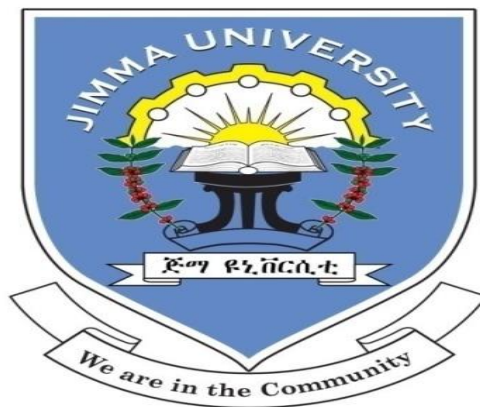


**Assessment of Human Resource Management Practices and
Challenges in Selected Construction Projects: A Study in Jimma
Town**

*A Thesis Submitted to the School of Graduate Studies of Jimma University in
Partial Fulfillment of the Requirements for the Award of the Degree of
Master of Project Management and Finance*

By:

DAWIT TESFAYE ABEBE



**JIMMA UNIVERSITY
COLLEGE OF BUSINESS & ECONOMICS
DEPARTMENT OF ACCOUNTING & FINANCE
MA PROGRAM**

**MAY 31, 2019
JIMMA, ETHIOPIA**

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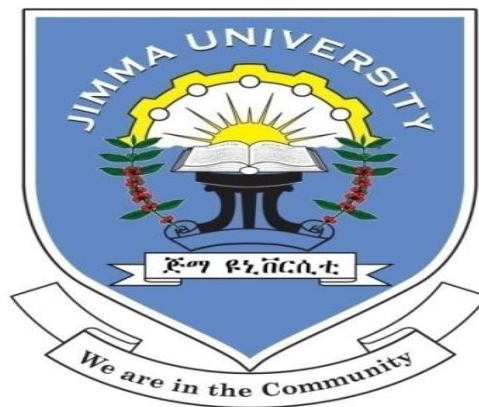
DAWIT TESFAYE ABEBE

Under the Guidance of

Mr. Emnet Negash (Assistant Professor)

And

Ms. Aregu Asmare



*A Thesis Submitted to the School of Graduate Studies of Jimma University in
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Management & Finance (MA)*

**JIMMA UNIVERSITY
COLLEGE OF BUSINESS & ECONOMICS
DEPARTMENT OF ACCOUNTING & FINANCE
MA PROGRAM**

DECLARATION

I, hereby, declare that this thesis entitled “**Assessment of Human Resource Management Practices and Challenges in Selected Construction Projects: A Study in Jimma Town**”, has been carried out by me under the guidance and supervision of Mr. Emnet Negash (Assistant Professor) and Ms. Aregu Asmare.

The thesis is original and has not been submitted for the award of degree of diploma in any university or institutions.

Researcher’s Name

Date

Signature

Dawit Tesfaye

CERTIFICATE

Members of the Board of Examiners

As members of the Examining Board of the final MA open defense, we certify that we have read and evaluated the thesis prepared by **Dawit Tesfaye** and examined the candidate. We recommended that it will be accepted as fulfilling the thesis requirement for the degree of Master of Art in Project Management and Finance.

External Examiner	Signature	Date
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Internal Examiner	Signature	Date
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Principal Advisor	Signature	Date
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Co- Advisor	Signature	Date
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Chairperson	Signature	Date
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Abstract

Human resource management is primarily concerned with ensuring that a project has sufficient human resources, with the correct skill-sets and experience, for the project to be successfully completed. This study explored the human resource management practices and the challenges of such practices. It was a descriptive survey design. A purposive sampling technique was employed to 136 respondents, out of which 122(92.2%) responded to the questionnaire administered indicating a high return-rate. Plus to this, semi structured interview was used for triangulation purpose. Data were analyzed quantitatively using SPSS version 23 showing Means and Standard Deviations. Also Kendall ranking method was conducted to identify the major challenges of the human resource management practices. It was established that the selected construction projects in Jimma town have put in place diverse training and development programmes, appraisal practices, career planning and employee participation practices, rewards and compensation policies to enhance the performance of their staff. The study concluded that the key challenges of the human resource management practices were high labor turnover, lack of incentives and benefits, inadequate retirement benefit, skill gap, null occupational health and safety practices. The study, therefore, recommended that the construction projects need strengthening their policies on monitoring and supervision, reward system, performance appraisal practices in order to mitigate the impact of the challenges on the employees. Plus, construction projects need to provide workers with the necessary Personal Protective Equipment, which include safety belts, retaining belts, safety ropes, and safety harness and catch nets to prevent being hit by falling materials and falling from heights. Furthermore, workers need to be continuously trained on the importance of using PPE.

Key Words: *human resource management, practices, challenges, construction projects*

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Acronyms/Abbreviations

EPHA- Ethiopian Public Health Association

HRM-Human Resource Management

HR-Human Resource

HRP-Human Resource Planning

OHS-Occupational Health and Safety

SPSS-Statistical Package for Social Science

CHAPTER ONE:INTRODUCTION

This chapter covers the following elements. To start with, it covers the background of the study which looks into the previous related works on human resource management practices and challenges from global as well as local perspectives. Besides, the chapter presents problem statement that talks about the rational/s behind the study under discussion. What is more, research questions, objectives, scope, significance and limitation of the study are part and parcel of the chapter. As a final point, chapter one presents the organization of the study.

1.1 Background of the Study

The construction industry has been described as an indicator by which the economic development of a nation is measured. This is because construction projects provide infrastructures required to drive socio-economic development and contributes to the Gross Domestic Products (GDP) as well as the living standard of its population. Construction process itself involves various activities with humans as a fundamental factor to the success of these activities (Ameh and Daniel, 2017). While it is true that machines have been developed to replace human in carrying out construction tasks (Rotman, 2013), it is also true that the machines cannot operate themselves. They have to be operated by human in order to achieve desired results. However, the low level of mechanization in the construction sector of developing countries leaves it with no option than to heavily rely on Human Resource (HR) for its operations. In the construction industry of developing countries, HR makes up significant part of the project cost. Cost of HR includes personnel administration, employee training, communication cost, welfare and compensation for health and safety. It, therefore, means that an effective human resources management (HRM) will result in highly motivated workforce leading to high productivity, quality improvement and minimize cost and time overruns.

Furthermore, human resource management is a coherent approach to the management of an organization's most valued assets; these include the people that work collectively in the organization so as to contribute to the achievement of its objectives. HRM in essence deals with the process of attracting, developing and maintaining a talented and energetic workforce to support organizational objectives. The project oriented nature of construction activities, which is characterized by projects that are custom built to client satisfaction, nomadic nature of the labour

force, uncertainties associated with the production process among others makes HR policies and practices uniquely different from those of manufacturing, health, and hospitality industries and thus a fundamentally different HRM models (Huemann and Keegan, 2007).

As to Chan, Clarke and Dainty (2010), Erlick and Grabelsky, (2005) and McGrath et al (2011), employment in the construction project is characterized by relatively high rates of labour turnover, which manifests in periodic labour shortage. A further point is that, the growth of Small and Medium Enterprises (SMEs) within the construction sector and the use of labour only sub-contractors, according to Dainty, Ison and Root (2004), Shafeek (2016), have reduced commitment and investment in human resource training within the industry.

Further, labor turnover within the industry is also attributed to migration of skilled intellectuals and technical personnel both from and within developing countries in search of better work condition. In this regard, Ameh and Daniel (2017) state that Nigeria, Kenya and Ethiopia are the most affected countries by emigration in Africa. Labour turnover in the industry under discussion is believed to be caused by ineffective human resource management, which is characterized by poor training or lack of opportunity for training, poor wages and compensation issues, irregularity of the workload, safety issues among others.

What's more, in Nigeria, Oladipo and Abdulkadir (2011) examine the extent to which strategic human resource management is practiced in the manufacturing sector and the relationship between strategic human resource management and organizational performance. The results show that strategic human resource management was moderately practiced in the Nigerian manufacturing companies. Results also indicate that line management devolvement, innovative recruitment and development of personnel, equity based compensation system, performance appraisal system, effective career planning system and a vigorous employee participation in the organizations' decisions and actions are the key strategic human resource practices which influence organizational performance in the sector. It, therefore, implies that companies operating in the manufacturing sector should pay more attention to these practices with a view to improving their implementation across the industry.

Construction industry accounts for a significant portion of world economic activities, especially in emerging economies like Ethiopia where infrastructure developments are much needed. Moreover, the construction industry is typically characterized as a labor-intensive and low-tech sector. Meanwhile, it is also the sector consistently found the least productive. Commonly cited reasons for such poor performance in this sector are fragmentation, project-based culture, and temporary teams. These factors have something in common; they pointed to the difficulty in managing human resources. Therefore, one way to increase the performance of this sector is to leverage more on human capital through the use of human resource management (HRM). In this study, therefore, the researcher attempted to assess human resource management practices and challenges in some selected construction firms with reference to Jimma town, Oromia Regional State.

1.2 Statement of the Problem

Ethiopia is the second most populous country in Africa with an estimated population of 110 million people (Worldometers, 2017). It is for this reason that the Ethiopia's population and human resource base make it one of the most attractive countries for foreign investment in Africa. As foreign and local firms increase their involvement in Ethiopia, they will need to build capabilities and utilize local competencies. The knowledge of human resource management (HRM) and more importantly perhaps, HRM practices and challenges in Ethiopia will become increasingly critical to do businesses in Ethiopia and ultimately their success. Hence, the way to get things done cannot be divorced from local values, customs, and the overall external cultural environment.

As to Tsegaye (2014), the construction industry in Ethiopia is one of the most labour intensive industries; however, very little importance is given to the human resource management issues. The challenges faced by the human resource in this sector are quite different from other labor intensive industries (Getnet & Admit, 2005). The Human resource management function is perceived as centralized head office function though most of the problems arise at operational or project level. The industry's project based structure comprises of diverse range of people from a wide range of occupational cultures and backgrounds, including people in unskilled, craft, managerial, professional and administrative positions. Thus, the construction industry operates

in a very dynamic environment where demands change from project to project, making the management of this diverse work force more difficult. The project based structure of this industry creates a problem in usage of central tenets of HRM strategies at operational level of projects.

Apart from this, some local studies have been conducted in various sectors. For instance, Wasbeek (2004) examines how human resources are managed at selected Ethiopian private companies, how Ethiopian human resource management practice is evolving, and how it can be improved. And the outcome of the study shows that an understanding of Ethiopian human resource management practice makes it possible to improve Ethiopian human resource management practice, and thus to increase employee productivity. As to Wasbeek (2004), Ethiopian human resource management practices differ from human resource management practices in the West due to differences in cultural factors, economic systems, political systems, and legal and industrial relations.

More important, the researcher states that the importance of human resource management is not uniformly understood at all the case-study companies. Although the multinational companies based in Ethiopia see their human resources as the companies' most important asset, as human capital, the local companies generally do not.

Other studies on human resource management in Ethiopia focus on other industries. For example, Shiferaw (2013) assesses HRM practice in Ethiopian Public Health Association (EPHA), and the finding shows that there are gaps in HRM practices regardless of HR manager's high level of education in their respective job fields. In another study, Hagere (2017) examines the effect of compensation practices (focusing on salary, benefit, career growth opportunity, supervisor support and non-financial recognition practice) on professional employees' turnover intention in an organization called GOAL Ethiopia. The result shows that salary is the main factor in influencing employees' turnover intention followed by supervisory support, career growth opportunity and non-financial recognition in a respective manner.

