ASSESSING THE SOFT SKILLS TRAINING NEEDS OF OWNER MANAGERS OF EMERGING CONSTRUCTION FIRMS IN THE MANGAUNG METROPOLITAN MUNICIPAL AREA, SOUTH AFRICA

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DECLARATION

I, Mark Sena Dzansi, Identity number: and student number: , do hereby declare that this research project submitted to the Central University of Technology, Free State for the degree, MAGISTER TECHNOLOGIAE: BUSINESS ADMINISTRATION is my own independent work; and complies with the Code of Academic Integrity, as well as other relevant policies, procedures, rules and regulations of the Central University of Technology, Free State; and has not been submitted before to any institution by myself or any other person in fulfilment (or partial fulfilment) of the requirements for the attainment of any qualification.

01/01/2019

Signature of Student **Date:**

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ABSTRACT

Literature suggests that just like the so called *hard skills*, *soft skills* competencies are essential for the sustainability of small businesses in the construction industry. The identification of the *soft skill* needs of owner managers of emerging construction firms (hereafter ECFs) in South Africa is therefore essential for the development of effective training curriculum for enhancing the managerial capability hence sustainability of this cohort of businesses in the construction industry. Yet literature review indicates that soft skills training of owner managers of ECFs has been relegated to the periphery in South Africa with focus on the so called *hard skills*. To bridge this gap, a sample of 100 owner managers of ECFs in the Mangaung Metropolitan Area in South Africa was surveyed to assess their soft skill training needs.

Several interesting findings were made. First, the results indicate inadequate soft skill competency among majority of the owner managers. Significant differences were found in soft skills training needs based on certain firm and owner manager demographics. According to the results, the three most preferred training and development modes for owner managers of ECFs in their order of preference are: the face to face contact mode, traditional fully face to face contact mode and the face to face contact flipped classroom mode. The results also showed that training mode preferences among owner managers of ECFs differ in terms of gender, age, educational level and working experience.

Based on these and other findings, it is recommended that in order to design training programs that suit the specific personal circumstances of ECFs, demographic characteristics such as gender, age, educational level, working experience, firm age and firm size should be considered.

TABLE OF CONTENT

LIST OF FIGURES

LIST OF TABLES

CHAPTER ONE: INTRODUCTION TO THE STUDY

1.1 INTRODUCTION

This chapter provides a snapshot of the study which includes the background to the study; problem statement; research objectives; research questions; theoretical overview of the study; overview of the contribution of construction industry in South Africa; significance of the study; a summary of the research methodology, ethical considerations; and finally, the structure of the study report. The chapter begins with background to the study.

The study is prompted by the need to improve the managerial skills of emerging contracting firms (hereafter, ECFs) in South Africa so that these previously disadvantaged people can acquire the necessary skills to run their businesses to sustainability thereby addressing the disadvantages of the past. Usually, the term emerging contracting firms is used to specifically refer to the previously disadvantaged South Africans who are engaged in small scale construction business. The study attempts to identify training needs of the owner mangers of these ECFs with a specific focus on those that operate in the Mangaung Metropolitan Area. The aim is to assist in the human resource development owner mangers of these ECFs who have emerged as a key vehicle of economic integration of the previously disadvantaged.

1.2 BACKGROUND TO THE STUDY

The relevance of human resources development in the construction industry has long been emphasized. For example, almost two decades ago, Bontis et al. (2000) argued that construction projects are likely to suffer from low levels of productivity if human resources

are not well managed and developed. Bontis et al. (2000) further contend the need for investment in skill development in the construction industry as a key strategy in improving human resources. Recently, Thite (2014) again emphasised that construction firms should pay attention to their human resources by equipping them with the technical skills, capabilities and competencies through effective training programs. Boon et al. (2011) add that construction firms need to identify and implement strategic training programs that are focused on knowledge enhancement and skill development.

At the time of this growing acknowledgement of training and skill development as a key human resource strategy in the construction industry (Bontis et al. 2000; Boon et al. 2011; Thite, 2014), writers on the subject including (Schawbel, 2013; Console, 2008; Robles, 2012) have argued for firms to concentrate on enhancing soft skill development of their workforce rather than hard skills. For Robles (2012), managers of today's businesses require soft skills such as communication, flexibility, integrity, interpersonal skills, professionalism, sense of responsibility, team work, courtesy and positive work attitude in order to become successful in achieving organizational productivity. Schawbel (2013) emphasized that soft skills such as flexibility, positive work attitude and teamwork are very essential to managers who strive to achieve success in their organization in today's competitive business environment.

The above views appear to have some empirical backing. For example, according to Console (2008), a survey conducted among Chief Executive Officers of 500 companies by the Stanford Research Institute revealed that, 75% of long-term success in jobs depends on the possession of soft skills while only 25% of long-term job success is being attributed to hard skills in the form of technical knowledge specifically attained for specific professions.

When the ANC led government came into power, introduced its flagship socio–economic development programme called the Reconstruction and Development Programme (RDP) to meet the constitutional requirement of providing adequate housing to every citizen

(Social Housing Act, 2008) with the aim of addressing the previous disadvantages of the marginalised South Africans.

Based on this developmental agenda, it became a norm for ECFs (referred to above) to be awarded contracts. However, as has become common cause, these contract awards were said to be done without due consideration of the capacity of these ECFs to carry out the projects successfully. This concern appears quite genuine because few in South Africa will deny that the projects undertaken by most of these ECFs have turned out to be substandard or never even been completed.

According to CIDB (2011), the emergence of ECFs in South Africa raises key questions on the skill competency of owner managers engaged in the small-scale construction industry. The basis for this assertion is that, most of the owner managers of ECFs currently engaged in the small-scale construction industry are previously disadvantaged hence do not possess knowledge in the construction industry which is likely to affect their work delivery output (CIDB, 2011).

The problem remains that in South Africa, being classified as previously disadvantaged means you were discriminated against in the past by the apartheid regime among others in terms of limited or no access at all to proper education and training which leads to lack of skills necessary to run a business let alone a construction one that must deliver quality projects to meet the expectations of many divergent needs. Not surprisingly, skills upgrade of owner managers of ECFs to cope with the demands of the construction industry and in particular for them to manage their businesses well in order to deliver on prescribed quality requirements has become a national priority.

In order to correct the skill deficiency problem among managers of ECFs, the national government and all provincial governments embarked on emerging contractor development programs. The Free State province launched its own in 2007. However, an examination of the training curriculum of the training programs appear to focus mainly on

hard skills especially in artisanal skill development leaving behind soft skill development (Grobler, 2011).

While not underestimating the usefulness of technical and hard managerial skills in managing construction business, it needs to be noted that human beings are universally regarded the most important asset of any organisation. Grobler (2011) contends that, the acquisition of hard skills alone or at the expense of soft skills is not enough since the construction industry is mainly people oriented which requires soft skill development to manage people effectively. Therefore, even if owner managers of ECFs are provided technical and other hard skills training to understand the construction business, they must also be able to recruit, select, train, motivate and retain the right human capital (Grobler, 2011:20). The skills for achieving these tasks is what is often referred to as soft skills.

Although numerous definitions can be found in the literature, there is agreement that generally, the term soft skills refer to the interpersonal, people or behavioural skills needed to apply technical skills and knowledge in the workplace (James & James, 2004; Azim et al., 2010; De Villers, 2010).

As will be elaborated in the literature review, (see Section Chapter 2), **communication** (Jelphs, 2006; John, 2009; Keyton et al. 2013); **courtesy** (Fritz, 2011); **Flexibility** (Galinsky et al. 2011); **Integrity** (Audi & Murphy, 2006; Merriam-Webster, 2014); Interpersonal Skills (Frone, 2000); **Positive work Attitude** (Saari & Judge, 2004; Ali et al. 2010); Responsibility (Cascio, 2002); **Team work** (Hackman, 2002; Griffith, Sawyer, & Neale, 2003; Klein & Kleinhanns, 2003); and **Work Ethic** (Ezigbo, 2012; Jones & George, 2003) appear to be some of the most important soft skills that can help owner/ managers of ECFs to manage their firms to success.

1.3 PROBLEM STATEMENT

The relevance of soft skills to the success of managers in construction firms has been highlighted in the literature (see for example Console, 2008; Robles, 2012; Schawbel, 2013). Efficient and effective training programs to enhance capacity building through soft skill enhancement among managers of ECFs in South African provinces are of much relevance to business sustainability in the construction industry in South Africa (Hauptfleisch, Lazarus, Knoetze & Liebenberg, 2007).

The problem is that the observed focus on hard skills development leaving behind soft skill development (Grobler, 2011) can lead to ineffective management of ECFs as indicated by Thite (2014); Schawbel (2013); Robles (2012); Console (2008). This leads to the need for a paradigm shift towards the identification of the soft skill training needs of managers in the ECFs in South Africa to guide the development of the right training curriculum. This standpoint is in congruence with arguments by Dzansi and Dzansi (2010), who contend that, the failure of training programs is dependent on the lack of identification of the training needs of the trainees.

This study is an attempt to solve this problem by seeking to identify the soft skills training needs of managers of ECFs specifically in the Mangaung Metropolitan Area of the Free State province of South Africa.

1.4 AIM AND OBJECTIVES OF THE STUDY

The **aim** of this study is to contribute to the general improvement in the managerial performance of ECFs in South Africa in general and specifically in the Mangaung

Metropolitan Area in the Free State province of South Africa by identifying their soft skills training needs.

1.4.1 Objectives

The **main objective** is to determine the soft skill training needs of owner managers of small construction firms in Mangaung.

The **specific objectives** are:

1. To identify from the literature, the specific soft skills required to enhance the managerial effectiveness of ECFs in the South African context.
2. To determine the current soft skill competence level hence training needs of owner managers of ECFs in Mangaung.
3. To ascertain differences in the soft skill training needs of owner managers of ECFs based on selected firm and owner manager demographic factors and if so, identify the nature of difference or differences.
4. To determine the preferred training and development mode of owner managers of ECFs in Mangaung.
5. To determine if the training mode preferences differ significantly and if so identify the demographic characteristics that are the basis of difference or differences.

