A questionnaire survey was compiled by the Universities of Melbourne and Queensland in the early part of 2007. The survey was piloted to industry prior to distribution to selected participants. In order to gain as wide a spectrum of students as possible, the survey was administered to a range of student cohorts in three separate universities. The universities selected to participate were leading course providers in Sydney, Melbourne and Brisbane. The students were drawn from all year groups within the undergraduate program and from postgraduate students undertaking master level study. The survey was administered in the early part of semester one 2007. A total of six hundred and sixty one completed surveys were returned.

The survey comprised three sections: Section one asked the respondent about their age, gender, the course they were studying, the level of the course (undergraduate or postgraduate), the year of study and their intentions to work within Australia and or overseas during their career. This data enabled the researchers to ascertain whether these respondents were aware of, or were likely to join, professional bodies based on their age, gender and year of study. It might be anticipated that professional body awareness and perceived importance would increase with years of study.

The second part of the questionnaire posed questions about the professional bodies. Respondents were asked whether professional body membership was important to them and of which bodies they were currently student members. They were also asked which bodies they intended to join in the future. Also in this section respondents were asked to rank the importance of reasons for joining professional bodies, and were asked about their expectations from professional bodies. This data helps to identify the drivers and expectations potential members and current student members have of professional bodies.

The third section asked more detailed questions identifying a number of built environment professional bodies which operate in Australia. For those in employment, respondents were asked whether employers paid fees. Respondents were also asked to respond to questions about the length and duration of professional training prior to attaining full membership of
professional bodies and their views on current fee levels. Finally respondents were able to give any additional comments if they wished.

3. Data analysis and results

3.1 Survey demographic

The respondents to the survey were predominantly aged 21 and under, with 23.4% in the 22-25 year age group, 8% in the 26-34 year age group and only 5.8% being aged over 35. The postgraduate respondents, representing 7% of the sample, were, as would be expected, older than the undergraduate respondents with 43.5% in the 26-34 year age group and 21.7% being over 35.

The gender balance of respondents was 60.5% male to 39.5% female. These figures are deemed to be representative of the gender balance in the built environment courses at the three universities.

The break-up of courses studied at the three universities were; 56.2% of the respondents studying property and 14.9% studying combined courses such as ‘property and construction’ or ‘construction and architecture’. Of the remaining students, 10.4% were studying planning and 8.5% construction courses.

Overwhelmingly the respondents were enrolled on full time courses (91.4%) with only 8.6% studying part time. Similarly 87.6% or 571 respondents were enrolled on undergraduate courses, with 12.3% studying at post graduate level. The largest proportion of the total, 40.8%, were in the first year of study, leaving 59.2% to be in the second or subsequent years of study. The courses attended were three or four year undergraduate ordinary and honours courses or 1.5 year postgraduate masters courses.

3.2 Career Intentions

The respondents were asked to give some indication of their career intentions, particularly if they intended to work outside of Australia as this might have some bearing on the type of professional body the students may orientate towards. The survey revealed that 45.3% intended working solely in Australia for the first two years after graduation. This is a period during which they could, if motivated, complete training for professional body membership. A significant number, 34.5%, did not know whether they would remain in Australia to work in the two years following graduation. The remaining 20% intended working elsewhere within the two years after graduation. Just over a third of these respondents were seeking to work in Europe, closely followed by those seeking to work in Asia. Ten students were looking to work in the Americas with the remaining respondents considering the Middle East and New Zealand. Of those
intending to work overseas, 17% did not identify the countries in which they intended to work upon graduation.

In the longer term 74.8% of respondents believed it was probable or certain that they will work overseas during their career. Of the remaining respondents 14.6% did not know whether they would work overseas and only 0.8% of respondents stated that they did not intend to work overseas with 9.8% stating it was not likely that they would. These figures clearly show that many of the graduates from property and construction courses in Australia are contemplating working internationally at some point in their careers with 20% of them intending to go overseas shortly after completing their degrees.

3.3 The importance of professional qualifications

The students’ perceptions as to the importance of professional bodies could provide a clear indication of their understanding of the role of professional institutions and the likelihood that they would seek to join one of these organisations. The responses from the surveys were very positive and show clearly that respondents view professional qualifications as being very important to them. 93.8% viewed professional qualifications as being either very important (64%) or of some importance (29.8%). Only 3.3% viewed professional qualifications as being of either no or limited importance and 2.3% did not know.

Student membership of professional institutions was found to be relatively low. Only 35% of students belonged to a professional body with the most, 12.9%, belonging to the Australian Property Institute (API) and 8.3% being members of the RICS. A large proportion, 21.6%, were members of more than one professional body. A total of 429, or 64.9%, of the respondents were not members of any built environment professional body.

Respondents were asked which professional bodies they intended to join when they graduated. The number of responses left blank was relatively high at 31%. This contradicts a previous response in respect of the importance attached to the professional qualifications. Most students intended to join the API, 41%, and 9.2% intended to join the RICS. When duel API / RICS membership was considered the response rate was 34.2%. This result shows that, while there is a clear perception that professional organisation membership is important, a large number of students had not considered which institution they would join. Those that had made a decision tended to favour the local organisation over the international one, a figure which did not reflect the proportion of respondents intending to practice overseas.