Further, construction is a project based industry which involves all project participants such as clients, designers, contractors, constructors, and consultants. Most project participants have a short-term relationship of cooperation during the project period. Often they can be from different cultural backgrounds, and also possess different construction professional and skill levels. Due to the characteristics of construction projects and various project participants, an increasingly urgent need is to implement HRM and to manage relationships among project participants. Nevertheless, with reference to human resource management practices and challenges in the Ethiopian construction projects, previous studies could not show the extent to which the construction sectors practice the human resource management functions and what are the confronting challenges while implementing these dimensions. This study, therefore, focused on the assessment of HRM practices and challenges in some selected construction projects in Jimma town.

1.3 Basic Research Questions

This study focused on the following basic research questions.

1. To what extent do construction projects under the study practice the human resource management?
2. What are some of the challenges the construction projects under the study encounter while they practice HRM, if any?
3. What challenges face construction projects to implement OHS policies and procedures?

1.4 Objectives of the Study

This study has both general and specific objectives.

1.4.1 General Objective of the Study

Ultimately, this study attempted to assess the human resource management practices and confronting challenges in the construction projects with reference to Jimma town.

1.4.2 Specific Objectives of the Study

In specific terms, this study tried to:

- Assess the practices of human resource management in the selected construction projects;
- Identify some of the challenges facing the selected construction projects in line with human resource management practices.
- Explore the challenges and problems face construction projects to implement OHS policies and procedures?

1.5 Significance of the Study

From project human resource management perspective, this study will show HR professionals the practices and challenges construction firms encounter. This, in turn, will help to take the corrective actions. Again, for the project managers, it will orient to focus on the work force and plan to minimize the challenges that they face. Finally, it is the researchers' faith that this study will contribute its share as the starting point and reference for other studies to be conducted in the field.

1.6 Scope of the Study

Although the concept of human resource management function and practices are so broad, this study delimited itself only to certain functions: human resource planning, recruitment and selection, training and development, performance appraisal and reward management, motivation and labor relation, occupational health and safety (OHS). So, the study made an effort to assess the human resource management practices and challenges in some selected construction projects. Besides, methodologically the study was delimited to descriptive survey design with purposive sampling technique. Moreover, the study was confined geographically to Jimma town, and periodically, it was conducted from February to May 2019.

1.7. Limitations of the Study

To state some of the limitations of this study, the study's scope was the first limit; it took into account only some selected construction projects in Jimma town. In other words, other giant construction projects outside Jimma town were not included for the fact that some huge construction projects terminated their activities. For this reason, the outcome of this study will

not be generalized to all mega construction projects in Jimma Zone and Oromia Regional State in particular and in Ethiopia in general. Since little research has been done in this area, it mainly based on primary data.

1.8 Operational Definitions of Key Terms

Human Resource: refers to the talents and energies of people who are available to an organization as potential contributors to the creation and realization of the organization's mission and vision.

Challenges: For this study challenges are obstacles or impediments that hinder effectiveness of human resource development practices in the selected sector

Human Resource Management: refers to the process of hiring and developing employees so that they become valuable to the organization

Developing country: a country with a less developed industrial base and a low Human Development Index relative to other countries

1.9 Organization of the Study

The study under discussion has been organized into five chapters as pointed out below. To commence with, chapter one entails the background, purpose statement, basic research questions, research objectives (general and specific) significance, scope, limitation of the study, and operational definition of key terms. In addition, in chapter two related literature review of the study has been presented. This chapter deals with the following key relevant literatures: it starts with the concept of human resource and human resource management, an overview of theories underlying HRM, empirical studies, HRM practices (recruitment and selection, training and development, reward and compensation, performance appraisal, occupational health and safety... etc). In addition, chapter two discusses the prominent challenges construction projects face while they practice the human resource management. Chapter three presents the research methodology and provided the research design, approach, participant of the study, sampling technique, sample size, data sources and types. Plus, the third chapter deals with data collection tools and procedures, methods of data analyses and ethical considerations.

In the fourth chapter, the analysis of the collected data and interpretation were presented. Based on the data, further discussions on the findings were also made. Chapter five, the final chapter, presents the summary, conclusions and recommendations based on the findings of the study.

CHAPTER TWO: REVIEW OF RELATED LITERATURE

This chapter wraps up review of relevant literature which includes the concept of human resource and human resource management, theories underlying human resource management, human resource management practices, empirical review, conceptual framework of the study,

2.1 The Concept of Human Resource and Human Resource Management

Human Resource (HR) is the most important asset for any organization, and it is the sources of achieving competitive advantage. Furthermore, human resource is considered as the most important resource of the organizations, and it became vital for the success of any organization (Tayeb, 2005).

On the other hand, human resource management (HRM) refers to the policies and practices including HRP, job analysis, recruitment selection, orientation, compensation, performance appraisal, training development, and labor relation (Dessler, 2007). This implies that HRM is all about the management of people in the organizations. It comprises the activities, policies, and practices involved in obtaining, developing, utilizing, evaluating, maintaining, and retaining the appropriate number and skill mix of employees to accomplish the organization's objectives.

Above and beyond, HRM aims to ensure that the organization obtains and retains the skilled, committed and well-motivated workforce it needs (Abraham, Kusi & Mensah, 2018). This means taking steps to assess and satisfy future people needs and to enhance and develop the inherent capacities of people; their contributions, potential and employability by providing learning and continuous development opportunities. In short, HRM is related to rigorous recruitment and selection procedures, performance-contingent incentive compensation systems, and management development and training activities linked to the needs of various organizations.

HRM has several aims, including maximizing employees' contributions in order to achieve optimal productivity and effectiveness, while at the same time achieving the objectives of

individual employees and those of the society; supporting the development of firm-specific knowledge and skills that are the result of organizational learning processes; and enhancing motivation, job engagement and commitment by introducing policies and processes that ensure that people are valued and rewarded for what they do and achieve and for the levels of skill and competence they reach (Kusi, 2017; Anbuoli, 2016). To Dessler (2008), HRM aims to develop and implement policies that balance and adapt to the needs of its stakeholders and provide for the management of a diverse workforce, taking into account individual and group differences in employment, personal needs, work style and aspirations and the provision of equal opportunities for all.

2.2 Theories Underlying Human Resource Management

Experts in the field of construction work have developed theories regarding how to successfully use HRM in specific conditions of construction. For example, Nesan and Holt (1999) described a new construction philosophy, which is largely concerned with the idea of increasing level of employee empowerment. Similarly, Olomolaiye et al. (1998) proposed the lean construction philosophy, which combines existing techniques and principles in a new dimension for productivity improvement and cost reduction by stimulating employees.

On top of this, there are a number of theoretical arguments (e.g. expectancy theory, resource-based theory, human capital theory) that underlie in human resource management. The following are some of the fundamental theories reviewed in conducting this study.

2.2.1 Expectancy Theory

According to MacDuffie (1995), as cited in Mussie (2006), expectancy theory assumes that if an employee is to be productive, three elements must be in place: competence, motivation and role clarity. Likewise, the expectancy theory proposes that HRM outcomes (employee competence, motivation and role clarity) mediate the relationship between HR practices and employee performance. Employee performance, in turn, positively affects performance at the organization level. To put in a very simple term, the expectancy theory says that an employee will be motivated to exert a high level of effort when he or she believes that:

- ❖ Effort will lead to a good performance appraisal.

- ❖ A good appraisal will lead to organizational rewards.
- ❖ The organizational rewards will satisfy his or her personal goals.

The key to the expectancy theory is an understanding of an individual's goals and the relationships between effort and performance, between performance and rewards, and finally, between the rewards and individual goal satisfaction. When an employee has a high level of expectancy and the reward is attractive, motivation is usually high.

Therefore, to motivate workers, managers must strengthen workers' perceptions of their efforts as both possible and worthwhile, clarify expectations of performances, tie rewards to performances, and make sure that rewards are desirable.

2.2.2 Resource-Based Theory

Resource-based theory states that the possession of resources is valuable, difficult to imitate, rare, and cannot be substituted (Dunford, Snell & Wright, 2001). Furthermore, the resource-based theory suggests that organizations should look inside the company to find the sources of competitive advantage through the use of their resources. A competitive advantage is an advantage that a firm has over its competitors that allow it to generate sales or margins and/or retains more customers than the competition. A firm's competitive advantage evolves from the resources that the organization has. To enable employees to become a source of a firm's competitive advantage, it is necessary to affirm several principles that underscore the link between a firm's human resources and its business strategy.

According to Karami et al. (2004), there are four principles that link the two: 1. the firm must seek to ensure that it has capable and committed employees; 2. The firm must commit to the strategic importance of human resources to the success of the business; 3. Human resource activities must be managed by specialists; 4. Human resource management is integrated into business strategy.

2.2.3 Human Capital Theory

The human capital theory fuels the idea that employees' knowledge and skills can be developed through investment in education or training that is, learning (Hatch and Dyer 2004). What's more, these scholars argue that, on the whole, investments in education and training will improve productivity; however, it is the type of training that determines who will pay for the training, that is, the employee or the firm.

2.2.4 Reinforcement Theory

Wei and Yazdanifard (2014) explain that the reinforcement theory, based on E. L. Thorndike's law of effect, simply looks at the relationship between behavior and its consequences. This theory focuses on modifying an employee's on-the-job behavior through the appropriate use of one of the following four techniques:

Positive reinforcement rewards desirable behavior. Positive reinforcement, such as a pay raise or promotion, is provided as a reward for positive behavior with the intention of increasing the probability that the desired behavior will be repeated.

Avoidance is an attempt to show an employee what the consequences of improper behavior will be. If an employee does not engage in improper behavior, he or she will not experience the consequence.

Extinction is basically ignoring the behavior of a subordinate and not providing either positive or negative reinforcement. Classroom teachers often use this technique when they ignore students who are "acting out" to get attention. This technique should only be used when the supervisor perceives the behavior as temporary, not typical, and not serious.

Punishment (threats, docking pay, and suspension) is an attempt to decrease the likelihood of a behavior recurring by applying negative consequences.

The reinforcement theory has the following implications for management:

- Learning what is acceptable to the organization influences motivated behavior.
- Managers who are trying to motivate their employees should be sure to tell individuals what they are doing wrong and be careful not to reward all individuals at the same time.

- Managers must tell individuals what they can do to receive positive reinforcement.
- Managers must be sure to administer the reinforcement as closely as possible to the occurrence of the behavior.
- Managers must recognize that failure to reward can also modify behavior. Employees who believe that they deserve a reward and do not receive it will often become disenchanted with both their manager and company.

2.2.5.Goal-setting Theory

The goal-setting theory, introduced in the late 1960s by Edwin Locke, proposes that intentions to work toward a goal are a major source of work motivation. Goals, in essence, tell employees what needs to be done and how much effort should be expended. In general, the more difficult the goal, the higher the level of performance expected (Shantz, & Latham, 2009).

Managers can set the goals for their employees, or employees and managers can develop goals together. One advantage of employees participating in goal setting is that they may be more likely to work toward a goal they helped develop.

No matter who sets the goal, however, employees do better when they get feedback on their progress. In addition to feedback, four other factors influence the goals-performance relationship:

- The employee must be committed to the goal.
- The employee must believe that he is capable of performing the task.
- Tasks involved in achieving the goal should be simple, familiar, and independent.
- The goal-setting theory is culture bound and is popular in North American cultures.