1.5 RESEARCH QUESTIONS

The **main research question** is: what are the soft skill training needs of owner managers of ECFs in Mangaung?

The **specific research questions** are:

1. From the literature what specific soft skills do managers of ECFs require to enhance their managerial in the South African context?
2. What is the current soft skill competence level hence the training needs of owner managers of ECFs in Mangaung?
3. Are there significant differences in the soft skill training needs of owner managers of ECFs based on selected firm and owner manager demographic factors? And if so, what is the nature of difference or differences?
4. What are the preferred training and development modes of owner managers of ECFs in Mangaung?
5. Are there significant differences in the training mode preferences based on selected firm and owner manager demographic factors? And if so, what is the nature of difference or differences?

1.6 OVERVIEW OF THE CONTRIBUTION OF THE CONSTRUCTION INDUSTRY

While scholars suggest that the construction industry makes an immense contribution towards the general socio economic development of every country (Hillebrandt, 2000; Mlinga & Wells, 2002; Ofori, 2007; Giang & Pheng, 2011), some point out that in comparison to other industries, the construction industry plays has been a very significant contributor to economic growth economic growth (Construction Industry Development Board [CIDB], 2012). Other significant contributions of the construction industry to national economic found in the literature include but is not limited to the creation of employment, especially for the unskilled; the development and transfer of current technologies as well as the creation of opportunities for numerous business entities as well as overall improvement in the quality of life of the end users of the construction products. Nevertheless, numerous challenges exist in the construction which is hampering the performance and overall growth of the industry. Some of the challenges include public sector capacity (Mbande, 2010; Milford, 2010); incompatibility of the required skills and available skills (Mbande, 2010), poverty (Van Wyk, 2004), lack of infrastructure (CIDB,

2007), increase in the cost of building materials (CIDB, 2004; Van Wyk, 2004) and also the high failure rate among construction firms (CIDB, 2004; Van Wyk, 2004).

1.7 OVERVIEW OF THE THEORETICAL FRAMEWORK

This section surmises the various theories applicable to the study. Based on a detailed review of the literature the knowledge based view (KBV) of the firm appears to be the best suited theory which can be surmised in a logical form as follows.

> *A business is conceived as a repository of knowledge (Spender, 1996); there are organizational advantages for a business that arise from the organisation's ability to generate (accumulate), apply and transfer knowledge (Kogut & Zander, 1992); knowledge accumulation is possible through organizational learning (OL); organizational learning in turn provides impetus for the development and growth of the organization (Kogut & Zander, 1996; Spender, 1996); learning occurs as information is generated and exchanged between the business organization and its environment; this influence changes the range of the firm's potential behaviours (Huber, 1991); knowledge harvested from the environment is crucial to organizational learning, the development of the firm's competencies and its innovation process (March, 1991).*

The KBV theoretical underpinning is of much relevance to the current study because, the study seeks to assess the soft skills training needs of owner managers in emerging construction firms in the South African Context. In the conceptual framework, it is argued that soft skill acquisition is a knowledge based resource that is crucial for the survival of ECFs in the South African context and as well as the transfer of such knowledge on the job makes the KBV a relevant theoretical dispensation for this study.

1.8 SIGNIFICANCE OF THE STUDY

This study is significance because of the contributions that it seeks to make in terms of research and policy.

From a research perspective, the findings of the study will contribute to the body of knowledge especially in the area of Training and Development in the construction industry. This is because, studies on soft skills training needs in the construction industry are very scant and perhaps non-existent in the South African Context. In this regard, the findings of this study will serve the right purpose of becoming a good reference point for future researchers.

In terms of policy, this study will assist national policy makers decide on training and skill development for capacity building for owner managers in the construction industry and other industries in the South African Context.

1.9 METHODOLOGY

This section merely provides an outline of the research methodology followed in executing the study. A more detailed account of the research methodology is presented and discussed in Chapter 4.

1.9.1 Research philosophy/paradigm

As alluded to by researchers including Welman, Kruger and Mitchell (2005) and Bernard (2012), research philosophy also sometimes referred to as research paradigm is the

general worldview of how a researcher perceives reality with the two main research paradigms or philosophies being *positivism* and *interpretivism* (Singh, 2015). In this study, the positivist approach was followed. A detailed discussion is reserved for Chapter 4 which deals with the research methodology.

1.9.2 Research design

Research design serves a guide to conducting research. It is the overall strategy chosen by a researcher to serve as a roadmap for the collection, measurement and analysis of data (De Vaus, 2011; Creswell & Creswell, 2018). According to Creswell and Creswell (2018), the quantitative research design is utilized in circumstances where the researchers seek to explain and describe a phenomenon through the use of statistical approaches. On the basis of the problem statement above, the study adopted the quantitative research design. The design is fully explicated in Chapter 4.

1.9.3 Population and sampling

The population of this study comprised all owner managers of ECFs in the Mangaung Metropolitan in South Africa. At the time of starting the research, 155 registered ECFs were identified in the research locale from which a sample size of 100 was selected using convenience sampling. Justification for the sample size and sampling technique are provided in Chapter 4.

1.9.4 Data collection

The main instrument for the collection of data was a structured Likert type questionnaire. The questionnaire used is fully discussed in Chapter 4.

1.9.5 Data analysis

Data was analysed using the Statistical Package for Social Sciences (SPSS) software. The researcher employed statistical approaches such as the descriptive statistics, mean score ranking analysis, exploratory factor analysis, one-way ANOVA and cross tabulation to analyse data based on the objectives of the study. Details of the analysis are presented in Chapter 4.

1.10 CREDIBILITY OF THE STUDY

As indicated by Mathe (2018), credibility of a research is dependent on the validity and reliability of measurement instruments. Review of the methodology literature shows that instrument validity and reliability can be affected by several factors. The bottom line is to take steps to ensure that these threats to validity and reliability are reduced to the minimum (Rama, 2007). The specific steps to ensure validity and reliability are described in Chapter 4.

1.11 ETHICAL CONSIDERATIONS

Ethical considerations are important in every research and this study is no exception. Ethical issues dealt with during the conduct of this study comprise of confidentiality, informed consent and anonymity. These issues are fully discussed in Chapter 4 on methodology.

1.12 STRUCTURE OF THE RESEARCH REPORT

The content of the thesis is grouped under six different chapters. Chapter 1 provides a description of the study area and also gives a background to the study, problem statement and also outlines the research objectives and questions, significance of the study and a summary of the research methodology.

In Chapter 2, the concept of training and development was explored together with types of training methods. The chapter also discussed the need for soft skill training in the construction industry in South Africa. The chapter concludes with discussion of the various types of soft skills training that could be beneficial to owner managers of ECFs in the Manguang Metropolitan Municipality.

Chapter 3 explored the knowledge based view of the firm in detail since it served as the theoretical framework underpinning the study.

Chapter 4 dealt with the applicable research methodology in detail while Chapter 5 presented and discussed the results.

Finally, Chapter 6 provides the recommendations and conclusions derived from the study.

CHAPTER TWO: REVIEW OF RELATED LITERATURE – PART ONE

2.1 INTRODUCTION

This chapter is devoted to part one of the review of the relevant literature pertinent to the study. It deals with the concept of training and development; the rationale for ECF concept; the soft skill concept; the need for soft skill training in the construction industry in South Africa; and the various types of soft skills training that could be beneficial to owner managers of ECFs in the Mangauang Metropolitan Municipality.

2.2 OVERVIEW OF TRAINING AND DEVELOPMENT

The discussion in this section is limited to defining training and development; contribution of training and development; and methods of training and development.

2.2.1 Defining training and development

While numerous definitions of training and development can be found in the literature, in the end, such definitions appear to converge and appear to refer to the process of improving the skills and knowledge of employees as well as the altering of behaviours so as to enhance employees' ability to perform effectively and efficiently in an organization (Nassazi, 2013). From this perspective, it can be said that training and development present a systematic approach to enhancing employee capabilities by ensuring that employees have the requisite skills, knowledge and experiences to meet the demands, the dynamic organisational environment hence achieve higher level of performance or

productivity. It also indicates that various benefits can be derived from training and development which could be beneficial ECFs in the Mangaung Metropolitan Area.

2.2.2 Benefits of training and development

There are numerous potential benefits that can accrue to organisations that prioritise training and development. For example, according to Falola et al. (2014), training programs provide effective means of ensuring that the goals and values of an organisation are transferred evenly to all members of the organisations. With common goals and values, it is expected that all members of the organisation will work in sync. In the case of ECFs, common goals and values could be beneficial in the sense that of ECFs in the Mangaung Metropolitan Area

Another important benefit that can accrue due to training and development is the capacity development of managers. For example, according to Ameeq and Hanif (2013), the right training has the potential of building the capacities of managers at every level to have the requisite skill and knowledge for effective management of change in any business environment. Considering that most of the owner managers of ECFs currently engaged in the small-scale construction industry are previously disadvantaged hence do not possess knowledge in the construction industry which is likely to affect their work delivery output (CIDB, 2011), the training ECFs owner managers will assist in bridging their skills deficiency.

Further benefits of training and development were identified by Jehanzeb and Beshir (2013) as well as Echard and Berge (2008). These benefits speak mostly to improved worker productivity. For example, Jehanzeb and Beshir (2013) asserted that critical benefits of organisational training include increased productivity through improved job performance, efficient utilization of human resources, realization of set targets as well as reduces cost of labour and other outcomes such as absenteeism, accidents, and ensuring

a high rate of employee retention. Similarly, Echard and Berge (2008) indicated that adopting effective training and development regime for employees results in business outcomes in relation to customer service, product development, and capability of employees to gain new skills set to perform their works more productively. There can also be quality benefits resulting from training and development. According to Echard and Berge (2008), the provision of quality training and development for organisations results in quality culture which enhances the capabilities of the workforce ultimately influencing the quality of the end products. In the context of ECFs, gaining new skills can help in delivering quality projects to meet the expectations of many divergent needs.

For Elnaga and Imran (2013), having well trained employees is critical to achieving competitive advantage in a global economy. Given that most of the owner managers of ECFs currently engaged in the small-scale construction industry are previously disadvantaged hence do not possess knowledge in the construction industry which is likely to affect their work delivery output (CIDB, 2011), in the end, the poor outputs will dent the competitiveness of such businesses should they venture outside the boarders of South Africa. It is therefore imperative that ECFs undergo training and development.