The respondents were asked how important it was to them personally to join a professional body. The responses showed that there is less importance attached to gaining professional membership than gaining professional qualifications. It is apparent that there is a gap in knowledge of these respondents in that professional qualification and professional membership are not seen as co-related and mutually beneficial. Joining a professional body was seen as very important by 28.2% and 45.3% saw it as being of some importance. This compares to 93.8%
who saw professional qualifications as being very important or of some importance. Only 73.5% saw professional body membership as important.

3.4 Reasons for joining professional institutions

The next section of the questionnaire asked respondents a series of questions about what they perceived as reasons to join, and the benefits of, professional body membership. Respondents were asked to rank each the reasons given on a Likert Scale between one and five, with five being the highest option. The results, shown in Table 1 below, clearly show that the top reason or motivation for joining a professional body was that it is perceived to enhance career prospects. This reason was followed by the apparent access to professional networks and the increasing of career progression (promotion). The next reason for joining a professional body ranked by the respondents was employability, followed by the need to keep abreast of current issues, remuneration, the apparent increase in employability overseas and the improvement of benefits paid by employers. It is a major concern that professional body membership is not perceived as being a benchmark of professional skills and knowledge - this reason being ranked nine out of the ten reasons given. Access to Continuing Professional Development (CPD) was ranked at ten, and last as a reason to join a professional body. These results indicate that students’ expectations of the role of professional institutes is not fully aligned with those of the institutes in terms of a professional body membership being a benchmark of a member’s professional skills and knowledge and, as such, a means of enhancing work opportunities both within and outside Australia.

Table 1 Reasons for joining a professional body

<table>
<thead>
<tr>
<th>Reason</th>
<th>Number of responses</th>
<th>Mean</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enhances my career prospects</td>
<td>632</td>
<td>4.26</td>
<td>1</td>
</tr>
<tr>
<td>Provides access to professional networks</td>
<td>629</td>
<td>4.11</td>
<td>2</td>
</tr>
<tr>
<td>Increases promotion</td>
<td>626</td>
<td>4.05</td>
<td>3</td>
</tr>
<tr>
<td>Increases employability in Australia</td>
<td>626</td>
<td>4.00</td>
<td>4</td>
</tr>
<tr>
<td>Will keep me up to date</td>
<td>632</td>
<td>3.98</td>
<td>5</td>
</tr>
<tr>
<td>Improves my salary</td>
<td>627</td>
<td>3.91</td>
<td>6</td>
</tr>
<tr>
<td>Increases employability outside Australia</td>
<td>622</td>
<td>3.86</td>
<td>7</td>
</tr>
<tr>
<td>Improves benefits paid by employers</td>
<td>628</td>
<td>3.74</td>
<td>8</td>
</tr>
<tr>
<td>Is a benchmark of professional skills and knowledge</td>
<td>628</td>
<td>3.65</td>
<td>9</td>
</tr>
<tr>
<td>Provides access to CPD</td>
<td>624</td>
<td>3.63</td>
<td>10</td>
</tr>
</tbody>
</table>
Respondents were then asked to rank their expectations of professional bodies (again on the Likert Scale between a score of 1 and 5, with five being the highest score). The results are shown in Table 2 below. Networking was the biggest expectation that students had of professional bodies. The clear implication from this is that networking opportunities such as social events, training seminars and CPD activities, present an opportunity to raise the profile of institutions and attract young members. The second expectation ranked was in career development and mentoring opportunities, with students expecting that professional membership will enhance their career progression. These results show a disconnect between career development expectations (ranked 2) and structured training (ranked 5), in that students are perhaps not considering the need to take-up further education and training in order to enhance and develop their careers. It is interesting to note that access to state of the art knowledge was ranked equal second, demonstrating that students have some expectation that the professional bodies will serve them as a source of future knowledge. The enhancement of salary was ranked fourth by the respondents showing that there is not a clear expectation that professional body membership would equate to greater earning capacity, even though career development was ranked second which might be expected to be associated with increased earning capacity.

There is an expectation evident among students that mentoring schemes are provided by the professional institutions to assist their progression to full membership. There is a need for institutions which do not already do so to meet this expectation and develop effective mentoring programs to guide the transition from student membership into full membership.

Table 2 Expectations of professional institutions

<table>
<thead>
<tr>
<th>Expectations of professional bodies</th>
<th>Number of responses</th>
<th>Mean Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Networking opportunities</td>
<td>632</td>
<td>4.32 1</td>
</tr>
<tr>
<td>Career development and mentoring opportunities</td>
<td>631</td>
<td>4.08 2</td>
</tr>
<tr>
<td>Access to state of the art knowledge</td>
<td>631</td>
<td>4.08 2</td>
</tr>
<tr>
<td>Enhanced salary</td>
<td>629</td>
<td>3.90 4</td>
</tr>
<tr>
<td>Structured training</td>
<td>630</td>
<td>3.80 5</td>
</tr>
</tbody>
</table>

3.5 Perceptions of employers’ expectations

Respondents were asked whether they thought their employers expected them to join a professional body. The answers to this question revealed a substantial gap in knowledge and understanding about professional bodies among Australian based students. A large number failed to answer the question and this could be attributed to the high number of first year students who are unlikely to work in professional offices at this stage in their studies. Of the
485 who answered, 127, or 26.2%, did not know whether their employer would expect them to join a professional body. The largest percentage, 63.7% (309), stated they thought their employer would not expect them to join a professional body and only 10.1% thought employers would expect them to join. Clearly only a small minority of students see that employers would expect them to become professionally qualified. This data provides an interesting student perspective that can be compared with the actual expectations of employers of graduate property professionals. Further research is required in this area to map industry employer expectations.