If the goal-setting theory is followed, managers need to work with their employees in determining goal objectives in order to provide targets for motivation. In addition, the goals that are established should be specific rather than general in nature, and managers must provide feedback on performance.

2.3 Human Resource Management Practices in the Construction Industry

HRM practices are the primary means by which firms can influence and shape the skills, attitudes, and behavior of individuals to do their work and thus achieve organizational goal (Senyucel, 2009). Likewise, HR practices are designed to improve the knowledge, skills and abilities of employees, boost their motivation, minimize or eliminate loitering on the job and enhance the retention of valuable employees. The following HRM practices, Human Resource Planning, recruitment and selection, training and development, performance appraisal, compensation and reward are examined in details.

2.3.1 Human Resource Planning (HRP) in Construction Industry

Planning of the human resource in organization is an important activity in which the employer should be able to define what the requirements are and how these can be satisfied. According to Reilly (2003), HRP is the process including forecasting, developing, and controlling by which a firm ensures that it has the right number of people and the right kind of people, at the right place, at the right time, doing work for which they are economically most useful.” Organization dependence on the availability of the right person, at the right time for fulfilling job requirements cannot be debated. All well thought out plans for replacement of staff, growth of business, or for attempts to diversify depend on the timely availability of qualified employees.

The HRP is very important for the organization as the employees are constantly changing so management needs to respond to the changes and update the plans accordingly. Here, the aim is to explain what the HRP are and how the planning is executed in a challenging environment and changing of employees.

A further point is that the HRP practice starts from making a plan which is an assessment of the future development and their possible impact on the employee issues (Armstrong 2010). This plan is affected by the organizations strategy as well as with practices and methods. Then, there is need for workforce analysis internally and externally to define the present situation (Bratton and Gold, 2003).

On the other hand, there is need for forecasting the future demand, supply and requirements of the current and potential employees.

Finally, it is required to make an action plan according to the forecasts which can include training, promotions or external recruitments (Armstrong 2010). Furthermore, it is management's responsibility to forecast and plan the HR practices accordingly. The possible problems with HR planning can be avoided with planning techniques that are used to identify the problems with the man power.

However, the main aim of the HRP is to reduce waste in employing people, reduce uncertainty about current manpower levels and future needs, and eliminate mistakes in staffing. Its purposes also include avoiding worker and skills shortages, stopping the profit eroding effects of being over or under staffed, preparing succession plans and shaping the optimum future workforce by hiring the right managers, technical specialists and skilled workers in appropriate numbers (Farnham, 2006). Therefore, the purpose of having a HRP either in the short run or in the long run, is to have an accurate estimate of the number of employees required with matching skill requirements to accomplish the organization's goals and objectives.

2.3.2 Recruitment and Selection in Construction Sector

Recruitment is defined as a process of bringing in the right people who have the potential of making a positive contribution to a particular organization regardless of whether it is for short term or long term (Bratton and Gold, 2003). As to Siew (2014), recruitment can be stimulated by the following reasons:

- an employee decides to leave a company due to retirement or better job offer
- organizational expansion which requires immediate work force
- changes in global environment requiring different skilled employees

Further, recruitment is a process of seeking and attracting a pool of people in order to select qualified candidates for vacant positions within the organization (Gusdorf, 2008). Besides, recruitment and selection is a process that consists of four different stages which are defining requirements, planning recruitment, attracting candidates and

selecting candidates. This is part of the actionable HRP and all these steps should be taken according to the demands of the organization (Armstrong 2010). Armstrong suggests that the behavioral and technical competencies, qualifications and experiences are part of job roles.

The defining of requirements starts from the organization strategy and the HRP which define the kinds of employees needed and what kind of activities they are to execute. This comes down to analysis and definitions of competencies and characters required for the specific job role (Bratton and Gold 2003, 2008).

According to Compton, Morrissey, & Nankervis (2014), recruitment is a process of searching for prospective employees and stimulating them to apply for jobs.

Recruitment can be internal or external. Internal recruitment is looking for candidates among employees already working in the organization. It involves techniques like job posting. In this method, notices about vacant positions are posted in central locations. Throughout the organization, and employees are given a time to apply these positions. Another method used in internal recruiting is to seek recommendations from present employees regarding friends who might fill vacancies. External recruiting, on the other hand, seeks for candidates from outside the organization. The methods of external recruiting can be listed as follows: referrals, media advertisements, campus recruitment, working with employment agencies using computer databases (Shiferaw, 2013).

On the other hand, according to Mondy (2010), selection is the process of choosing from among the candidates from within the organization or from outside, the most suitable person for the current position or for the future position.

Every organization has its own selection policy. Selection is the decision of making process. Selection is the process of choosing from a pool of applicants the individuals who best fit their selecting criteria for a position (Byars & Rue, 2006).

Generally, the organization selection process begins with the completion of the

application form be the applicants.

The next step is preliminary screening interview in which minimum qualifications of applicants are screened and a brief personal interview is conducted to form general impression of the candidates and obtain key information about them.

The other step is to make employment tests such as knowledge and skills tests, emotional intelligence tests, integrity tests, personality tests and other work related tests. The next step is employment interviews are conducted in which these interviews can be in different formats, structured, unstructured, or semi structured.

In the structured interview, the interviewee received a set of questions that have been prepared in advance by the interviewer. However, in unstructured interviews, the candidate controls the flow of the conversation. The interviewers do not direct the interviewees; rather they repeat the questions or statement by the candidates to encourage further discussion.

2.3.3 Performance Management in Construction Companies

Performance management is about performance, and it is a necessary part of HRM. Armstrong and Baron (2010) define performance as a strategic and integrated approach to delivering sustained success to organizations by improving the performance of the people who work in them and by developing the capabilities of teams and individual contributors. It is concerned with performance improvement, employee development satisfying the needs and expectations of all the organization's owners, management, employees, customers and the community.

Furthermore, performance management is the process by which executives, managers, and supervisors work to align performance with the firm's goals. It is the activity used to determine the extent to which an employee performs work effectively.

In other terms, performance management includes performance appraisal, performance review, employee evaluation, employee appraisal and merit. It creates an environment

in which a continuing discussion between managers and the members of their teams takes place to define expectations and share information on the organization's mission, values and objectives performance management includes setting goals, evaluating outcomes and giving feedback to improve the future performance of an employee, team or the organization in general. It is supposed to direct the behavior to desired direction and motivate people by having clear objectives and the opportunity to correct the behavior according to the feedback.

The way of giving corrective feedback should be practiced, and the manager should always stay polite, calm and professional. It has been argued that the most powerful mean of performance management is goal setting. If the goals can be made and achieved in a certain period of time it would mean that a person has control over the environment as well as the time could be managed (Schneider and Barsoux, 2003).

An effective performance appraisal system involves two way communications between the supervisor and the subordinate about performance. Evaluation should not be viewed simply as a once a year completion of rating forms, it should be a continuing process. For a formal performance appraisal to be effective, six steps must be taken according to Ivancevich (2004).

1. Establish performance standards for each position.
2. Establish performance evaluation policies on when and how often to evaluate, who should evaluate, the criteria for evaluation to be used.
3. Have raters gather data on employees performance
4. Evaluate employees' performance
5. Discuss the evaluation with the employee
6. Make decision and file the evaluation.

Performance evaluation interviews that involve feedback evaluation information can be effective if the evaluation information is meaningful, clear, and helpful. On the other hand, feedback information can be quite stressful if the evaluation is considered unfair, inaccurate, and poorly designed.

Selecting the best appraisal approach for the employees and managers to use is an important decision, properly performed performance evaluation contribute to organizational objectives and employees development and satisfaction. If objective done well, the appraisal can help identify a better worker from a poor one.

An effective appraisal system is an asset to the organization. McMahon (2013) viewed the objective of performance appraisal as follows. Accordingly appraisal should serve the following objectives:

1. Help the employee to overcome his weakness and improving his strength and this enable him to improve his performance
2. Generate adequate feedback and guidance from the immediate supervisor to an employee working under him
3. Help identify employees for the purpose of motivating, training and development them.
4. Identify employees for salary increase, promotion and transfer
5. Identify training needs.

Therefore, a good performance plan can give a sense of direction and utilize human potential and enhance individual and organizational performance. Supervisors should work hard by helping employees to meet their expectations on the other hand, conducting periodic performance appraisal is very important by comparing the last period with the current period.

In addition, supervisors should identify the employee's strength and weakness, and may plan ways of avoiding their weakness and develop their skills, knowledge and experiences to fully apply their strength toward improving the work performance effectively and efficiently.

It was reported that PRP is the most popular evaluation technique in the construction sector. PRP focuses wholly on output and process criteria and employees are rewarded based on the

achievement of goals (Loosemore et al., 2003). According to Druker and White (1996), one of the major challenges in the construction industry is the capacity to perform efficient PRP systems partly because of the somewhat 'volatile' nature of the construction industry where employees are constantly rotated around different projects. To achieve this, a few methods such as competency-based or skills-based systems have been developed. The distinctive feature among all of them is the nature in which assessment is carried out. Some adopt a qualitative approach through the description of an employee's performance while others adopt a more quantitative approach via an employee performance rating scale. Yet, to this end, there is hardly any proposal recommending sustainability competencies for employees within the construction industry. 'You can't manage what you don't measure'. Without sustainability competencies, there is simply no indication as to how employees are contributing or working towards the attainment of sustainability goals. The following section in this paper fills this gap accordingly.

2.3.4 Training and Development in Construction Firms

Training and development constitute an ongoing process in any organization and it is one of the HRM practices of construction sectors. In addition, training and development encompasses three main activities: training, education and development. Firms that offer training and employee development are making a visible investment in employees. Among its positive outcomes, this investment increases employability for the individual employee (Cheng and Ho, 2001).

The human resource training and development system of an organization is key mechanisms in ensuring the knowledge, skills, and attitudes that are necessary to achieve organizational goals and create competitive advantage (Quartey, 2012). Besides, training is planned effort that facilitates the acquisition of job related knowledge, updating of skills sets, and impacts the behavior of an employee.

“Training is the formal and systematic modification of behavior through learning which occurs as a result of education, development and planned experience (Armstrong, 2001:543).”

In contrast, staff development refers to the development of supporting technical and professional staff in organizations. Its aims are to enable such employees to perform their current and future role effectively (Shiferaw, 2013).

In the environment of today's business an employee is needed to cope with various pressures and are required to keep their skills and knowledge current to stay and remain competitive. Thus, demand for a well-qualified workforce becomes a strategic objective.

In the implementation of HRM tools training is an important factor responsible for productivity. Higher productivity observed in organizations is a direct outcome of training programs. Untrained workers tend to change job more often.

Bradley, Petrescu and Simmons (2004), explain that an increasing in high performance work practices converts decreasing in turnover Training programs are particularly helpful when an employer is experiencing a high degree of employee turnover more so during the times of economic uncertainty. Even during the times when the business is flourishing an organization should proactively earmarked their investment for on the job training and other training programs balancing the cost of training with the perceived benefits of productivity.

On the other hand, a trained worker has got the required skills and knowledge and can be candidate for job turnover because, after having training, employee may decide to leave the organization to find a better job in another organization.

Therefore, job satisfaction is crucial factor to retain the employee from shifting his or her jobs. It can be expected that firm's investments in training will have a positive impact on the extent to which the firm actually succeeds in developing the skill and knowledge of its employees.