Hower (2008) also highlighted several organisational benefits of training and development that can benefit ECFs. According to Hower (2008), training is essential for empowering workers to make informed decision, acquire necessary skill sets for the accomplishing tasks in service delivery which has been the Achilles heel of ECFs due to the fact that they are unable to deliver quality projects that meet expectations. Also, the relevance to ECFs cannot be overlooked since as pointed out CIDB (2011), most of the owner managers of ECFs and by extension their employees are previously disadvantaged hence do not possess little or no skills. This training and development will therefore benefit individual owner managers and employees to gain skills.

Beyond the organisational benefits, there are other benefits that accrue to individuals due to training and development. For instance, individuals exposed to quality training become

self-empowered, experience improved job satisfaction and often gain the opportunity for promotion and are able to meet their personal future needs and potential (Dobre, 2013:53).

Training and development involves empowering the individual with new skills through organised activities which gives one the opportunity to meet current and future work demands (Smart HR, 2017). Given the reported failure of ECFs to deliver projects as expected, the training and development of owner managers should go a long way to equip them with the necessary managerial skills to manage their firms in a manner that ensures projects they undertake are delivered to satisfactory standards.

2.2 TRAINING METHODS/ APPROACHES

Several different approaches exist for training (Ekot ,2010; Nel et al. 2008). In determining the training methods to be deployed, it is important to establish the trainees' level of expertise and competence and thereafter there is a need to establish the training goals and the design of the entire training programme (Dessler, 2005). Training and development through different training methods can enable one to meet personal needs and those of the firm. The Training methods can be placed under two main groups which are on-the-job and off- the-job training (Surbhi, 2015). The following discussion examines some of the popular training methods that can be considered for the training of ECFs.

On-the-job training is the type of training in which a trainee learns how a job is done by actually being in the process of getting the job done (Surbhi, 2015). Surbhi (2015) agrees with Nel et al. (2008) as well as Coles (2000) that the on-the-job training provides an effective alternative to training of an organisation as the trainees have real- time opportunity to apply their new skills compared to being in a classroom setting where most things leant can be forgotten on assumption to duty in the workplace or office. Mphofu

(2011), Nel et al. (2008) as well as Van der Klink and Streumer (2002) suggest that the adoption of on-the job training strategies come from three incentives namely, (i) good/ favourable relationship between training costs and benefits; (ii) training just-in-time; and (iii) positive transfer of skills to the related work once the knowledge is acquired. For ECFs, these benefits of on-the-job training are crucial in ensuring that training costs are not too expensive for them, done only when the need arises and in acquiring the necessary skills to run their projects successfully.

There is further agreement between Surbhi (2015), Nel et al. (2008) and Dessler (2005) that job rotation is a key strategy for on-the job training, and it involves the movement of trainees from one department to the other in order to broaden their understanding of all activities of the business and to test their abilities. The benefits of job rotation include the provision of different forms of experience to trainees who have the potential of taking on other more responsibilities. Thus, job rotation helps in eroding the concept held in organisations that a particular department is more important than others and other issues of less importance to them. Given the small size of ECFs - since they are often small by size hence might not employ many workers, it is doubtful if job rotation will be possible in ECFs.

On the other hand, ***off-the Job*** training approaches are usually undertaken outside of the normal organisational setting (Nel et al. 2008; Sims, 2006). There are several advantages to having off-the job training compared to on–the-job training. In the first case, the use of classroom setting allows for the use of various training tools such as audio-visuals, discussion, role-playing simulation. Secondly, the learning environment can be controlled for the purpose of creating a much more conducive learning environment for the trainees. Nel et al. (2008) and Smith (2000) agree that this approach develops inquisitive learners and enhances learning through the application of effective oral and written communication skills to acquire and develop new skills to function better in work environment.

2.3 EVALUATION OF TRAINING AND DEVELOPMENT PRACTICES

Although the current research is not about evaluation of training, it has become imperative to briefly discuss the issue because once training needs are determined, training must follow. In order to determine the effectiveness of the resultant training, it must be evaluated in order to improve on it. Besides, on the basis of the management axiom that whatever cannot be measured cannot be improved, there is need to undertake assessment of training programs to determine their level of effect. Thus, it is important to examine the extent of training transfer (Wickramasinghe, 2006). Evaluation determines the effect of training at individual, departmental and organizational levels.

Several different approaches exist for the evaluation of training programs as there is no one best means of evaluation. One common means of assessing training programmes is organisational performance, which is determined by the individual performance of employees through use of statistical indicators of the performance before and after the training. Some of the indicators include volume of sales and revenue, associated cost reduction variables in quality and quantity, production ratios turnover rates; absenteeism, grievances. The extent of effectiveness in a training programme can be determined by the ability of the trainees to apply and maintain the knowledge, skills and abilities gained during the training. This calls for careful selection of training content, methods and mode of delivery so that knowledge transfer can be optimised. Armstrong's (2003:55) planned training model provides a systematic approach to training that can ensure effective knowledge transfer within ECFs. Earlier on, Kenney and Reid (1994) defined the planned training model as thoughtful intervention aimed at realizing the training required for better-quality performance.

2.4 THE PLANNED TRAINING MODEL

Figure 2.1 shows the planned training model.

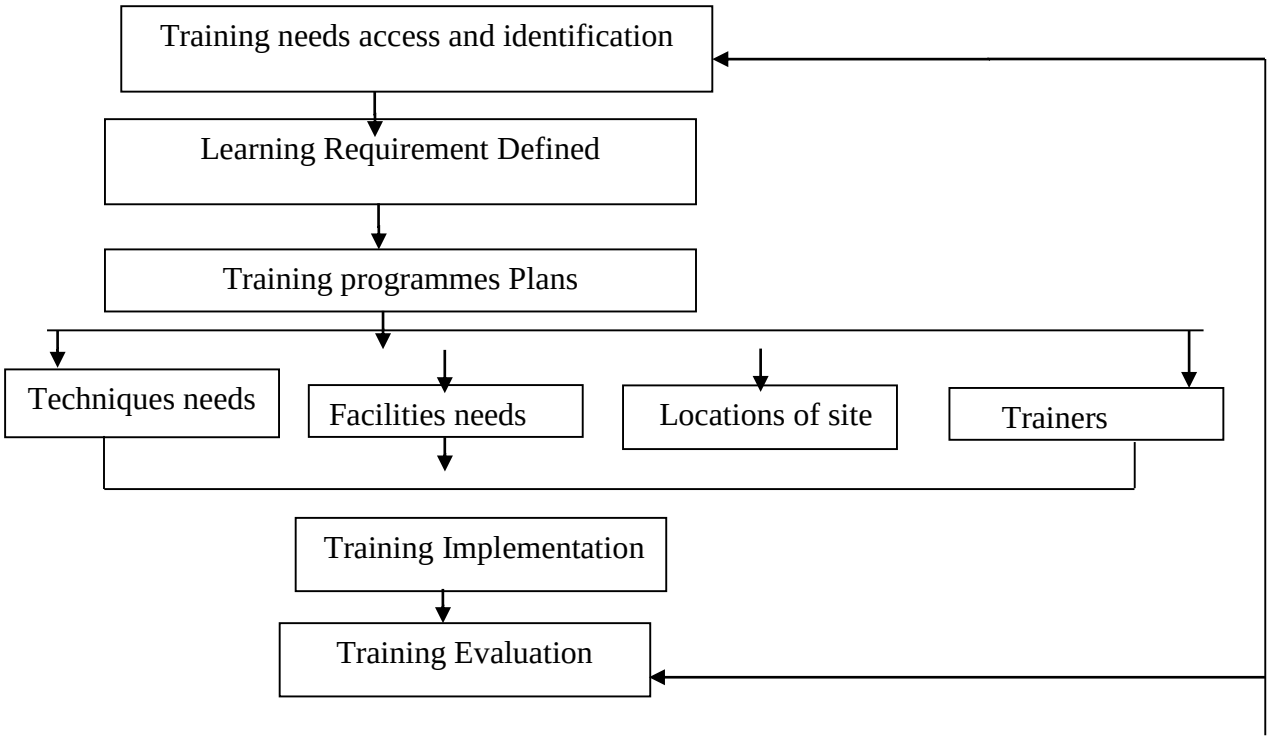

Figure 2.1: Planned Training Model

Source: Adapted from Armstrong (2003:55)

The planned training model as displayed in Figure 2.1 entails the identification and definition of training needs. This encompasses analyses of business, team, professional and individual needs to obtain fresh skills or knowledge, or to increase prevailing competencies. The scrutiny covers efforts to be solved as well as upcoming demands. At this stage, decisions are taken on the level to which training is paramount and cost-effective way to resolve the problem. In applying the planned training model in the training

process, one has to specify clearly, the expertise and knowledge that has to be learnt, the abilities that need to be developed as well as the attitudes that need to be improved. By doing so, the training requirements will be well-defined as presented in Figure 2.1. The planned training concept also entails that the training objectives be defined clearly to include what learners should be doing after training schedules.

There is a need to arrange training projects in the planned training approach. The training must be produced to address the issues and targets of the learners by utilizing the right mix of training methods. In actualizing the training project, care must be taken to guarantee that the most proper systems and methods are utilized to empower the trainees to procure the abilities, information, level of capabilities and mentalities they require. In the training assessment, the impact of training is assessed to focus the degree which the training goals are accomplished.

This training model fits the current research perfectly. This is because the current research seeks to identify the soft skills training needs of owner managers in the Mangaung Metropolitan in Free State South Africa. Per the model, the identification of soft skills training needs will enhance good planning of training and implementation which can be effectively evaluated as well.