A similar picture emerges when students were asked whether they thought employers would pay employees professional body membership fees. A large number failed to respond, 190 or (28.7%), and an even larger number, 201, did not know the answer. 46.7% thought their employers would not pay professional fees, with 7.4% considering that their employers would pay their fees. A similarly cloudy view of whether an employer would pay fees for an employee to be a member of more than one professional body was apparent in the sample. Only 5.6% thought their employer would pay for more than one professional membership and 35.3% thought that their employer would not pay more than one fee. These results show that students entering professional practice do not have an understanding of what might be expected of them in terms of membership of professional bodies, and very few expect that their membership fees would be paid by their employer.

The entry requirements of professional bodies vary but, in general, most currently require a period of structured, ‘on the job’ experience before being granted full membership. The RICS Assessment of Professional Competence (APC) takes a minimum of two years and applicants are required to submit a diary, a critical analysis of a project, a summary of experience and undertake an interview with three RICS members before they are able to join as a full member. When asked about the current RICS APC, 65.5% of respondents (379) felt that it was either too long a time period or too much work. However, 33.7%, (195) thought that it was ‘about right’.

A similar response was achieved when asked about the level of professional bodies’ membership fees. Using examples of several professional bodies current fees, students were asked if the fees were, in their opinion, too high, too low or about right. The results varied from organisation to organisation but broadly fell into categories of one third not knowing and one third each thinking they were too high or about right. Very few students, not surprisingly, thought they were too low. This result could be considered to reflect the lack of detailed knowledge of the professional bodies, as demonstrated above, with a large number of students not in a position to be able to evaluate the appropriateness of the fee level.

4. Conclusions

The results of this survey of student perceptions of professional organisation membership within the built environment profession have provided some valuable insight into student knowledge and attitudes. They will provide a useful resource both for those educating and preparing students for entry to the profession and for those administering the professional institutions.
What has emerged form the research is that students do value professional qualifications but that there is a distinct lack of understanding about the role of the professional bodies in their careers.

The level of international outlook for students in their careers, with many expecting to work overseas early in their careers, is encouraging for globalisation of built environment professional practice. This result has implications for the recruitment of students into professional bodies and clearly shows the need for international links between professional bodies and the establishment of global professional recognition. It demonstrates that professional institutions will increasingly need to work on their ability to service members in a global context.

The move by some professional institutions to establish themselves as global profession bodies may go some way to addressing this challenge, although the results of the survey clearly show that, in the Australian context, local institutes are a preferred option over international options. This local preference becomes even more significant when taken within the context of membership fees. If student perceptions are correct, and employers are reluctant to pay more than one professional membership fee, if any, then the growth of international professional bodies is likely to be restricted. There are lessons to be learned in terms of international versus local that should influence institutional policy moving forward.

The area of most significance in terms of why students are not progressing to full membership of professional bodies is demonstrated at a number of levels. While professional qualifications are seen as important by young practitioners, membership of a professional organisation is seen as less important. Membership is perceived as taking too long to achieve, with a complex joining process over two years. It is apparent from the results that student perceptions of the importance of the APC is not in tune with the importance that professional bodies place on this period of practical experience. If student conversion to full membership is to be achieved then some considerable education of the need for, and importance of, this training needs to be undertaken by the institutions. The period of training required by professional bodies needs to be seen to add value both to employers and to young members seeking advancement of their careers. It is also clear that in order to assist potential members to successfully navigate their way to full professional institute membership, the expectation among students that mentoring programs exist needs to become a reality.

The expectations of what membership offers in terms of career advancement and networking opportunities are not necessarily the same priorities that employers might perceive of the membership organisations. The next phase of this research will seek to evaluate major employer groups’ perceptions of professional institutions. It will seek to establish perceptions of professional institutions importance in the work environment. It will allow conclusions to be drawn as to the importance of structured training before becoming a full member of an institution and will gauge the willingness of employers to pay professional membership fees and reward employees for seeking to become members of local and international professional institutions.
The message that can be taken from this research is that young professionals entering professional practice are focused on career development and will only seek to link themselves with professional bodies where that membership delivers clear value for money in delivering career goals and opportunities for advancement. This finding echoes those cited at the beginning of this paper pertaining to other professions and the challenges that member professional institutions will face in the future. These results will be useful in guiding the development of professional institutions as they seek to service their membership and increasingly meet the demands of a global membership base.

References

RICS 2007, Oceania Region Annual Report, RICS Sydney.