Organizations with superior training programs may experience lower staff turnover than organizations that neglect staff development.

In the field of HRM, training and development is the field concerned with organizational activity aimed at improving the performance of individuals and groups in organizational settings. HRM practices influence employee skills through the acquisition and

development of firm's human capital (Afshan, 2012). Organizations can adopt various HRM practices to enhance employee skills (Claudia, & Katja, 2011). First, such practices can be used for improving the quality of the individuals hired by raising the skills and abilities of current employees. Second, organizations can improve the quality of current employees by providing comprehensive training and development activities after selection of workers.

Therefore, firms with superior training programs are likely to experience lower staff turnover than companies that neglect staff development (Muhammad & Shamaila, 2013).

Also more investment in training and employee development is positively related to organizational effectiveness, increased productivity and reduces employee's intent to leave the organization (Green, Felstead, & Mayhew, 2000). The investment in employee learning, training and development is a way of creating a primary internal market, and policies aimed at upgrading skill reduce an organization's dependency on external source of skill (Bratton and Gold, 2007).

A good system of training and development starts with the identification of training need assessment. An organization needs to assess its people's skills training needs by variety of methods and then structure the way that the training and development is to be delivered and the top level management being with HRM should give due attention on training and development programs and help their employees in training so that they can be competent and effective in their work performance to achieve the organization's objectives are met.

2.3.5 Compensation (Reward) Management in Construction Firms

Compensation is one of the human resource management functions that deals with every type of reward individuals receive in exchange for performing organizational tasks, such as wages, salaries and bonuses.

The objective of the compensation function is to create a system of rewards that is equitable to the employer and employees. Green, Felstead, & Mayhew (2000) assert that the compensation system is recognized as employee merit and it is widely linked with firm outcomes. Compensation by its definition means all monetary payments and all commodities used instead of financial to recompense employees. The reward system was

organized to attract and motivate so as to keep employees.

According to Bratton and Gold (2007), reward refers to all the financial, non financial and psychological payments that an organization gives for the employees in exchange for the work they perform. Regardless of any other rewards, it gives to its employees, an organization must make three main decisions about monetary reward how much to pay, for whom to pay, and how much to pay. Emphasis should be placed on monetary reward as part of the total employment relationship.

Mulolli, Islami & Skenderi (2015) suggest that compensation and reward can be powerful tools for getting efforts from the employees to fulfill the organizations goals.

Reward management is closely related to the performance management as usually the rewards follow after successful performance. Rewards can be divided into financial and non financial rewards and different strategies can be adopted for the allocation of rewards (Armstrong 2010).

In practice, the rewarding should be based on the type of job the individual is doing and how one performs the job, although the demand and supply of the labor force are increasingly affecting the rewarding. The reward is seen as a tool of managing which supports the success of organization and motivates the workforce to act according to the values and objectives of the organization.

The rewarding has many different systems to follow. The financial rewards can be base pay, and performance related pay. Base pay is determined with internal and external rates that are the form of job evaluation and market rates and it is expressed with relation to a certain time period i.e. year, month, and week. The levels of pay are agreed with individual agreements or with collective agreements/with labor unions (Armstrong 2010).

To complement financial rewards, there are different tools of non financial rewards. Those focus on the needs that people have for recognition, achievement, responsibility, influence and personal growth. Money alone cannot be relied on motivating employees to work, so it should be reinforced with these non financial rewards. If the motivation is achieved in such means, it can have longer lasting and powerful effect on people

(Armstrong 2010).

However, choosing an appropriate compensation mechanism is probably the core problem of HRM and represents the heart of personnel economics (Ayalew, 2018). Further, he states that compensation packages must be consistent with profit maximization on the part of the firms, but they should also provide workers with the incentives to do as well as possible. In addition, incentive compensation has a positive impact upon organizational performance, lower employee turnover and increases sales growth (Muhammad & Shamaila, 2013). Particularly, salary growth effects on turnover are greatest for high performer that is high salary growth performing employees in the organization.

To summarize, employees need to be paid so that they are able to live. Pay needs to be adequate and equitable. Money is not the only reward and compensation and may not motivate employees to be more productive, other benefits are also need to be looked at.

2.3.6 Motivation and Labor Relation Practices in Construction Firms

Motivation starts with good employee morale, the mental attitude of employees toward their employer and jobs. High morale implies sign of a well-managed organization; however, poor morale shows up in many ways, including absenteeism, employee turnover, strikes, falling productivity, and rising employee grievances (Ameh, & Daniel, 2017).

Further, Akpala (1982) as cited in Blessing, et al (2017), states that labor relations or labor-management relations connote a relationship between worker, not as individuals but in their collective identity, and the employer. The concept, labor relations is narrower in scope than industrial relations, because, it concerns the internal arrangement between employers and the unions in a bi-partite relationship. Their activities would seem to exclude the possible intervention of the government as umpire in the employment relations regulations. When such intervention by the government as a third party occurs, the relationship becomes more involved and is known as industrial relations.

Industrial relations are regarded to be wider than labor relations. Koçer and Hayter (2011) posit that labor relations, as distinct from industrial relations, can be defined as the day to day

relationship between union members and manager in the workplace, with particular emphasis on the implementation and enforcement of the collective agreement.

2.3.7 Health and Safety in Construction Projects

Given the nature of the industry in developing countries, and the lack of technical knowledge and capabilities in identifying existing and potential hazards in the workplace, construction is far more hazardous. Regarding this, Lucy, Quezon and Macarubbo (2016) explain that the construction sector has been seen as one of the hazardous industries. This is because the industry has a poor health and safety performance record compared to other industries all over the world.

According to Dukpa and Dendup (2017) pertinent issues existing in the construction sector in developing countries included: no proper safety net or system to protect workers, use of poor quality hand tools (which increases the risk of injury), failure to include safety mechanisms at the time of design and planning, unclear or undefined roles and responsibilities of all the parties involved, and the lack of participation of workers in the health and safety issues.

Similarly, lack of safety awareness, insufficient safety regulations, poor technical knowledge and capability, ineffective implementation or enforcement of safety standards, and poor attitudes towards safety and health are also common in developing countries (Zeng et al, 2008).

Bhutto, Griffith and Stephenson (2004) argue that in the modern business environment, occupational health and safety (OHS) is a very sensitive management responsibility that influences the very survival of organizations in some extreme cases. The same is true that construction projects do not operate independently of the society in which they are located. Thus, the emergence of new regulations, laws, standards and codes has also made many construction organizations to improve their safety performance.

Agwu (2012) insists that construction industry must not approach construction safety as just another step in avoiding unwanted accidents/costs but as a strategic tool for maximizing competitiveness and profitability. In this regard, total safety management has to be proposed as a performance- oriented approach to construction safety that gives an organization a sustainable

competitive advantage in the global marketplace by establishing a safe work environment. That is consistent with peak performance and continuous improvement through the integration of all aspects of construction safety (intention, behavior, culture and process).

In Ethiopia, however, the perspectives of most industries and organizations show that the stage of occupational health and safety is still at infancy in the country due to employer/employee attitudinal behaviour, lack of safety culture and non-implementation of OHS policies. In addition, only big multinationals recognise occupational health and safety and run the policies as constituted in their parent countries of origin (Fasil, 2017).

Meanwhile a typically effective safety management system should encapsulate the actions managers at all levels take in order to create an organizational setting in which workers will be trained and motivated to perform safe and productive construction jobs. Furthermore, Dawit (2006) states that effective safety management is both functional (involving management control, monitoring, executive and communication subsystems) and human (involving leadership political and safety culture sub-systems paramount to safety culture). In Libya Al-Kilani (2011), for example, suggests that safety management must be thorough, and it must be applicable to all aspects of the job, from the estimating phase of the project until the last worker has left the premise at the completion of the project.

2.4 Empirical Review

Practically, the human resource management practices and challenges vary from most developed to least developing countries at global level. The following section over views these variables (human resource management practices and challenges).

2.4.1 Human Resource Management Practices in the Construction Projects

Zhai, Liu and Fellow (2014) investigate the role of HR practices in enhancing organizational learning in Chinese construction organization using questionnaire survey and structural equation modeling. The study found that HR practices in Chinese construction organizations involve multidimensional practice of job description, participation, training, staffing, and rewards. Besides, HR practice is found to have a significant positive effect on organizational performance.

Moreover, in the United States construction industry, HRM theory that is currently widely accepted as having profound influence on organizational performance is employee motivation through: worker participation, recognition, team belonging, management and commitment and effective training (Yankov and Kleiner, 2001).

Further, Huemann, Keegan and Turner (2007) develop a simple model of HRM process in project oriented company (inclusive of construction) which is different from mainstream HRM literature. The authors argue that due to specific characteristics of the project-oriented company, particularly the temporary nature of the work processes and dynamic nature of the work environment, there exist specific challenges for both organizations and employees for HRM in project-oriented companies, and that these have been neither widely acknowledged nor adequately conceptualized in the extant mainstream HRM or project management literatures.

Unlike many other industries whose performances are enhanced by new emerging technologies, construction industry is still a labor-intensive and low-tech sector; as a result, human capital is the most important and very often the most expensive resource deployed within it (Loosemore, Dainty, and Lingard, 2003).

In Nigeria, for example, Ameh and Daniel (2017) state that due steps were followed in the recruitment process but the selections of desired candidates were often hampered by interferences and competitive work conditions. Furthermore, training and development practices were superficial, involving orienting newly recruited employee on facilities for optimum performance rather than developing employee job related competences. Provision of appropriate/modern working tools and equipment and provision of incentives and benefits to staff were the prevailing motivation and labor union practices.

In Eritrea Mussie and Joseph (2006) examine how, when and to what extent HR practices affect performance at the employee level. They state that the Eritrean economic and political environment within which HR practices operate has not been conducive in maximizing the impact of HR practices on performance. These findings highlight the situation of most developing countries.

The activities of the construction industry have raised serious health and safety concerns amongst governments, health and safety stakeholders, health and safety professionals and re-searchers over the past few decades (Enshassi and Mayer 2002, Othman & Napiah, 2012), International Laborer Organization (ILO) 2005, Kaplinski 2002, Rowlinson 2004) . In response, health and safety legislation has been developed to ensure management of construction businesses, and recently many other participants in a project, assume responsibility for managing the risks associated with construction projects. Health and safety management in the construction industry has evolved from measures adopted in accident prevention to more systematic and proactive approaches to minimizing the risk of hazards in the industry.

2.4. 2 Challenges of HRM in Construction Organizations

The problems facing the construction industry in developing countries are significantly more fundamental, more serious and more complex. In developing countries, these difficulties and challenges sit alongside the general situation of socio-economic stress, chronic resource shortages a general inability to deal with the major success factors (Ofori 2000).

Chan (2005) as cited in Orga & Ogbo (2012) explains that integrating the views and interests of organization workplace diversity dimensions such as age, ethnicity, ancestry, gender, physical ability/qualities, race, sexual orientation, educational background, geographic location, income, marital status, religious beliefs among others is a challenge in HRM.

In Iran, Tabassi and Abu Bakar (2009) explore HRM practices and challenges in construction projects. They found that training and motivation of employees are major obstacles to effective use of HRM in Iran. To improve the performance of construction companies, they suggested employing both short-term and long-term training of construction workers at fixed location such as Technical Vocation Training Organization (TVTO), as well as construction sites and other On the Job Training (OJT) facilities. In addition, they proposed that government should provide incentives or policies that will encourage self-learning through certification of fitness for occupation in the project.