2.5 RATIONALE FOR ECF TRAINING AND DEVELOPMENT IN SOUTH AFRICA

Thwala and Phaldi (2009) report that contractor development in emerging economies emerged in the 1970s as a result of the increasing realization of the incapacity of construction companies to contribute to national economic development. The incapacity of construction firms can be tracked back to their operation in a complex economic, political and legal environment (Malongane, 2014), including a discriminatory past that challenged the provision of support to small, emerging businesses by large, well-

resourced corporations. In apartheid South Africa, one of the main challenges of construction businesses was the discouragement of collaboration between large and small enterprises because apartheid policies prohibited joint entrepreneurial ventures between black- and white-run businesses (Tshivhase & Worku, 2012). This undermined the smooth transfer of project management (PM) skills and financial resources from large established firms to emerging construction businesses. In the South African government's effort to economically empower individuals from the previously disadvantaged groups the Emerging Contractor Development Programme was initiated to enable them to start, manage and run small businesses in the construction industry. These small businesses are referred to as Emerging Construction Firms (ECFs) and the owners of these firms are called Emerging Contractors (ECs). The long term sustainability of this programme was tied to legislative and policy frameworks such as the Broad Based Black Empowerment (BBBEE) Act and Preferential Procurement Policy Act (PPPA). These two policy frameworks give individuals from the previously disadvantaged backgrounds preference in obtaining tenders and work contracts in the construction industry (BBBEE Act 53 of 2003; PPP Act 5 of 2000).

2.5.1 Emerging contractors and the construction industry in South Africa

In South Africa, the activities and operations of ECFs are typical in the construction industry. This reflects the central government's efforts to harness the construction industry to economically empower individuals from the previously disadvantaged groups.

Mindful of the huge public financial investment in the construction industry, including the multitude of ECFs in the country, it would be logical to expect ECFs to deliver quality construction projects successfully. Sadly, as indicated in Chapter 1, whilst a handful of ECFs have demonstrated sound project management skills, wide project implementation gaps still persist amongst the majority of South Africa's ECFs (Zunguzane, Smallwood & Emuze, 2012).

2.5.2 The need for project management training for ECFs in South Africa

The poor project implementation amongst ECFs is attributed by Thwala and Phaladi (2009) to: poor project management expertise and experience; lack of basic project management qualifications; poor financial resource bases to purchase quality building materials; and corruption in the post-tendering phase (Thwala & Phaladi, 2009).

Research in emerging economies such as Malaysia suggests that one of the chief reasons for construction project failures is the incapacity to perform project management duties (Rajoo, 2010; Yadollahi et al., 2014).

Ahadzie (2007) argues that achieving project success is closely tied to the possession of construction project management competencies. To this effect, successful construction organizations are now requiring that project managers obtain the principal PM competencies that they require to be successful in their jobs (Yadollahi et al., 2014).

Poor quality housing has sparked public debate in the South African construction arena. Zunguzane et al. (2012) investigated housing beneficiaries and contractors' perceptions of non-conformance to quality requirements in low-income housing in Port Elizabeth in the Eastern Cape. Their findings attributed the multiple defects in low-income houses to the use of emerging contractors who had limited construction project management. This gives the impression that, project management training is required which might be the case for ECFs in the Manguang Metropolitan Municipality.

The acquisition of certain specialized skills is critical to an individual's or an organization's skilful use of project management techniques and tools for effective and successful project delivery (Kloppenborg, 2012; Maley, 2012).

With regard to the acquisition of project management techniques in any field, Kloppenborg (2012) distinguishes hard skills from soft skills, whilst Larson and Gray (2014) identify technical and sociocultural skills. Hard and/or technical skills include risk analysis, quality control, scheduling, budgeting, resource allocation, whilst the soft and/or sociocultural skills include leadership, problem solving, teamwork, negotiation, politics and other related skills which are also needed for successful implementation of project management tools and techniques (Kloppenborg, 2012; Larson & Gray, 2014). For the construction industry, hard project management skills relate to the practical execution of projects (e.g. structural engineering skills, project design, interpretation of site maps and drawings, accurate measurement of materials and structures, forecasting of costs, costing of materials, scheduling of tasks), whilst soft PM skills denote ancillary skills relevant to the expediting of processes for project completion such as people coordination skills, interpersonal communication and leadership. Larson and Gray (2014) and Kloppenborg (2012) assert that for effective project management tools and technique implementation, these two sets of skills need to be acquired and used together.

2.6 DEFINING SOFT SKILL

Although the concept of soft skills started gaining attention in the recent years, the concept was initially introduced by Dale Carnegie in his 1936 work titled “How to win friends and influence people”. Since then, the concept has been defined variously. Some of the select definitions are as follows.

Soft skill can be defined as the interpersonal, people or behavioural skills needed to apply technical skills and knowledge in the workplace (De Villers, 2010). Azim et al. (2010) described it as a set of personal abilities related to competencies in communication, teamwork, leadership, conflict management, negotiation, professionalism and work

ethics. For Simpson (2006), the term soft skills is demonstrated in how individual relates and interacts with other people. According to Simpson (2006), soft skills are either inborn or acquired. Acquisition occurs through learning, teaching, training or coaching (Simpson, 2006). From the perspective of James and James (2004), soft skills are a set of individual abilities like the ability to work in a team, communication skills, leadership skills and problem solving skills.

Based on these definitions and for the purpose of this study, soft skills are operationally defined as the abilities that enable, effective communication, flexibility, integrity, interpersonal skills, professionalism, sense of responsibility, team work, courtesy and other positive work attitudes in order to manage workers productively to achieve organisational success.

2.7 TYPES OF SOFT SKILLS

In this section various types of soft skills and their relevance to firms are discussed. The soft skills captured under this section comprise the following: communication, courtesy, flexibility, integrity, interpersonal skills, positive attitude, responsibility, team work and work ethic.

2.7.1 Communication

In today's business environment, communication forms a very important part of required interpersonal skills (John, 2009). Lack of effective communication skills has been the reason for many tragedies at the work environment (Jelphs, 2006). A study Keyton et al. (2013) explored the verbal communication behaviours that are used in the workplace. According to Keyton, et al. (2013), there are more than 300 verbal communication

workplace behaviours that can be whittled down to 166 with the 10 most frequently verbal communication workplace behaviours being listening, asking questions, discussing, sharing information, agreeing, suggesting, getting feedback, seeking feedback, answering questions, and explaining.

2.6.2 Courtesy

According to Fritz (2011), an average professional worker spends approximately 40 to 50 hours each week performing work for his/her company. Since so much time is spent in the workplace setting, employee work experience is a powerful contributor to the overall quality of life, which makes being polite (courteous) with co-workers vitally important. For Fritz (2011:13), employees are the ones who create the climate of their working environment. Therefore, in his view, if there is discourtesy, rudeness, impoliteness, or failure to treat others with respect, it will negatively affect the organizational climate which will affect work output and for that matter quality of work. In the context of ECFs, any discourtesy by employees or even owner/ manager could lead to resentment by workers and this may affect their job output. Therefore, it will be important for owner managers of ECFs to develop their ability of civility in their businesses (Fritz, 2011).

2.6.3 Flexibility

Galinsky, Sakai, and Wigton (2011) explored Workplace Flexibility: From Research to Action and reported the continuing sense among employees of not having enough time to manage the multiple responsibilities of work and personal and family life. A number of employees reported feeling the need for greater workplace flexibility. Findings from the study indicated that “the majority of employees want flexibility but that access to it varies, with more advantaged employees - those who are well educated, have high salaries, and

work full time, for example - being doubly advantaged in having greater access to flexibility" (Galinsky et al. 2011:153).

2.6.4 Integrity

As the work place environment evolves, it incorporates the involvement of individual and departmental responsibility to carry on the task needed to complete the company's objective. According to Merriam-Webster (2014), integrity is defined as a firm adherence to a code of moral or artistic value. More often, integrity is categorized under the closely related headings of conscience and, more broadly, good character (Audi & Murphy, 2006). The 2008 NACE study revealed that integrity was ranked as the most important employee attribute, followed by work ethic. It is to no surprise why human resource professionals or the companies searching for new employees look for individuals who possess integrity (Audi & Murphy, 2006).

2.6.5 Interpersonal skills

Various studies have been conducted to examine the role of interpersonal skills in the work environment. For example, it was reported that because humans are social beings, their attitudes and behaviours are significantly influenced by the quality of interpersonal relationships (Frone, 2000). A construct that measures the quality of interpersonal relationships at work is interpersonal conflict. In the workplace, interpersonal conflict can range from minor disagreements with co-workers to heated arguments and physical violence. Business communication vendors have tapped into this field by providing training courses and videos for companies dealing with interpersonal conflict (Frone, 2000).

2.6.6 Positive attitude

Employees' attitude affect the overall success of organisations (Ali, Rehman, Ahmed, Ghafoor, & Umer, 2010) precisely because employees' positive attitude towards work is needed to reach desired outcomes. According to Ali et al. (2010), positive work attitude is the kind of behaviour that an employee needs to demonstrate at the workplace to enhance productivity. In order to elicit positive attitude, managers need to acknowledge employees' time, effort, and contribution, promote their well-being and healthy life style, and provide the opportunity for them to participation in the company's future growth/reduction plans and other organizational processes (Ali et al., 2010). Based on Ali et al. (2010), it becomes imperative for owner managers of ECFs not only to possess positive attitude but to also possess skills to elicit positive attitude from their employees.

2.6.7 Responsibility

Responsibility is a characteristic that employers are looking for because it is ultimately and synonymously associated with trust. Being responsible is not only a good quality to have while working for any organization but also is a determining factor that most companies look for in their employees when either downsizing or restructuring. According to Cascio (2002), this key soft skill is one that employers seek in their employees that will ultimately determine if they are kept on during a downsizing event.

2.6.8 Team work

As businesses hire team members, they are faced with compiling a team that has the potential to be productive and self-sufficient. Literature shows that team work is another

essential component in the success of an organization. A team is a group of individuals who interact interdependently and who are brought together or come together voluntarily to achieve certain outcomes or accomplish particular tasks. Teams and team work are an essential part of getting work done in almost every organization (Hackman, 2002). Businesses have invested in their teams to increase productivity. Some studies claim that the use of teams increases responsiveness and flexibility within organizations (Griffith, Sawyer, & Neale, 2003). Research also suggests that connections and an underlying understanding are created among team members who have different types of expertise, experience, or knowledge (Klein & Kleinhanns, 2003). Team work not only affects individual productivity, it is also a predictor of the attitude towards ability to trust upper management.

