

## Barometer Report for the property sector

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The Barometer survey is used to gain on-going comparable data from organisations within the Asset Skills footprint every six months. The information below is from the 91 participating property organisations.

### Current challenges (Additional challenges shown overleaf)

#### Economy

- ~ The recession and banks unwillingness to lend money.
- ~ Obtaining mortgages for first time buyers.

#### Financial

- ~ Managing cash flow and remaining profitable.
- ~ Decrease in rental charges.

#### Market share

- ~ Expand/move into lettings side of business.
- ~ Finding new business and clients.
- ~ Competition from other companies.

#### Staffing

- ~ Attracting new staff and maintaining the morale of existing staff.
- ~ Retaining staff and attracting young people.

### Emerging challenges

Challenges which have emerged from re-interviewed companies include:

- ~ Banks not lending money.
- ~ Attracting new business and contracts.
- ~ Less experienced staff undertaking the work.
- ~ Addressing legislative changes.

#### Consumer behaviour

~ A lack of confidence in the marketplace – people not selling houses and a lack of buyers.

#### Staffing

~ Training staff to be multiskilled so that they can diversify into other areas of activity.

#### Future growth expectations:

**Rapid** - 5% of companies (up from 4% in the last survey)  
**Moderate** - 78% of companies (up from 58% previously)  
**Stay the same** - 17% of companies (down from 34%)

\*4% of companies in May expected to decrease in size.

### Current business performance (mean score)

	Optimism	Effectiveness	Profitability	Productivity	Staff morale	Costs	
						Running	Recruitment
Oct 2009	7.0	7.0	6.0	7.0	6.9	5.7	6.0
May 2009	7.0	7.2	5.7	6.6	6.8	5.5	6.2
Change	-	-0.2	+0.3	+0.4	+0.1	+0.2	-0.2

See overleaf for explanation

### Changing skills needs:

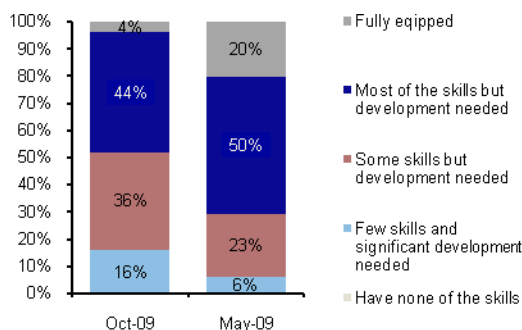
New and additional skills are needed by 34% of companies, including:

- ~ Skills relating to new legislation
- ~ Potential issues with licensing of estate agents
- ~ IT knowledge to keep up to date with changing systems

**20% of the companies surveyed plan to expand into new areas of activity in the next year.**

**26% state that they do not have staff with the skills and knowledge needed for this whilst 50% of companies were unsure if their staff had the skills required.**

The extent to which new employee's are job ready...



Training in:	% of companies	Qualifications achieved
Leadership and Management	45%	15%
Technical training	61%	35%
Supervisory	15%	2%
Entry level	16%	8%
Literacy, numeracy & ICT	19%	6%

Note: The sum of the numbers in the above table may exceed 100%.

23% of companies stated that they had spent more time on training in the last year, however, only 4% claimed to have spent more money. 13% of companies suggested that the amount of time spent on training had fallen in the last 12 months.

For more information contact the Research Department on 01604 233 336

## Additional Challenges

### Market Share

- A shortage of properties to let.
- Declining property market in Northern Ireland

### Legislation

- Legislative changes – rentals legislation.
- Potential licensing regulation.

### Staffing

- Developing staff and achieving effective team working.
- Recruiting quality specialist staff.
- Middle management staff shortage.

### Internal

- Developing communication.
- Maintaining high standards of service.
- Motivating staff.
- Training staff in the limited time available.
- Maintaining the workload.

## Current Business Performance explained

The questions within this table use a scoring system of 1-10 (1 being extremely pessimistic to 10 being extremely optimistic).

- Private companies are asked how optimistic they feel based on their current business opportunities
- Not for profit organisations are asked to rate their effectiveness in being able to respond to their national and/or regional agenda

All companies are asked how they would rate their performance over the last 6 months compared to a year ago in terms of:

- Profitability; productivity; staff morale; running costs and recruitment costs.

The scale of 1-10 is used with 1 being extremely poor to 10 being extremely positive.

An increase in optimism, effectiveness, profitability; productivity and staff morale is positive.

An increase in running costs and recruitment costs is a negative effect on the company.