In Africa, for instance, Gabriel (2016) conducts a case study in Nigeria construction firms and identified challenges facing human resource management practice which include high labour turnover, interference at the selection stage, competitive wages and compensation issues among others. In addition, the socio-cultural diversity of Nigeria has influenced the HRM practices.

Furthermore, Chukwuemeka (2006) asserts that employing a female worker imposes the burden of nursing mothers and its obvious consequences to productivity, including: loss of man hours, absenteeism and outright increase in labour turnover and layoffs. Government policies and legislation is another challenge on HRM. There are legislations on minimum wages, recruitment and selection, training and development, compensation, integration and separation of employees from the organizations.

Further, Yaro (2014) lists the challenges of recruitment in the public service in consideration in the recruitment process, federal character principle which prescribed ethnic balancing and equal opportunity to applicants from all geopolitical zones and recruitment on the basis of skills and technical abilities alone at the expense of positive attitude and character. These challenges are not limited to public service alone but Nigeria to include: interference by political office holders using sentiments and other primordial also construction organizations in Nigeria.

Oginni and Afolabi (2012) reveal that HRM practices such as wages and salary, training and development, recruitment and placement as well as employee relations, performance appraisal, career development and lay off procedures were found in the boom and recession economic periods. The focus of the practices was on satisfaction of employees in order to prevent high labour turn over in the boom period while the focus of the practices in the recession period was mainly on organizational survival by way of cutting cost most especially in the area of human resource.

Tadesse, Zakaria and Zoubeir (2016) assessed the performance of Ethiopian construction industry with respect to construction project management practices and its challenges in order to identify the major issues for intervention. The results revealed that the level of construction project management practice in terms of adapting general project management procedures, project

management functions, tools & techniques to be unsatisfactory. Particularly, the level of practice in terms of safety, risk and time management was found to be very low. However, none of the previous works dealt with the human resource management and its challenges in the construction sector. Therefore, this upcoming study will try to assess the human resource practices and challenges it confronts the construction firms in some selected ones.

In developing countries, the construction industry is a key barometer of economic performance. It contributes a significant percentage of the gross domestic product (GDP) of the countries and provides employment opportunities to a substantial proportion of the working population (Ameh & Daniel, 2017). Besides, the construction industries in all countries face many difficulties and challenges (Ofori 2000). There also exists a gap of practicing the principles of human resource management in this sector. In addition to this, the problems facing the construction industry in developing countries are significantly more fundamental, more serious and more complex. In developing countries, these difficulties and challenges sit alongside the general situation of socio-economic stress, chronic resource shortages a general inability to deal with the major success factors (Ofori 2000).

To sum up, there is a gap that needs assessment as far as human resource management practices is concerned in the construction industry than in other sectors that is, assessing the practices and at the same time identifying the challenges the construction firms face while practicing HRM, if any.

2.5 Conceptual Framework of the Study

The following is a conceptual framework employed to undertake the study.

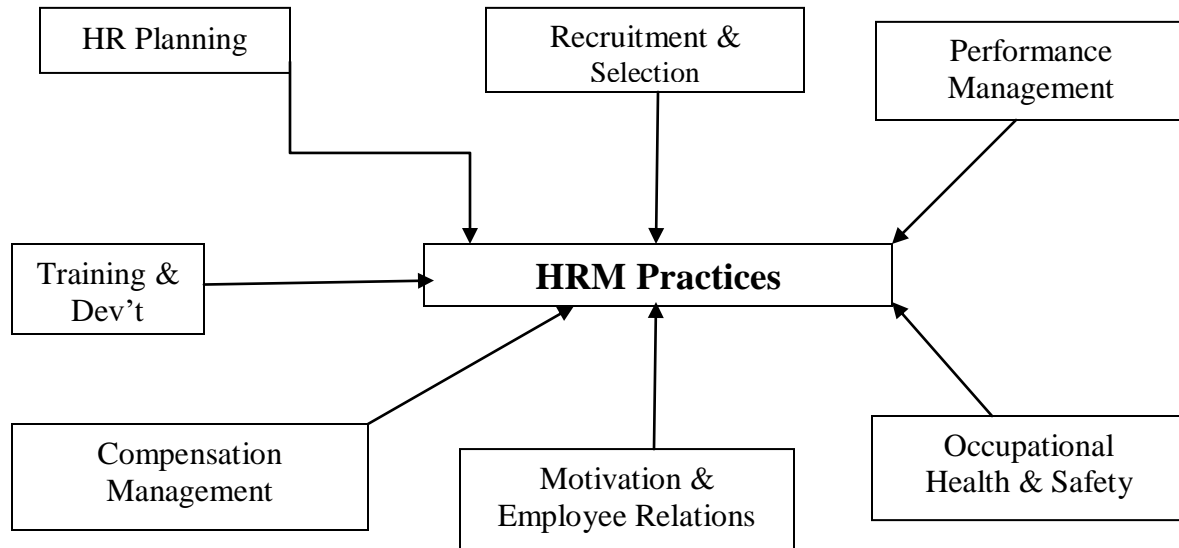


Fig 1: A Conceptual Framework of the Study

CHAPTER THREE: RESEARCH DESIGN AND METHODOLOGY

The primary focus of this chapter is to provide an overview of the research design and methodology used to investigate the research problem. It covers study area and period, the research design, research approach, source of data, sampling method, data collection procedure and methods of data analysis in relation to the practices of human resource management and the challenges confronting in selected construction projects with reference to Jimma town, Oromia Regional State.

3.1 Study Area and Period

Jimma town, the capital of Jimma Zone, is located in southwest Ethiopia 350 km away from the capital, Addis Ababa. The town is located at an average altitude of 1700 meter above sea level. Its astronomical location is 7° 4' North Latitude and 36° 5' East Longitude. The town has a total area of 46.23 km² (4623 hectares) with an average temperature ranges between 7.3 oc to 31 oc (Fesseha Mulu, Ermiyas Admasu & Kaso Teha, 2017). It was founded in 1837 by Abba Jifar, and has a city administration, municipality and 17 kebeles (N.B. Kebele is the smallest administrative unit in Ethiopia).

This study assessed the human resource management practices and challenges in the construction projects with reference to Jimma town. And the study period was from February to May 2019.

3.2 Research Design

The study employed a descriptive survey research design to examine the various human resource management practices and challenges in the construction projects. As to Best and Kahn (2006), a descriptive survey involves collection of information from a sample that has to be drawn from a predetermined population and that the information is collected at a given point in time. This is in consonance with this study since all relevant data were collected within specified period. Furthermore, the research design which concerns itself with the present phenomena in terms of

conditions, practices, beliefs, processes, relationships or trends invariably is termed as descriptive survey study (Aggarwal, 2008).

3.3 Research Approach

This study has used both qualitative and quantitative research approaches (mixed method). The reason for utilizing this approach was that it gives a chance for the researcher to gather data with better depth and breadth and come up with more reliable findings. This idea is further supported by the principle of mixed research; the researcher can collect multiple data using different strategies, approaches and methods (Creswell, 2009). This helps that one can compensate the weakness of the other.

3.4. Source of Data

This study employed both primary and secondary data sources in order to have more reliable findings. Both were employed for the reason that they give the findings broader base and depth.

3.4.1. Primary Data

The primary data for this study were collected using semi-structured interview questions and carefully designed closed ended questionnaire.

3.4.2. Secondary Data

Secondary data were collected from relevant books, internet sources, unpublished materials, journals and articles. These data sets were on varies themes of the research.

3.5 Population of the Study

The Ethiopian construction industry is characterized by a large number of micro-entrepreneurs, the majority of whom operate in the country's informal economy. As to Veitch (2018), Ethiopia's formal construction sector comprises indigenous and indigenized firms, as well as numerous major foreign civil engineering and construction companies. For this study, however, the subjects of the study were HR managers, construction managers, project managers, client organizations, contractors, executive director and other construction professionals in Jimma town.

3.6. Sampling Technique and Sample Size

The study assessed the human resource management practices in some selected construction projects and the challenges confronting it. Purposive sampling technique, which is a non-probability sampling technique, was adopted for data collection. This technique is preferred for the fact that the available population in the construction projects, as to Jimma Town Office for Housing and Urban Development, is very small. So, 38 micro-enterprises (contractors), who are registered and licensed to undertake constructions in Jimma town, were selected purposively. In addition to this, construction firms which undertake buildings in Jimma town were chosen for questionnaire. These include 92 construction professionals. Plus to this, six professionals from each were interviewed. Therefore, the total sample size of the study was 136.

3.7 Data Collection Instruments

To collect the data for the study, two instruments were used: questionnaire and interview.

3.7.1 Questionnaire

In order to undertake the study, data were gathered from 38 contractors (micro-enterprises), and from other construction sectors, which are undertaking constructions in Jimma town and whose number is 92 staff members working in the selected construction projects using closed ended questions which show Likert scale: strongly agree(5), agree(4), uncertain(3), disagree(2) and strongly disagree(1). Besides, the questionnaire comprised three parts. Part one was about demographic profile of the respondents. Part two consisted of HRM practices frequently used in construction projects.

Again, the respondents were required to show the frequency of use of listed HRM practices on a five point Likert scale (i.e. 5=Strongly Agree, 4=Agree, 3=Uncertain, 2=Disagree, and 1=Strongly Disagree). Finally, part three asked respondents to rate the challenges of HRM practice in the selected construction projects on a five-point Likert scale.

Generally, 130 questionnaires were distributed to the participants; eight (6.2%) were missing (incomplete). For this reason, they were discarded. So, the remaining 122(93.8%) questionnaires were considered for the analysis of the variables in the study.

3.7.2 Interview

According to Yin (2003), in order to overcome the potential weaknesses inherent in collecting data from a single source or using a single method, triangulating of data will help a lot. For this reason, semi structured interview, which lets the interviewer to ask for further elaboration of the responses, was made with available (six respondents) HR and construction professionals from the selected construction projects under investigation. The participants were selected through judgmental method because of their closeness to execute the issues. In addition, the interview was used in order to solicit employees' own opinion on certain HRM activities, and how they are practiced and challenges encountered in the selected construction projects.

3.8 Method of Data Analysis

The data obtained through questionnaire were tabulated, explained and interpreted quantitatively in line with literature review. In other words, the collected data from questionnaire were sorted out and presented in table which shows mean, standard deviation, average mean and rank. To verify the facts associated with human resource practices and challenges in the selected construction projects, the necessary analytical devise, such as frequency and percentage were employed and analyzed using SPSS version 23. Again, the data collected through interview were discussed in words in line with related literature. That is, qualitative method was employed to the interview part.

3.9 Ethical Considerations

The researcher has considered implementing different ethical standards which are not only important but also mandatory. Thus, the researcher tried his best from requesting the consent of the organization, the respondents, keeping the confidentiality of the gathered information and the employees' anonymity up to informing well to concerned person for what purpose the study was intended for.

In view of this, first to conduct this research paper on the sector, permission was requested and approval was gained. Second, participants were well assured that the responses they give were kept confidential, which was also stated on the questionnaire, and the message was forwarded in

every communication. Third, the purpose of the study was stated in the questionnaire well to make participants respond with their own consent.

3.10 Reliability and Validity of the Study

In order to set up the reliability, the questionnaire was pre-tested with 15 available construction professionals selected from Afro Tsion Construction Company in Jimma town as the respondents had similar characteristics as those in the main study. Of course, these respondents were excluded from the main study too. Plus, the data were analyzed with the help of Statistical Package for Social Sciences (SPSS) version 23, so the pilot study showed that the reliability is 0.78, which is acceptable.