2.6.9 Work Ethic

The final soft skill that was researched is work ethic. Ezigbo (2012) addressed this topic via a study of work ethics in the workplace. He stated that the importance of ethics helps employees decide how best to respond to the interests of various organizational stakeholders. Employees, specifically those in management, often experience an ethical dilemma when they are confronted with a situation that affects both the employee and the organization. Furthermore, the study revealed that employees have a more difficult time in deciding to do what is in the best interest of the company if the employee is a long time employee or if there is sense of connection with the employee. The study also identified the length of time the employee spends with the organization, the loyalty to others, and the professionalism as variables that affected their decisions. Sometimes, deciding is easy because some obvious standard, value, or norm of behaviour applies (Jones & George, 2003).

2.8 IMPORTANCE OF SOFT SKILLS TO THE ORGANISATION

Researchers have argued for the need for firms to concentrate on enhancing soft skill development of their workforce more than hard skills. According to Console (2008), a survey conducted among Chief Executive Officers of 500 companies by the Standford Research Institute revealed that, 75% of long term success in jobs depends on the possession of soft skills while only 25% of long term job success is being attributed to hard skills in the form of technical knowledge specifically attained for specific professions. Robles (2012) also argues that managers of today's businesses require soft skills such as communication, flexibility, integrity, interpersonal skills, professionalism, sense of responsibility, team work, courtesy and positive work attitude in order to become successful in achieving organizational productivity. Schawbel (2013) emphasized that soft skills such as flexibility, positive work attitude and teamwork are very essential to managers who strive to achieve success in their organization in today's competitive business environment.

2.9 CONCEPTUAL FRAMEWORK

There is consensus that for any organization to execute and deliver projects successfully, "it depends on its ability to recruit, select, train, motivate and retain the right human capital throughout the entire duration of the project" (Grobler, 2011:20). Meanwhile, the definition of soft skills point to skills needed to handle human capital. In this study, it is argued that for emerging contracting firms to deliver required quality projects, they need the right soft skills to recruit and select the right kinds of employees and handle them in a manner that will make them motivated and then to retain these prized assets in order to have a competent workforce that can execute projects to the right quality standards. In order to ensure that the owner managers possess these soft skills, there is need for training (Dzansi & Dzansi, 2011). However, as Dzansi and Dzansi (2011) maintain, all training

needs to be preceded by skills needs analysis. The conceptual framework for this study is adapted from Dzansi and Dzansi (2011) and illustrated in Figure 2.2 below.

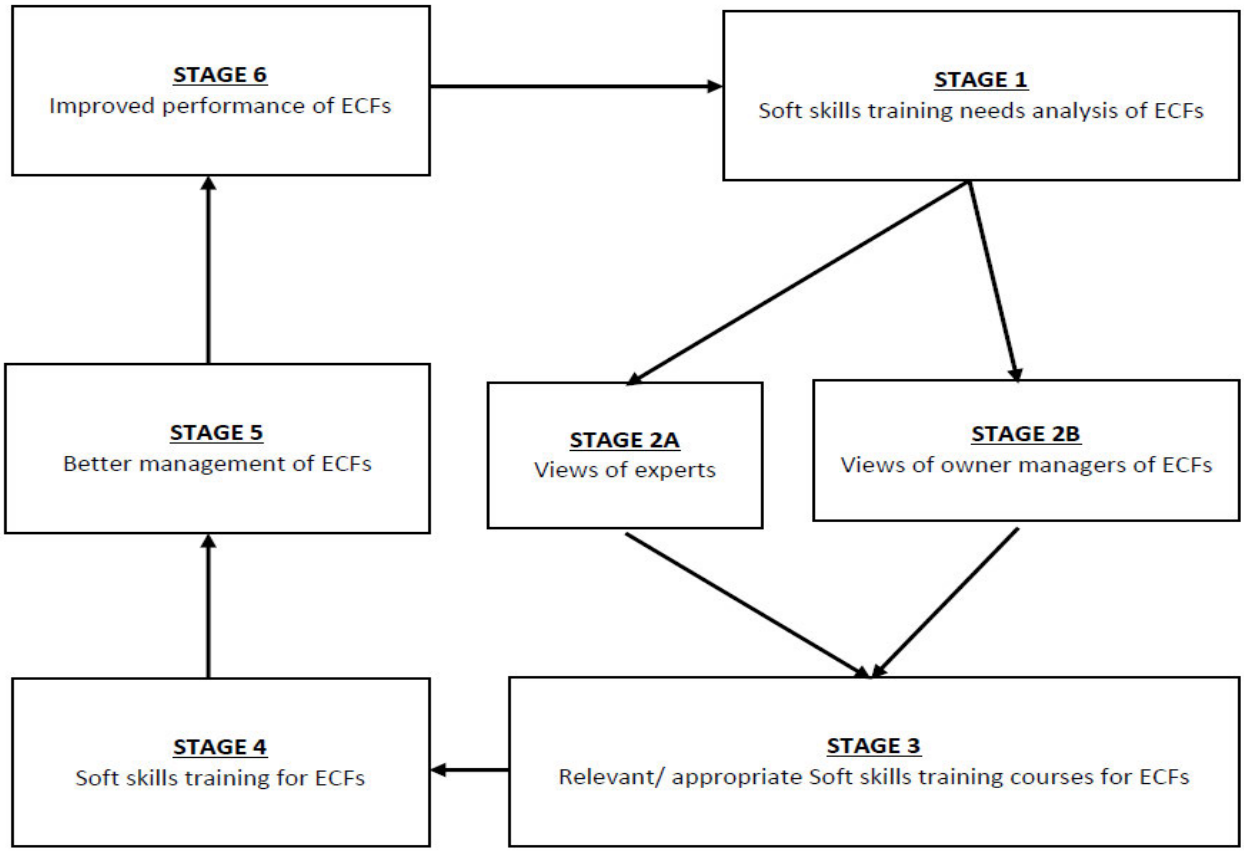

Figure 2.2: The conceptual framework.

Adapted from Dzansi and Dzansi (2011: 2107)

According to Figure 2.2, and in accordance with Dzansi and Dzansi (2011), improved performance of ECFs (Stage 6) depends on soft skills training of ECFs (Stage 4). However, for this training to happen in a logical manner and to be effective, there is need for training needs determination or analysis (Stage 1). It is further argued in line with Dzansi and Dzansi (2011) that the determination of training needs should include the views of owner managers of ECFs including their employees as well as experts (Stage 2) so that when this is done, it will lead to the identification of relevant training content appropriate for training ECFs (Stage 3). The expectation is that soft skills training for ECFs

(Stage 4) that results from this structured process will lead to better management of ECFs (Stage 5) and eventual improved performance of ECFs (Stage 6).

Justification for this framework can be found in the Knowledge-Based-View (KBV) Approach to competitiveness, which is discussed in detailed in the next chapter. Briefly, KBV suggests that a business can be viewed as a repository of knowledge (Spender, 1996), knowledge that needs to be formally acquired by or transferred to those who need to use it (Kogut & Zander, 1992) through knowledge accumulation which is possible through organizational learning (OL) - the impetus for the development and growth of any organization (Kogut & Zander, 1996; Spender, 1996). In this study, it is argued that OL can occur when ECFs undergo soft skills training to improve on their abilities to manage construction firms in South Africa. However, for this to happen, their soft skill training needs to be assessed first.

CHAPTER THREE: REVIEW OF RELATED LITERATURE – PART TWO

3.1 INTRODUCTION

As previously stated, this study assessed the soft skills training needs of owner managers in the Manguang Metropolitan Municipality in the Free State province of South Africa. But as stated in Chapter 2, training for soft skills acquisition implies acquisition of knowledge. With this in mind, the knowledge-based view (KBV) of the firm becomes an appropriate theoretical framework for this study.

This chapter therefore explores the KBV in much detail. The discussion begins with an overview of KBV. Thereafter, KBV is compared with other theories such as the Resource Based View (RBV) and the Dynamic Capabilities View (DCV). Following this, the concept of value creation in knowledge-based organizations is followed by discussion of building trust in knowledge based working environments.

3.2 OVERVIEW OF KBV OF THE FIRM

The theory KBV of the firm views businesses as entities that generate, integrate and distribute knowledge (Narasimha, 2000; Miller, 2002). According to the KBV theory, the extent to which an organisation can be very competitive and remain successful on the market largely depends on the firm's ability to generate new knowledge assets that create core competencies (Pemberton & Stonehouse, 2000). Considering that ECFs are said to be a relatively new in their existence as well as the fact that they are said to be lacking in expertise, their ability to generate new knowledge assets that create core competencies might prove a tall order. In this study, it is argued that identifying training needs for owner

managers can lead to appropriate training that can lead to acquisition of expertise to generate new knowledge assets that create core competencies for them.

Central to KBV application of the theory to firms is the understanding or belief that a firm's inputs in value creation process are serve as invaluable knowledge when it analyses its competences and incorporates its human, social and organizational resources alongside with the economic and technical resources (Grant, 1996a). Therefore, organisations that produce and own idiosyncratic knowledge during value creation tend to make more profits (Raft & Lord, 2002). For ECFs, this assumption is tantamount to saying that they need to produce and own rare knowledge to ensure sustainability. Again, for ECFs it is hard to argue that this can happen under the current resource limitations unless their skills level are upgraded to the point where they are competent enough to generate knowledge assets on their own. In this study, it is argued that skills level can only be appropriately upgraded when training needs analysis is conducted to identify the correct topics and modes of delivery that will lead to effective training with desired impact.

One way of understanding KBV is to categorise it. There exist two main categories within KBV (Acedo, Barroso, & Galan, 2006). The first is the resource-based view (RBV) of the firm which stresses that knowledge is the most vital and strategic organisational resources for the success of an organisation (Grant, 1996a). In spite of this acknowledgement, some KBV theorists contend that the RBV does not go to that extent (Barney, 1991, 1996). In essence, this stream of thought on RBV treats knowledge as a general resource, rather than possessing unique features or properties and as such does not make any distinction between different types of knowledge-based capabilities (Kaplan et al., 2001). For ECFs, it can be argued that this dichotomy does not really matter as the mere possession of knowledge should be enough to ensure that they are able to execute projects assigned to them satisfactorily.

The other category of KBV which is premised on Spender's (1989, 1992, 1996) point of shared knowledge, refers to a type of knowledge that is tacit and social. According to

Grant (1996a), this dimension is about the different types of behaviours, inherent limitations of individuals, and the development of a firm's knowledge-based activities. The argument is that individuals are limited by their *bounded rationality* (Grant, 1996a) wherein, all the knowledge in a firm cannot be found in the head of only one person in the organisations but is rather distributed across its members. Explaining this discrepancy, Grant (1996a) acknowledges that knowledge is located at the individual level but emphasizes the importance of knowledge integration in the firm. This means that owner managers of ECFs must acquire skills to be able to integrate knowledge of individual members into a knowledge base that the organisation can utilise in its business operations. Therefore, it would be necessary to assess the ability of owner managers of ECFs to manage knowledge effectively.

Another way of studying hence understanding KBV is to approach it from the creation, acquisition and eventual application of new knowledge perspectives. In fact, several studies in KBV have mostly focused on the creation and acquisition of new knowledge in the organisation approach (Spender, 1989; Nonaka, 1991; 1994). Two distinguishing features about this approach appear to be the creation of knowledge by individuals and the application of existing knowledge for the production of goods and service (Grant, 1996a). Accordingly, the emphasis is on individuals instead of on organizational in the creation of knowledge (Grant, 1996a). This view is similar to the observation by Simon (1991) who asserted that all learning takes place in the head of individuals humans while organisational learning is carried out in two ways including 'old' member learning and new member from outside bringing requisite knowledge and experiences that was previously lacking in the organisation (Simon, 1991).

Interestingly, while researchers like Spender (1992) focused on the dual role of firms in knowledge generation and knowledge application, others like Grant's (1996a) emphasized firms' application of knowledge through the adoption of mechanisms in which individual specialized skills are integrated (Grant, 1996a) which are all aspects of KBV.

Regardless of different approaches to KBV, the widely acknowledged process of building organisational capacities and competencies comprise of experience on the job, knowledge articulation and codification (Macher & Mowery, 2006; Zollo & Winter, 2002) or through the knowledge management processes of creating, acquiring, storing, sharing and deploying knowledge (Pemberton & Stonehouse, 2000). The degree to which a firm is able to create distinctive capability depends extensively on the firms and employees' ability to create, acquire, share and deploy generic and specific knowledge to create competitive advantage (Pemberton & Stonehouse, 2000). Moreover, how long a firm is able to sustain its competitive advantage in the market depends on the inimitability of the capabilities which defines the advantage (Barney, 1991).

According to Metaxiotis et al. (2005), although knowledge is recognized as a business asset, the implication of knowledge management is still at the early phase in many organisations. Prior studies have established that knowledge-based firms have the requisite knowledge that enable them to creative and intelligently develop processes, products or services that give them advantage (Davenport & Prusak, 1998; Liebowitz, 2000). Davenport and Prusak (1998) furthermore argued that organisational knowledge is the key sources of sustainable competitive advantage to firms. From this perspective, it is fair to impute that the sustainability of ECFs depends on the amount and quality of knowledge it has at its disposal. One must therefore assess the knowledge of ECFs through analysis of their training needs.

However, due to the fact that knowledge is very difficult to be observed or measure in the organisation, as a construct it can be inferred through the capabilities (Kaplan et al., 2001). According to Kaplan et al. (2001), different actions can be ascribed to different capabilities. Hence, a particular notable action stem from specific capabilities which indicates the presence of specific type of knowledge (Kaplan et al., 2001). On the basis of this argument, any knowledge management function process that results in distinctive capabilities for ECFs should have knowledge management capability (Kaplan et al., 2001). Likewise, Zollo and Winter (2002) argue that effective management of knowledge

in organisations provide a key competency that can help in the building strategic capabilities such as restructuring etc. Therefore, ECFs can have sustainable competitive advantage when their knowledge management activities are built for the purpose of creating distinctive competencies.

Sher and Lee (2004) provide another interesting perspective by asserting that knowledge management comprise of three main functions which include the creation, gathering and sharing of knowledge. According to this author, knowledge creation involves innovation; knowledge gathering involves the collection of and combination of new and old knowledge; while knowledge sharing refers to diffusion of knowledge, skill and experiences throughout the entire organization. Intangible resources like skills and knowledge are value generating resources but according to Grant and Baden-Fuller (2004), production requires the use of the combination of many different forms of knowledge resource. Therefore, beyond the acquisition of these resources, there is need for proper knowledge management in the integration and coordination of different types of resource (Sampurno, 2006).

Lee et al. (2005) on their part proposed some two more functions which knowledge utilization and knowledge internalization are. For Lee et al. (2005), knowledge utilization refers to the adoption of best practices and discovering and applying of knowledge across all levels of the activities in firms while knowledge internalization on the other hand, refers to ability of individual workers to discover relevant knowledge, acquire and apply it. Thus, the internalization of knowledge has the potential of creating new knowledge.

From the discussion so far, it becomes clear that ECFs can have sustainable competitive advantage when they acquire knowledge creation and management skills built for the purpose of creating distinctive competencies. However, such skills can only be acquired through proper and effective training which are also dependent on the assessment of the current ability of ECFs to create and manage knowledge effectively. As a theory, KBV of the firm is therefore relevant to the current study.

Having discussed the KBV and its relevance to the current study, it is important to also discuss other relevant theories and compare these to KBV. For the purpose of this study, the discussion is limited to the Resource based View (RBV) and the Dynamic Capabilities View (DCV).

Agreeing that KBV is relevant to a firm is analogous to saying same for RBV considering that distinct resource capabilities are critical to firm performance (Acedo, Baroso, & Galan, 2006). The analogy appears to assume that for RBV, firms can only remain successful to the extent that they manage their valuable, rare, inimitable, and non-substitutable resources (Berger & Bonaccorsi di Patti, 2003). Resources are referred to as the store of available factors of production which are either owned or controlled by the organisation and which are used in production of outputs (Selvarajan, 2006; Carroll & Hunter, 2005).

From the perspective of KBV, the difference in organisational performance stems from difference in the stock of organisations knowledge and capabilities used in the development of knowledge. This viewpoint portrays organisations as social community with unique and distinguishing features in swift and efficient in the building and transference of knowledge (Kogut & Zander, 1996).

3.3 KBV VERSUS RBV AND DCV THEORIES OF THE FIRM

Although the DBV perspective has evolved within the RBV (Wójcik, 2015), the KBV theory of the firm is different from RBV whose focus is on organisational factors of production that provides competitive advantage and the DCV where the emphasis is on the endogenous factors within the firm (Wójcik, 2015) and which according to Wójcik (2015) originates from Penrose (1959).

The focus of RBV is very much on valuable, rare, inimitable and non-substitutable resources (VRIN) criteria and how these resources are sourced, protected and utilized (Lockett, Thompson & Morgenstern, 2009). According to Von Krogh (1998), this approach assumes that organisational knowledge can be managed by the use of tight procedures, policies, and defined action. On the other hand, KBV appears to be based on the view that knowledge can only be managed and not controlled through the creation of the appropriate supporting environments or conditions (Von Krogh, 1998), and effective utilization and coordination of knowledge resources (Spender, 1996b).

The DCV perspective is an emerging and very important theoretic approach which has some sharp differences with KBV (Teece et al., 1997; Eisenhardt & Martin, 2000; Zollo & Winter, 2002). Whiles KBV views knowledge as a continuous concept which is created based on the social interaction among members of the organisation, the DCV on the other hand views it as commodity in which the element of social interaction of knowledge is completely ignored (Ferdinand et al., 2004; Blomqvist and Kianto, 2015; Hong et al., 2008). Additionally, DCV emphasis on the role of top management, in providing capacity building for the purpose of mastering change as such lose sight of the fundamental micro-level structures and processes (Blomqvist and Kianto, 2015; Hong et al., 2008). In contrast, the KBV is concerned with the inter-departmental or inter-organisational relationship and interaction that exist at the different levels of the organization.

Whatever the case, both RBV and KBV hold something relevant to ECFs. For example, while it is evident that ECFs may not be able to comply with the VRIN criteria in terms of generating their own valuable, rare, inimitable and non-substitutable resources, they (ECFs) should in line with Lockett, Thompson and Morgenstern (2009) be able to source, protect and effectively utilize (Spender, 1996b; Von Krogh, 1998) valuable knowledge through training.

The above comparison of RBV to KBV and their usefulness to ECFs suggests in-depth understanding of knowledge as the basis or foundation for ECF training in soft skills is of

outmost importance to their development, sustainability and contribution to socio-economic development of South Africa. Two relevant knowledge assumptions of such organisational knowledge include activity based and inter-subjective nature of such knowledge (Blomqvist & Kianto, 2015). Due to the connectivity of knowledge with actions, knowledge is expressed in knowledgeable activity because as part of the on-going activities of organisation, knowledge is created and leveraged (Orlikowski, 2002). ECFs must therefore be trained in a manner that is activity based.

Considering the various forms of knowledge available to an organisation, demonstrated knowledge in form of "knowing" and skilful behaviour could in line with Argote (2012) be of greater value to ECFs than mere data stored in their database. As firm's ability to achieve competitive advantage stems from the firm's ability to utilize its resources for productive purposes (Brahma & Chakraborty, 2011), ECFs will have to acquire managerial expertise to be able to manage their businesses in a sustainable manner precisely because knowledge is always based on human action.

It is worth noting that KBV is still in its developing stages (Grant, 2002). There are several areas of overlap of key concepts including resources, knowledge assets, routines and capabilities that have been defined in many different ways. Moreover, it is very difficult and often demanding to reliably observe or measure KBV. Spender and Grant (1996) confirmed that the measurability of firm's knowledge is relatively difficult to achieve. Evidence of this can be traced to the fact that there is limited empirical research on the connection between knowledge-based variables and performance.