On top of this, principal advisor, Mr. Emnet Negash, an assistance professor of management, and who is an expert in the field of HRM, commented to cancel and rewrite some of the items for the validity of the instrument. And comments on the instrument were considered in finalizing the instrument.

CHAPTER FOUR:RESULTS AND DISCUSSION

This chapter presents the data gathered for the study entitled ‘**Assessment of Human Resource Management Practices and Challenges in Selected Construction Projects** as well as the confronting challenges’. Mainly the chapter discusses about the following issues: respondents’ demographic profile, human resource management practices in the construction projects, and challenges confronting the selected construction projects while they practice human resource management functions.

4.1 Results from Respondents’ Questionnaire

Under this section, respondents’ demographic profile has been presented. In addition to this, human resource practices and challenges were also presented.

4.1.1 Respondents’ Demographic Profile

The respondents’ demographic profile includes age, gender, marital status, educational level, service year (experience) and service unit (department). To make manageable, the three elements, age, gender and marital status, were presented in Table 1, and the remaining, educational level, service year (experience) and service unit (department), were presented in Table 2.

The following table presents respondents’ age, gender and marital status. The age of the respondents ranges from a minimum of 20 to a maximum of 60 years old. Though the number of male participants exceeds the female subjects, the construction projects under the study recruited and selected both male and female workers. Regarding the marital status, the construction firms selected for the study included various statuses: married, single and others (divorced, widowed).

Table 1: Respondents' Age, Gender and Marital Status

Age Category	Frequency	Percent (%)
20-30	57	46.7
31-40	51	41.8
41-50	13	10.7
51-60	1	.8
> 60	0	0
Total	122	100
Gender		
Male	83	68
Female	39	32
Total	122	100
Marital status		
Married	47	38.6
Unmarried	73	59.8
Others	2	1.6
Total	122	100

Source: Field Data, 2019

According to Table 1, many of the respondents were in young age category (20-30), and it accounted 46.7%. Likewise, 41.8% of the construction projects respondents were adult enough. The implication is that as the construction is one of the most labor-intensive industries, the projects under the study gave adequate attention to the physical fitness of the human resource (employees). In addition to this, the above table demonstrates that 68% of the subjects were male. The preference for male applicant indicates that construction is a male dominated sector and vulnerable to masculine stereotypes. The challenges women face in attempting to penetrate successfully and persist in historically male-dominated work environments emanate from traditional gender hierarchies and norms that prevail in the family and society. Despite gender equality and empowerment, the household unit has a traditional structure, and still has, that makes males the dominant gender (Hartmann, 2010).

Furthermore, Table 1 portrays that 59.8% of the recruited employees were unmarried. This may, as to the researcher's perception, emanate from the fact that the majority of the human resources in the construction projects under the investigation were young (20-30) and adult enough (31-40).

Table 2: Respondents' Education, Experience and Department (Job Unit)

Education	Frequency	Percent (%)
Certificate	1	.8
Diploma/TVET	20	16.4
Bachelor (BSC)	75	62
MA/MBA/MSC	19	15.6
Others	7	5.7
Total	122	100
Experience in years		
Less than a year	2	1.6
1-2	30	24.6
3-5	59	48.4
6-10	31	25.4
>10	0	0
Total	122	100
Department(Job Unit)		
HR management	2	1.6
Construction Manager	11	9.0
Project Management	55	45.1
Executive Director	4	3.3
Client organization	16	13.1
Contractor	14	11.5
Others	20	16.4
Total	122	100

Source: Field Data, 2019

In terms of academic qualification, as one infers from Table 2, 61.5% of the sampled employees have first degree in civil and other engineering fields. Besides, the above table shows that 48% of the respondents, which is the maximum figure, were less-experienced respondents. 25.4% had more than five years of working experience in the construction industry. This suggests that the construction organizations sampled have diverse years of construction experience involving HRM practices. A further point is that the construction projects run team-based activities with diversified departments(job units).These respondents comprise HR managers for client organizations involved in housing development and construction professionals (1.6%),

construction managers (9%) in contracting organizations. Plus, 45 percent were in project management position.

4.1.2 Human Resource Management Practices in the Selected Construction Projects

This section examined the respondents’ opinion on the various human resource management practices in the selected construction projects located in Jimma town. The major HRM practices examined include human resource planning, recruitment and selection, training and development, motivation and labor relation, performance appraisal, compensation and reward, occupational health and safety.

The results of this section have been presented descriptively using the Likert scale: strongly agree (5), agree (4), uncertain (3), disagree (2) and strongly disagree (1) in a tabular manner with mean and standard deviation. However for comprehensive understanding, mean, standard deviation and over all mean have been employed as indicated in the table below

Table 3: Human Resource Planning

No	HRM practices	Mean	St. Devi
1.	The firm has the right persons at the right time at the right place at the right job	4.35	.667
2.	A successful HRP technique is found in the company	3.97	.727
3.	The company operated a quarterly human resource planning schedule.	3.67	.870
4.	There is long term planning for human resource need of the firm	3.77	.860
	Overall Average	3.94	

Source: Field Data, 2019

From Table 3, respondents’ responses range from agree (3.67) to strongly agree (4.35). As shown in the table provided, the selected construction projects practiced the human resource planning to high degree (average mean=3.94). This indicates that the construction companies have the right persons at the right time at the right place at the right job, a successful human resource planning technique. It is noted that human resource planning is an important

activity that can be planned by assessing the present and future developments and their possible impacts on the employee issues (Armstrong, 2010). In addition, Loosemore et al., (2003) indicate that human resource planning (HRP) is important during workforce supply to help organizations appoint the right people in the right job.

In general, human resource planning is unquestionable for any organization to implement.

Table 4: Recruitment and Selection

No	HRM Practices	Mean	St. Devi
1.	Job advertisement is used by the enterprise to recruit employees	4.47	.763
2.	The recruitment and selection process is fair and transparent.	4.16	.853
3.	External recruitment is better than internal recruitment	3.90	.847
4.	Screening of candidate for vacant positions is common	4.39	.734
5.	Selection of staff is based on quality and skill rather than academic qualification	3.80	.968
6.	The firm conducts job analyses (determining the nature of each employee's job) before assigning them	4.29	.838
7.	University graduates are given preference over TVET graduates	3.84	1.008
8.	Young applicants below 30 years are given preference over older applicants	3.70	1.026
	Overall Average	4.07	

Source: Field Data, 2019

The overall average (4.07) in the table suggests that the respondents agreed with whether the construction projects under the investigation run both recruitment and selection of the employees. The figure implies that there exists practice of recruitment and selection of employees in the sampled construction projects. In the construction sector, according to Fajana et al. (2011), skills and competencies are rated far higher than the normative paper qualification commonly used for employee selection in most other sector of the economy. The implication of the given figure is that recruitment is used to attract sufficient job candidates who have the necessary potentials,

competencies and traits to fill job needs. Similarly, selection involves choosing the candidate(s) that succeed in meeting the recruitment criteria.

Table 5: Training and Development Practices

No	HRM Practices	Mean	St. Dev
1	There is department assigned to follow up training and development program in firm/enterprise.	3.59	.888
2	Top management give due attention for training and development programs for employees in firm/enterprise	3.45	1.01
3	New staffs are taken through company induction & training orientation and training of newly recruited employees	3.53	1.17
4	Staffs are assigned on project based on skill and expertise	4.00	1.12
5	Selection for training is based on a proper need assessment	4.21	.729
6	The firm allows staffs to move to another project at completion of a project	4.00	1.04
7	There is training and skill development for managers (leadership training)	3.68	1.04
8	The firm provides staff with opportunities for career development	3.49	1.03
9	The firm organizes workshops, seminars and trainings to enhance employees' skills	3.48	1.30
	Overall Average	3.71	

Source: Field Data, 2019

The average mean (3.71) in Table 5 reveals that employees' training and development practices were used in the construction firms. Based on this finding, it is, therefore, imperative that employers were provided an opportunity for their workforce to learn from other companies as proactive development schemes. This, as to Kyndt, et al (2009), will not only improve the capabilities of their team but also motivate staff and subsequently produce a more loyal employee set. In addition, these scholars explain that training and development practices are actually perceived to make employees feel recognized for their strengths, and it creates possibilities to develop their qualities. The implication is that an increase in high-performance work practices, which emanates from training, will result in decrease of employee turnover in organization.

What's more, Samuel & Chipunza (2009) state that employees consider training, education and development as crucial to their overall career growth and goal attainment and will be motivated to remain and build a career path in an organization that offers them such opportunities. According to Steel, Griffeth, and Hom (2002), lack of training and promotional opportunities were the most frequently cited reasons for high performers to leave the various organizations.

Table 6: Performance Appraisal Practices

No	HRM practices	Mean	St. Dev
1	Employees are aware of the implementation of the actual performance appraisal	3.71	1.032
2	There is a well-designed performance appraisal system in firm	3.48	1.193
3	Immediate supervisors evaluate employees' performance in firm	3.65	1.120
4	Performance appraisal takes place regularly	2.98	1.381
	Overall Average	3.46	

Source: Field Data, 2019

The data in Table 6 indicate performance appraisal practices were common in the construction projects sampled for the study. The respondents agreed with this, and it is indicated by average mean of 3.46. This implies that performance appraisal is commonly practiced in the construction projects as the average mean ranges above uncertain (3) in the Likert scale.

Table 7: Motivation and Labor Relation Practices

No	HRM Practices	Mean	St. Dev
1	There is provision of appropriate working tools and equipment	3.84	.88
2	The firm/enterprise provides incentives and benefits to staff	3.41	1.03
3	There is team spirit within the construction projects	4.11	.97
	Overall Average	3.79	

Source: Field Data, 2019

In Table 7 the participants of the study agreed that the construction projects selected for this study performed motivation and labor relation practices (average mean value=3.79). In short, the finding implies that motivation and employee relations, as human resource management practices, were practiced to high degree. This is in harmony with non-financial motivational factors reported

in Ameh and Shokumbi (2013) as most effective for enhancing output of skilled and semi-skilled construction workers.

Table 8: Compensation and Rewards Practices

No	HRM Practices	Mean	St.Dev
1	Project managers make compensation decisions.	3.55	.95
2	The focus of compensation and reward is to attract, and retain employees in organizations	3.44	1.0
3	The reward and compensation schemes provided by firm are sufficient	3.14	1.0
	Overall Average	3.38	

Source: Field Data, 2019

The average mean (3.38) presented in Table 8 shows that the respondents fairly agreed with if the selected construction projects practiced compensation and reward as human resource management function. The implication is that the sampled construction projects in Jimma town have had compensation and reward practices to the moderate level.

Table 9: Occupational Health and Safety Practices

No	OHS Practices	Mean	St.Dev
1	I am aware of Occupational Health and Safety (OHP) policy and safety rules of the project I am working for.	1.60	.76
2	I am aware of the accident reporting system and my duty with regards to health and safety in my workplace.	1.62	.73
3	I am aware of the prevention of hazards.	1.60	.79
4	I am aware of safety representatives at my workplace	1.55	.60
5	I have attended an orientation program and training on safety	1.51	.66
6	My company provides Personal protective equipment at work place.	1.61	.75
	Overall Average	1.58	

Source: Field Data, 2019

In Table 9 the subjects of the study revealed their disagreement with whether the sampled construction projects practice occupational health and safety practices. Further, the average mean (1.58) depicted in Table 9 indicates that the workers strongly disagree with the absence of occupational health and safety practices. This is in consonance with Sebsibe and Dagnachew

(2016) finding which states that most construction site workers in developing countries like Ethiopia do not follow the health and safety measures on sites. The implication is that absence of occupational health and safety practices in Ethiopia construction projects is one of the challenges currently facing the sector in human resource management.

Unlike many countries, in Ethiopia there is one comprehensive labor law (Ethiopia, Labor Proclamation 377/2003, 2003) that is operating in order to address all aspects of ensuring labor relation to be governed with basic fundamental rights and obligation focusing on industrial peace in all work places. The law is also formulated in order to guarantee and maintain all fundamentals rights at work and to define the powers and duties of the organ charged with enforcing of the implementation of the ideals of the law which is tantamount to the labor inspectorates.

4.1.3 Challenges Confronting HRM Practices in the Selected Construction Projects

In this part of the study, the data on the challenges of the HRM practices of the construction projects have been presented. The respondents were presented with a list of 14 challenges reported in literature as hindering the effective practices of HRM. The task of each respondent was to indicate their level of agreement with listed factors as challenges to the HRM practices of the construction projects. For this reason, Table 10 presents the mean ranks and by extension, the ranks of the challenges as pronounced by the 122 respondents.

Table 10: Challenges Confronting HRM Practice in the Selected Construction Projects

No	Challenges in HRM Practices	Mean	SD	Rank
1	Lack of incentives diminishes organizational commitment	4.34	.79	2
2	The firm doesn't attract staff with high reputation from other companies/firms	3.48	1.1	9
3	There is high experienced labor turnover	4.46	.67	1
4	The firm doesn't represent the interests of employees within the framework of its primary obligation to senior management	3.46	1.2	11
5	There is lack of collecting the right information about jobs to prepare job descriptions	4.34	.71	2
6	There is recruitment of staff for specific project only (i.e. on short-	4.07	.89	7

	term bases)			
7	The firm doesn't make sure that employees have the mechanisms required to challenge unfair practices	3.15	1.6	13
8	The firm is incapable of identifying staff skill gap	4.19	.93	6
9	The firm ensures adequate training isn't to undermine department's effectiveness	3.45	1.4	12
10	The project doesn't ensure employees are doing their best during time of turbulence	3.08	1.6	14
11	The firm is incompetent of preparing appropriate and well detail job description	4.25	.83	4
12	Maintaining project employee salary structure in a competitive labor market is tough	4.25	.84	4
13	The firm couldn't provide adequate retirement benefit	3.65	.85	8
14	The firm couldn't define how management should treat employees	3.48	1.2	9

Source: Field Data, 2019

The data in Table 10 demonstrate that the highest ranked challenges of the construction projects in the practice of HRM include the following. To begin with, recruitment and selection practice encountered the following challenges. One, high experienced labor turnover with mean value response of 4.46; diminishing organizational commitment because of a lack of incentives, and lack of collecting the right information about jobs to prepare job descriptions both represented by the mean value response of 4.34). The other challenges of recruitment and selection is that the firm is incompetent of preparing appropriate and well detail job description (mean rank = 4.25); there is recruitment of staff for specific project only (i.e. on short- term bases). This is demonstrated with mean value response of 4.07.

However, the least ranked three challenges of the construction projects in the practice of HRM were the following. In addition, the table shows that the firm couldn't attract staff with high reputation from other companies/firms which is represented with mean value response of 3.48. Besides, the firm represents the interests of employees within the framework of its primary obligation to senior management. This challenge is verified with mean value response of 3.46.

Finally, the firm makes sure that employees have the mechanisms required to challenge unfair practices (mean value =3.15). Further, the data in Table 10 describe challenges confronting training and development practices include: identifying staff skill gap (mean value=4.19), ensuring adequate training so as not to undermine department effectiveness (mean value=3.45), and ensuring employees are at their best in times of turbulence among others (mean value=3.08). Most training takes place on the job site and are done in order not to undermine productivity and profitability. This accounts for training inadequacy and contrary to Tabassi and Abu Barkar (2009) suggestion of conducting both short and long term training for employee in location outside the work environment.

On top of this, the study provides that maintaining project employee salary structure in a competitive labor market is tough to motivate employees in the construction projects under investigation. This is illustrated with the mean value response of 4.25. Another challenge that confronts the practice of motivation and labor relation in the construction projects is that the firm couldn't provide adequate retirement benefits to the employees (mean value=3.65). Finally, the construction projects clearly couldn't define how management should treat employees in order to motivate and have good relation with the workers.

Table 11: Challenges Confronting OHS Practices in the Selected Construction Projects

No	Challenges in OHS Practices	Mean	SD	Rank
1	There is non-compliance in using Personal protective equipment (PPE) among the workers.	1.68	.80	1
2	Personal Protective Equipment (PPE) is uncomfortable and hindered my work performance	1.67	.78	2
3	Constraints such as lack of human resources and shortage of funds are the leading agents on health and safety.	1.63	.75	3
4	The company couldn't plan to outsource OHS training and management.	1.58	.64	5
5	There exists resistance from employers and employees to adopting safety standards at workplace	1.59	.61	4
6	There is limited capacity of employers and managers to implement the OHS legislation	1.57	.68	6

Source: Field Data, 2019

In addition to the challenges to HRM practices, the study distributed a questionnaire regarding challenges confronting OHS practices in the construction projects. As a result, the study found that workers' non-compliance in using PPE (mean=1.68) is a major challenge. The implication is that the construction projects under the study do not provide PPE and the workers do not understand. Plus, inadequate education and awareness of health and safety were the main factors contributing to the poor safety culture, mostly in the local private construction sectors. Moreover, constraints such as lack of human resources and shortage of funds are the leading agents on health and safety (mean value=1.63) in the construction projects selected for this study. Besides, there exists resistance from employers and employees to adopting safety standards at workplace (mean value response is 1.59).

4.2 Discussions of Interview Results

The post questionnaire interview result was undergone with six participants (HR, construction and project managers, executive director, client organization and contractor). While the interviewees were interviewed, note was taken individually, and the outcomes are discussed in this section for exploratory purposes.

➤ *Who prepares human resource planning in your company?*

The above question was directed to the employees whether they can indicate who prepares the human resource planning for the organization. The responses of the respondents were presented in a summarized manner as indicated beneath.

The interviewee employees identified that project management department is the responsible section to prepare the human resource planning for the organization, and other employees said that all department separately prepare the plan for the organization, while interviewee from human resource management unit replied that it is the responsibility of the human resource unit to prepare the human resource plan for construction projects.

On the other hand, other employees responded that management committee is the responsible unit to prepare the human resource plans for the construction projects. In addition, another participant said that all departments separately prepare the organization's human resource planning. Again, interviewee participants responded that management committee prepares the human resource plan for the selected construction projects.

In a nutshell, the interviewer found that all departments separately prepare and bring human resource plan to the project management and finance section to formalize for the sake of getting budget from the client organizations. However, as to Armstrong (2010), there should be planning and monitoring unit which coordinates the departments to undertake the overall planning in the organization. It should be noted that human resource planning is an important activity that can plan by assessing the present and future developments and their possible impacts on the employee issues. Plus, human resource planning (HRP) ensures the organization has the right persons at the right time at the right place at the right job.

➤ *How often do you evaluate the effectiveness of HR plan in the construction project?*

In line with the first interview question, the interviewer also asked the above question and obtained the following responses. According to the respondents' belief, it was evaluated twice a year. Next, the respondents responded that it is evaluated annually and one interviewee said monthly. One of the activities of human resource is to plan or forecasting the future for short period and long period. Therefore, the purpose of having a human resource planning, either in the short run or in the long period, is to have an accurate estimate of the number of employees required with matching skill requirements to accomplish the organizations' goals and objectives (Bratton & Gold, 2003).

➤ *What could be done to improve the human resources management practices in the construction project?*

A further point that the interviewer raised for the interviewees was about things to be done in order to improve the human resources management practices in the construction project. To this end, most of the respondents agreed that project managers should play their role in implementing HRM to their subordinates.

➤ *What are the key human resource management challenges currently facing the construction companies?*

Regarding the confronting challenges the construction projects are facing currently, the participants listed down the following. To start with, the interviewees believe that people related problems become a second priority to time, cost and quality targets. Another challenge is competing organizational and individual employee expectations, priorities and needs. In addition, the respondents stated that the construction projects are incompetent to balance project and organizational requirements with human needs. What is more, the interviewees replied that construction projects couldn't, avoid employees' dissatisfaction, reduced commitment, industrial conflict, turnover, accidents, and recruitment problems.

➤ *What are the challenges and problems faced your construction project to implement OHS policies and procedures?*

From the participants' responses, the following challenges and problems that faced the selected construction project to implement OHS policies and procedures were drawn. To start with, availability of unskilled manpower in the construction sector leads the problem. The other challenge is that the internal infrastructural capacity is weak and cannot help to identify and assess hazards in the workplace. Again, monitoring system is limited despite the presence of favorable policy and regulatory frameworks. For this reason, addressing these gaps is of immediate concern.

Apart from this, construction workers were exposed to different health and safety hazards, and these are attributed to non-compliance with guidelines on sites, ignorance and non-training of workers on health and safety including non-integration of improved methods of health and safety on construction sites. The interviewees also discussed the following challenges and problems the

construction projects encountered while implementing occupational health and safety policies and procedures. Some of these challenges are the presence of high proportion of small firms and the high number of self-employed workers; the variety and comparatively short life of construction sites, and the high turnover of workers. This is consistent with Kawuwa, et al., (2018) that in most developing countries, for instance, Nigeria, there are no training programs for staff and workers; therefore, no orientation for new staff or workers is conducted; hazards are not pointed out; and no safety meetings are held. Employees are expected to learn from their own mistakes and experience.

Further, a study conducted by Lucy. Quezon and Macarubbo (2016) on health and safety practice in building construction identified the following. The first is non-availability of a clear company health and safety policy; the other is inadequate enforcement of the existing building rules and regulations, and finally safety awareness of the company's top management. The study concluded that there is need to review health and safety practices, legislation, integration and application; and finally the need to make a financial allowance for all residual risk items.

CHAPTER FIVE:SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

This chapter covers these points: summary, conclusions and recommendations. So the next sub-sections deal with these terms respectively.

5.1 Summary

The aim of the study was to assess the extent to which the selected construction projects in Jimma town use the various HRM practices and the challenges they encounter. The study found that human resource planning has been practiced in the construction projects. However, construction projects did not operate a quarterly human resource planning schedule rather a long term planning for human resource need of the firm. Similarly, recruitment and selection practices in the selected construction projects are distinctly different from other sectors and center on selection of academically qualified than skilled and technically competent personnel.

The study also revealed that training and development practices in the construction projects sampled are superficial and rarely practiced, aimed at orienting the new employee to the projects and the facilities for optimum performance rather than employee skill development. Furthermore, performance appraisal system is clearly defined to employees and there is immediate supervision which evaluates employees' performance. On the other hand, there is a well-designed performance appraisal system in the selected construction projects rarely. And performance appraisal did not take place regularly in the construction projects.

Regarding motivation and labor relation, even though there is team spirit within the construction projects, provision of appropriate working tools, equipment, incentives and benefits to staff was insufficient. Moreover, the study revealed that project managers make compensation decisions to attract, and retain employees in organizations, yet the reward and compensation schemes provided by the projects are inadequate.