3.4 KNOWLEDGE IN VALUE CREATION

It is generally agreed that knowledge provides a fundamental means of gaining success in market competition. According to White and Moraschinelli (2009), knowledge is the

most critical element in the creation of economic value as well as the gaining of competitive advantage. Knowledge can thus be viewed as type of capital due to the fact it is an important source of revenue (Jafari & Rezaee, 2014). These definitions can be used to implore ECFs to seriously consider acquisition of knowledge through training as key to their sustainability.

According to Zack (2003), sound and effective strategic management of organizational knowledge will help an organisation to realize the full benefit of knowledge. This can be done by doing a gap assessment the current resources and capabilities based on internal needs. Knowledge as productive resource has clear distinction from other organisational resource types (Mäenpää, 2017). In the first place knowledge has economies of scales. This implies that the costs of replicating knowledge are relatively cheaper than that the original discovery costs. For ECFs, this perspective presents the opportunity to acquire knowledge through training.

Spender's (1996a; 1996b) typology of different types of knowledge can be related to how organizations create value from knowledge. Knowledge that is easily duplicated by organizations lacks the ability to provide sustainable competitive advantage due to the fact that such duplication from competition rents sooner or later. However, competitive advantage may not be the main worry of ECFs who may just need knowledge just for survival. Therefore, with limited financial resources, ECFs may be tempted to acquire easily duplicated knowledge through training just to remain afloat.

Today many organisations consider the skills and knowledge of employees as part of competitive assets of their organization. However, looking at Spender's typology (1996a), this view can be questioned as too simplified. Firstly, a major issue is the extent of accuracy and appropriateness of the individual knowledge. Moreover, an organisation does not possess an employees' individual knowledge be it conscious or automatic. On the other hand, such knowledge rest with the individual employees and are expressed or displayed in their daily activities. Due to the fact that employees are transferable from one

organisation to another, the sustainability of profits of an organisation based on its knowledge is not guaranteed as employees can walk out of the company to another competitor at any time with their knowledge. According to Grant (1996a), the charges accrued from the specialized knowledge of employees are most likely to be appropriated by the individual rather than the organization. Where the employee is willing to give out his knowledge for the full benefit of the service organisation, it would still not be enough to achieve the expected organizational outputs. This is because the complex nature of the working environment requires the combination of the knowledge of all employees and not individual knowledge for performance or success.

Shared knowledge refers to different modes in which employee knowledge from individuals, groups, units, and organizations is combined. According to Spender (1996a; 1996b), it is this type of knowledge that is strategically most important for the firm. Shared knowledge which is very unique to firms is what provides the source of sustained competitive advantage. Furthermore, Mládková (2012) argues that efficient approach in the creation and distribution of knowledge with the context of the organisation is fundamental to firm's competitive advantage. In essence, an organization's performance and value creation depends on the extent to which knowledge is created and utilized in the organisation.

3.5 TRUST IN KNOWLEDGE WORK AND KNOWLEDGE-BASED ORGANIZING

Trust is gradually being seen as very important mechanism for the enhancement of commitment, coordination and effective collaborative communication (Adler, 2001; Adler & Heckscher, 2006). In the face of collaboration in the modern society, trust is required for people to open up and share ideas (Clegg et al., 2002). There is positive correlation between effective communication, commitment, problem solving risk-taking and that of trust as trust plays a very important role in collaboration. Blomqvist (2008) suggested that working in a knowledge-based economy requires trust. According to Blomqvist (2008),

effective communication is essential for trust as it indicates the trustworthiness of the trustee. Therefore, it is essential that owner managers of ECFs acquire effective communication skills through training in order to elicit trust from employees.

Trust is very critical for organisational success (Seppänen, 2008). For instance, organisational success can happen through the fostering of increased collaboration and trust which helps different actors to connect (Blomqvist, 2008). Blomqvist (2008) found that trust has positive impact on organisational performance. Paradoxically, trust has been declining in many firms irrespective of the size (Schoorman et al., 2007; Tyler, 2003). In the KBV perspective, trust is perceived as implicit and refers to a display of concern and care supporting value creation from intellectual capital (Ellonen et al., 2008). According to Seppänen (2008), some of the benefits of trust in firms include reduction in the collaboration related transaction costs. While trust that is not warranted may be dangerous, trust that creates value should be analytical and reflective. According to Blomqvist (2008), interpersonal trust is very weak and as such institutional impersonal trust should be used to support it (Blomqvist, 2008).

3.6 CONCLUSION

Taking into consideration, the knowledge-based view and current study, it can be argued that owner mangers of ECFs must endeavour to create a conducive working environment for the acquisition and utilization of knowledge for maximization of resources and success in operations. This is based on the fact that the knowledge-based view sees knowledge as an organizational asset that must be managed for the purpose of enhancing organisational performance. Owner managers of ECFs must thus become conversant with knowledge creation and management related soft skills such as communication, team work, positive attitude, which are important for firm performance.

CHAPTER FOUR: METHODOLOGY

4.1 INTRODUCTION

In Chapter 1, an overview of the methodology applied in this research was presented. This was followed Chapters 2 and 3 by review of the literature related to study. Among other reasons, the literature review was done to determine appropriate methodology for the empirical part of the study. In this chapter, a detailed account of the methodology applied to the empirical research is presented. The discussion begins with the research philosophy sometimes called research paradigm (Creswell & Creswell, 2018). Thereafter, the research design, population, sample size, sampling techniques, data collection instruments, sources of data, ethical considerations and data analysis techniques are presented and discussed.

4.2 THE RESEARCH PHILOSOPHY

Research philosophy (Creswell & Creswell, 2018:5) is sometimes called *research paradigm* (Creswell & Creswell, 2018; Lincoln, Lynham, & Guba, 2011; Mertens, 2010). It is the general worldview of how a researcher perceives reality (Creswell & Creswell, 2018; Bernard, 2012). It provides the philosophical assumptions or basic beliefs that underpin the orientation of the research (Creswell & Creswell, 2018:5). The two main research philosophies are positivism and interpretivism (Singh, 2015).

While the positivist approach to research focuses on the independent deductions from data collected by the so called scientific methods, the interpretivist approach embraces subjectivity in arriving at meaning and understanding of the subject of study (Neuman,

2011). Also, while the positivist approach adopts the quantitative method in research design, that of interpretivist use qualitative methods (Creswell & Creswell, 2018:5). For the purpose of this study, the positivist (quantitative) approach provides the framework for effectively addressing the problem statement and associated research objectives. In other words, the positivist approach is most appropriate for determining the current soft skill level and needs as well as their training needs and modes of owner managers of ECFs in the Mangaung Metropolitan Area for the purpose of enhancing managerial effectiveness.

4.2 RESEARCH DESIGN

Creswell and Creswell (2018:5) define research design as the overall strategy chosen by a researcher to serve as a roadmap for the collection, measurement and analysis of data. Research design therefore helps to identify the research approach being employed by the researcher, be it qualitative, quantitative or a mixed approach (Creswell and Creswell, 2018).

In this study the non-experimental (descriptive) quantitative research design using the survey method was deemed most appropriate. According to Creswell (2018:5), a quantitative research approach is very relevant in circumstances where a researcher seeks to make meaningful deductions from numerical data through the utilization of statistical procedures. As stated in Chapter 1, the study is exploratory in nature precisely because to the best knowledge of the researcher, the training needs of ECFs in the Mangaung Metropolitan Area remains hazy and under explored.

4.3 POPULATION AND SAMPLING

Malhorta (2011) defines a research population as the complete collection of elements that possess relevant information which are of interest to the researcher. In this study, the research population comprised of 155 owner managers of ECFs in the Mangaung Metropolitan Area whose information were available at the Mangaung Metropolitan Area.

4.3.1 Sampling

Sampling techniques refer to the approaches used in the selection of respondents to participate in the study (Babbie, 2013:143). In this study, convenience sampling was used during the data gathering process. This choice was made because of availability of owner managers ECFs who were available and willing to participate in the study at the time of data collection.

Sample size in simple terms is a representative of the population utilized by the researcher and from whom inferences are made (Babbie, 2013 Babbie, 2013:143). In selecting participants, the free software called sample size calculator provided by Macorr Research solutions online (2018) – the internet based market research organisation - was used to determine the minimum sample size. The software and instructions on how to use it are freely available at: http://www.macorr.com/sample-size-calculator.htm.

The program requires the user to input confidence level, confidence interval, and population size. In this study, the confidence level = 90%; confidence interval = 5% meaning a +/-5% error margin. The calculation yielded a minimum sample size of 99 for the target population size of 155 ECFs. However, the decision was made to roundup this figure to 100 participants. Therefore, the sample size was 100 owner managers of ECFs

in the Mangaung Metropolitan Area. Following is the formula underlying the sample size calculation.

$$ss = \frac{Z^2 * (p) * (1-p)}{C^2}$$

where:
Z = Z value (e.g. 1.96 for 95% confidence level)
p = percentage picking a choice, expressed as decimal
(.5 used for sample size needed)
c = confidence interval, expressed as decimal
(e.g., .04 = ±4)

Correction for Finite Population

$$\text{new ss} = \frac{ss}{1 + \frac{ss-1}{pop}}$$

where: pop = population

Figure 4.1: Formula underlying sample size calculation.

Source: http://www.macorr.com/sample-size-calculator.htm

4.4 DATA COLLECTION INSTRUMENT

The data collection instruments are the tools used in the data collection process (Babbie, 2013:180). In social research, there are numerous ways to collect quantitative data. The most popular approach is the survey method where samples of the target population are selected to participate in the research as respondents. Investigative questions are posed to these respondents in a number of ways including through telephonic interviews, internet based questionnaires, one-on-one interviews and self-administered questionnaires. For this study, the self-administered questionnaire was used.

The questionnaire was designed based on the research objectives and existing literature on the subject matter. The questionnaire consisted of four sections. The first section covered the demographic information of the owner managers and the firm including owner manager gender, age, educational level on the one hand and the number of employees and number of years of operation of the ECF on the other hand. Section two assessed the soft skills competencies of owner managers of ECFs. The third section assessed the soft skills training needs of the respondents which are required to enhance their managerial competencies while the fourth section covered respondents' preferred training mode.