What's more, the implementation of occupational health and safety practices was found to be null except in Varleno construction project (foreign company). In this regard, construction employees of the projects under the study lack awareness of occupational health and safety (OHP) policy and

safety rules of the project, accident reporting system and duty with regards to health and safety in the workplace. Plus, there was no any orientation program and training on safety and prevention of hazards. To end, the construction projects did not provide personal protective equipment (PPE) at work place.

Regardless of the some HRM practices found in the selected construction projects, numerous challenges were also experienced in the firms. These include high experienced labor turnover, diminishing organizational commitment because of lack of incentives, inadequate strategic human resource planning, and lack of collecting the right information about jobs to prepare job descriptions. The other challenges of recruitment and selection is that the firm is incompetent of preparing appropriate and well detail job description; recruitment of staff for specific project only (i.e. on short- term bases).

The other challenges of the construction projects in the practice of HRM were the following. The firms attract staff with high reputation from other companies; the firms didn't represent the interests of employees within the framework of its primary obligation to senior management. Again, the firm couldn't verify that employees have the mechanisms required to challenge unfair practices.

With regard to training and development practice challenges, the construction projects under investigation faced the following challenges. These include: incapable to identify staff skill gap unable to ensure adequate training so as not to undermine department effectiveness and incompetent to make sure that employees are at their best in times of turbulence among others .

On top of this, the study indicated that maintaining project employee salary structure in a competitive labor market is tough to motivate them in the construction projects under investigation. Another challenge that confronts the practice of motivation and labor relation in the construction projects is that the firm couldn't provide adequate retirement benefits to the employees. Finally, the construction projects clearly couldn't define how management should treat employees in order to motivate and have good relation with the workers.

In conclusion, non-availability of a clear company health and safety policy, inadequate enforcement of the existing building rules and regulations, and safety awareness of the company's top management were the main challenges. Apart from this, the study found that workers' non-compliance in using PPE is a major challenge.

5.2 Conclusions

The aim of this study was to assess the extent to which selected construction projects in Jimma town use the various HRM practices and the challenges confronting the sector. The study found that recruitment and selection practices in the construction projects are distinctly different from those of the manufacturing and banking industry and centers on selection of skilled and technically competent personnel. The study also revealed that training practices in the construction projects sampled was superficial, aimed at orienting the new employee to the organization and the facilities for optimum performance rather than employee skill development. Furthermore, challenges of HRM practices identified in the study were related to recruitment and selection, for example, employee turnover in search of better condition of service, lack of incentives and benefits, and occupational health and safety were the major challenges confronting construction projects under the study while they try to practice human resource management functions.

5.3 Recommendations

In view of the research findings as well as one of the purposes of this work, the researcher made the following recommendations on the ways to improve the practices of human resource management in the construction projects.

The challenges identified above could influence the performance of the employees of the selected construction projects negatively. That is, the performance of the employees in terms of retention, effectiveness, efficiency and productivity are hampered through the mentioned HRM challenges. It is, therefore, recommended that the selected construction projects need strengthen their policies on monitoring and supervision, reward system, performance appraisal practices in order to mitigate the impact of the challenges on the employees.

For a diminishing organizational commitment on the part of the staff and attributed the situation to inadequate incentives, it is, therefore, recommended that the construction firms under the investigation should provide proper, better and effective reward, incentive and compensational programmes for employees. In a relative term, competitive compensation facilities should be provided for employees, and higher employee performance should be linked with higher salary and compensational facilities. This system of incentive could enhance the commitment level of the employees of the construction projects.

It emerged from the study that there is a superficial training and development practices in the construction projects. Therefore, the firms should allocate enough budgets for training and development programmes to well-equip employees for better performance. After employee performance appraisal, performing employees should be encouraged and special development and training programmes should be provided for poor performers. Adequate provision of training and development programmes for employees would enhance employee performance and hence organizational performance.

The other key challenge of the HRM practices of the construction projects was related to ineffective supervision. For that reason, the firms should put the necessary measures in place for effective monitoring and supervision of its staff.

Further, employee turnover was also challenging the selected construction projects. Thus, the firms need to take into consideration the job satisfaction and apply appropriate HRM practices in the workplace to minimize turnover and achieve organizational goal efficiently and effectively. In line with this, superior training programs are likely to experience lower staff turnover than those that neglect staff development

Finally, regarding occupational health and safety practices in the construction projects, the study revealed the following major challenges. Low priority was given to safety; poor attitude of construction professionals towards OHS; lack of competent party to enforce policies, procedures and regulations, and poor health and safety management systems. To overcome or minimize such challenges, therefore, each construction projects should have its own safety and health policy;

include safety as a pay item in contract document; and allocate budget and time frames for health and safety in the contract document. Above all, orientation and training should be provided to the employees and concerned parties to overcome the limited knowledge regarding health and safety, creating awareness is also vital to reduce resistance by employer and employees, and empowering the limited capacity of those attempting to implement OHS - both within the construction sector and concerning government authorities.

5.4 Suggestions for Future Research

In summary, the findings of this study have exposed the practice of the human resource management and confronting challenges in selected construction projects with reference to Jimma town, Oromia Regional State. However, the sampling technique adopted, that is, purposive sampling, is the major limitation of this study, and it limits study's generalization. Future research should build on this by using simple random sampling technique. In addition, it will be interesting to investigate the impact of the identified HRM practices on productivity, cost effectiveness and other related issues of construction projects at large.

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Appendix A

A Questionnaire to Be Filled By HR Managers, Construction Professionals

Dear respondents,

The main purpose of this questionnaire is to collect data for the study on the assessment of human resource management practices and challenges in construction firms. It will be used to prepare a thesis as a partial fulfillment of MA degree in Project Management and Finance. You (respondent) are kindly requested to read the questions thoroughly and respond accordingly. The result of this assessment will be treated with utmost confidential and will be strictly used for academic purpose only.

Thank you in advance for your cooperation!

Part I: Respondents' Background Information

Directions: Please put (X) mark in the appropriate box.

1. Your Age 20 - 30 31 - 40 41 -50 51 - 60 > 61
2. What is your gender? Male Female
3. What is your marital status? Married Unmarried Others
4. Educational Level Achieved? Certificate Diploma/TVET Bachelor (BSC) in _____ Engineering
 MA/MBA/MSC Others _____
5. How long have you worked in the construction project?
 Less than 1 year 1 – 2 years 3 – 5 years 6 – 10 years >10
6. Under which department are you working?
 HR management Construction manager Project Management
 Executive Director Client organization Contractor Others

Part II: Human Resource Management Practices

Directions: Read the following statements and express your degree of agreement/ disagreement with human resource management practices by ticking (√) the appropriate column.

Note that Strongly Agree (5), Agree (4), Uncertain (3), Disagree (2), Strongly Disagree (1).

NO	Human Resource Planning Practices	5	4	3	2	1
1	The firm has the right persons at the right time at the right place at the right job.					

2	A successful HRP technique is found in the company						
3	The company operated a quarterly human resource planning schedule.						
4	There is long term planning for human resource need of the firm/enterprise						
	Recruitment and Selection Practices						
5	Job advertisement is used by the enterprise to recruit employees						
6	The recruitment and selection process is fair and transparent.						
7	External recruitment is better than internal recruitment						
8	Screening of candidate for vacant positions is common						
9	Selection of staff is based on quality and skill rather than academic qualification						
10	The firm conducts job analyses (determining the nature of each employee's job) before assigning them						
11	University graduates are given preference over TVET graduates						
12	Young applicants below 25 years are given preference over older applicants						
	Training and Development Practices						
13	There is department assigned to follow up training and development program in firm						
14	The top management give due attention for training and development programs for employees in firm						
15	New staffs are taking through company induction & training Orientation and training of newly recruited employees						
16	Staffs are assigned on project based on their skills and expertise						
17	Selection for training is based on a proper need assessment						
18	The firm/enterprise allows staffs to move to another project at completion of a project						
19	There is training and skill development for managers (leadership training)						
20	The firm provides staff with opportunities for career development						
21	Firm organizes workshops, seminars and trainings to enhance employees' skills						
22	There is department assigned to follow up training and development program in firm/enterprise.						
23	The top management gives due attention for training and development programs for employees in firm						
	Performance Appraisal						
24	Employees are aware of the implementation of the actual performance appraisal						
25	There is a well-designed performance appraisal system in firm						
26	Immediate supervisors evaluate employees' performance in firm						
27	Performance appraisal takes place regularly						
	Motivation and Labor Relation Practices						
28	There is provision of appropriate / modern working tools and equipment						
29	The firm/enterprise provides incentives and benefits to staff						
30	There is team spirit within the firm						
	Compensation and Rewards						
31	Project managers make compensation decisions.						
32	The focus of compensation and reward is to attract, and retain employees in organizations						

33	The reward and compensation schemes provided by firm are sufficient					
	Health and Safety Practices					
34	I am aware of Occupational Health and Safety (OHP) policy and safety rules of the project I am working in.					
35	I am aware of the accident reporting system and my duty with regards to health and safety in my workplace.					
36	I am aware of the prevention of hazards.					
37	I am aware of safety representatives at my workplace					
38	I have attended an orientation program and training on health and safety					
39	My company provides Personal protective equipment (PPE) at work place.					

Part III: Challenges Construction Firms Encounter in HRM Practices

Directions: Read the following statements and express your degree of agreement/ disagreement with human resource management practices challenges by ticking (√) the appropriate column.

Note that **SA**=Strongly Agree (5), **A**=Agree (4), **U**=Uncertain (3), **D**=Disagree (2), **SD**=Strongly Disagree.

	Challenges Construction Firms Encounter in HRM Practices	5	4	3	2	1
40	Lack of incentives diminishes organizational commitment					
41	The firm attracts staff with high reputation from other companies/firms					
42	There is high experienced labor turnover					
43	The firm represents the interests of employees within the framework of its primary obligation to senior management					
44	There is lack of collecting the right information about jobs to prepare job descriptions					
45	There is recruitment of staff for specific project only (i.e. on short- term bases)					
46	The firm makes sure that employees have the mechanisms required to challenge unfair practices					
47	The firm is incapable of identifying staff skill gap					
48	The firm ensures adequate training isn't to undermine department's effectiveness					
49	The project ensures employees are doing their best during time of turbulence					
50	The firm is incompetent of preparing appropriate and well detail job description					
51	Maintaining project employee salary structure in a competitive labor market is tough					
52	The firm couldn't provide adequate retirement benefit					
53	The firm clearly defines how management should treat employees					
54	There is non-compliance in using Personal protective equipment (PPE) among the workers.					
55	Personal Protective Equipment (PPE) is uncomfortable and hindered my work performance.					

56	Constraints such as lack of human resources and shortage of funds are the leading agents on health and safety.					
57	The company plans to outsource OHS training and management.					
58	There exists resistance from employers and employees to adopting safety standards at workplace					
59	There is limited capacity of employers and managers to implement the OHS legislation					

Appendix B

Interview Questions for Construction Professionals and Administrative Staffs

1. Who prepares human resources plan and evaluation status in the construction project?

2. How often do you evaluate the effectiveness of HR plan in the construction project?

3. What could be done to improve the human resources management practices in the construction project?

4. What are the key HRM challenges currently facing the construction companies?

5. To what extent does your construction project implement OHS policies and procedures?

6. What are the challenges and problems faced by your construction project to implement OHS policies and procedures?