4.5 DATA ANALYSIS

Data were analysed using the Statistical Package for Social Sciences (SPSS) version 21 software. Data were coded by assigning numerical values to them before they are entered into the SPSS software for analysis. Statistical approaches such as the descriptive statistics, mean score ranking analysis, exploratory factor analysis, one-way ANOVA and cross tabulation were used. The descriptive statistics aided in the analysis of demographic variables such as gender, age, firm size, age of the firm among others.

Exploratory factor analysis was used in identifying the competencies of owner managers of ECFs while mean score ranking analysis was used to rank the soft skill training needs of owner managers that are required to enhance their managerial competencies. One-way ANOVA was used to assess the differences in soft skill training needs of owner managers based on firm age and firm size.

Descriptive statistics was used to assess the training mode preferences of the respondents while cross tabulation was used to assess the differences in training mode

preferences based on demographic characteristics such as gender, age, educational level and working experience of owner managers of emerging construction firms.

4.6 CREDIBILITY OF THE RESEARCH

Credibility of a research is judged by the credibility of the measurement instrument used. There are two main criteria for judging the credibility of questionnaires, namely validity and reliability (Mathe, 2018).

4.6.1 Validity

De Vos et al. (2011:172) as well as Salkind (2009:117) provide clear explanations of what validity means. According to De Vos et al. (2011:172), validity means that a measurement instrument used in a research project actually measures what it was intended to measure. For Salkind (2009:117), validity of an instrument refers to doing what it is designed to do. Validity therefore means the degree to which a measurement instrument measures the construct or concept it is meant to measure (Mosweunyane, 2015). In order to ensure validity of the measurement instrument used, investigative questions covered the full spectrum of the research problem and research questions. Thereafter, the content of the instrument was evaluated by the experts prior to being administered to the respondents in line with Salkind (2009:118) who opines that expert opinion can be used to establish content and construct validity of a test. The opinions of the experts were then incorporated into the final version.

4.6.2 Reliability

De Vos et al. (2011:177) refers to reliability as when an instrument consistently produces same results/ outcomes at different times when it is used more than once. According to Cooper and Schindler (2008:293), reliability is concerned with the degree to which an instrument is free from error. Cooper and Schindler (2008:293) go on to attribute measurement error to: **respondent**, **interviewer**, and the **instrument**.

In the case of the **instrument**, Cooper and Schindler (2008:289) attribute errors to ambiguity. They believe that less than precise or insufficient operational definitions results in an inappropriate scale being chosen or developed. To reduce this possibility, clear operational definitions were provided for each concept used. Additionally, the structured questions were posed in simple language for easy comprehension by the respondents.

In the case of the **interviewer**, distortions can occur in responses when the interviewer rewords, paraphrases, or reorders questions (Cooper & Schindler, 2008:289). This type of error was avoided with the questions that were structured and standardized. Also, the field workers who administered the questionnaires were trained hence knew exactly what was required of them.

For **respondents**, Cooper and Schindler (2008:288) attribute errors mostly to too long a questionnaire that limits the ability to respond accurately and fully. To overcome this problem, the researcher ensured that the measurement instrument was not too long and time consuming so as not to bore the respondents. Also, for this study, the researcher set questionnaires that were clear and simple. De Vos et al. (2011:195) point out that pilot test can be either conducted on the potential respondents or on experts. A pilot-test was also done to check time to complete the instruments.

4.7 ETHICAL CONSIDERATIONS

Although there are many ethical issues confronting researchers, in this study, informed consent, confidentiality, and anonymity (Quinlan, 2011:79) posed the greatest challenge hence had to be addressed.

On **informed consent**, Quinlan (2011:79) emphasises that a researcher should thoroughly inform participants about the aim the research. Participants in this study were informed about the purpose of the research. Moreover, the questionnaire used clearly stipulated that participation was voluntary. Only willing owner managers of ECFs participated in this research.

Regarding **confidentiality**, Quinlan (2011:79), states that confidentiality means "the non-disclosure of certain information". In line with this approach, guarantees were given to participants that only the researcher and supervisor will have access to data provided by respondents (Quinlan, 2011:79).

Lastly, regarding **anonymity**, Quinlan (2011:79) opines that a researcher should assure participants beforehand that their identities will remain anonymous. That is, anonymity means "free from identification" (Quinlan, 2011:79). The questionnaires contained codes that corresponded to the participants' names for anonymity and confidentiality purposes.

4.8 CHAPTER SUMMARY

In this chapter, the methodology applied in the empirical part of the study was presented. It shows that a mainly quantitative methods were used to collect and analyse data. The

data collection tool used was a structured questionnaires consisting of four questions. Validity and reliability issues related to the questionnaire were also described while the chapter ended with the main ethical considerations were also discussed. In the next chapter, the results of the study are presented and discussed.

CHAPTER FIVE: RESULTS AND DISCUSSIONS

5.1 INTRODUCTION

This study assessed the soft skills training needs of owner managers of emerging construction firms in the Mangaung Metropolitan Area in South Africa. This chapter presents the results of the study and also provides a discussion of the results in line with relevant literature.

5.2 RESPONSE RATE

In this study, a total of one hundred (100) questionnaires were administered to owner managers of ECFs in the Mangaung Metropolitan Area. Out of the 100 questionnaires that were administered, a total of 93 were returned fully completed which gives a response rate of 93%.

5.3 DEMOGRAPHICS

The demographic variables include gender, age, educational level, education expertise of respondents, working experience of respondents, length of business operation and number of employees (size of the firm).

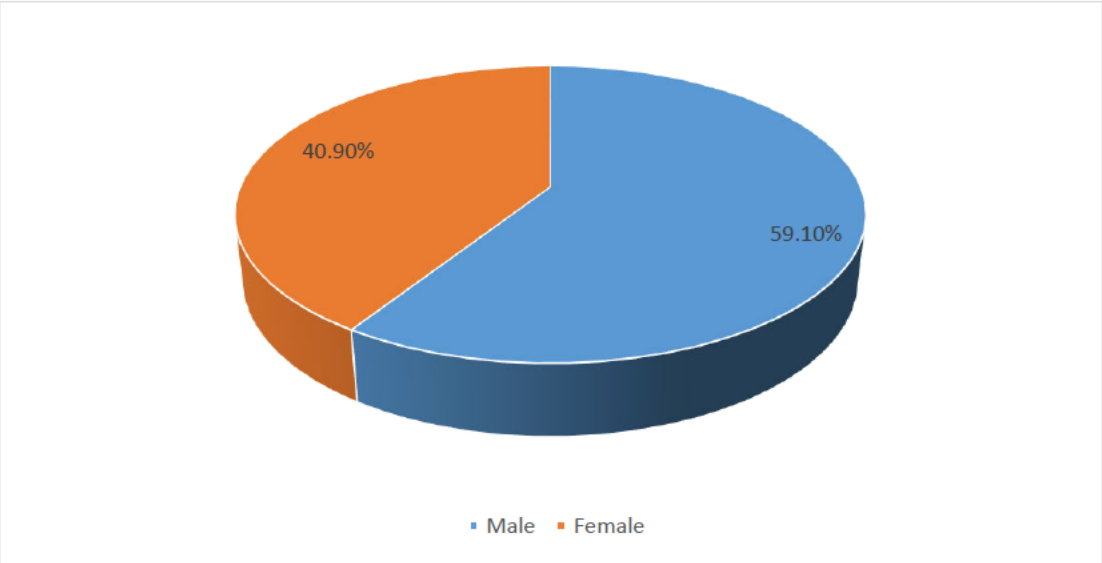

Figure 5.1: Gender of Respondents

According to results from Figure 5.1, it could be deduced that most owner managers of ECFs who participated in the study were males as they constituted 59.1% of the respondents while females constituted 40.9% of the respondents.

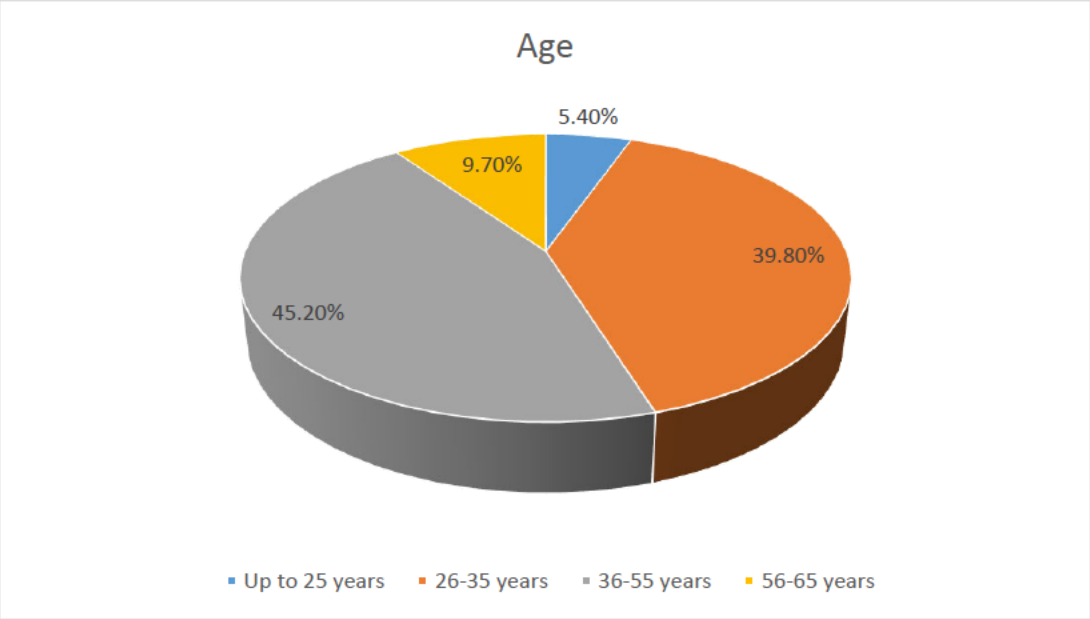

Figure 5.2: Age of Respondents

In terms of the age distribution, it was found that the majority of respondents are between the ages of 36-55 years as they constituted 45.2% of the total respondents. Moreover, 39.8% of the respondents had their ages ranging between 26-35 years while 9.7% were between the ages of 56-65 years. 5.4% of the respondents were up to 25 years.

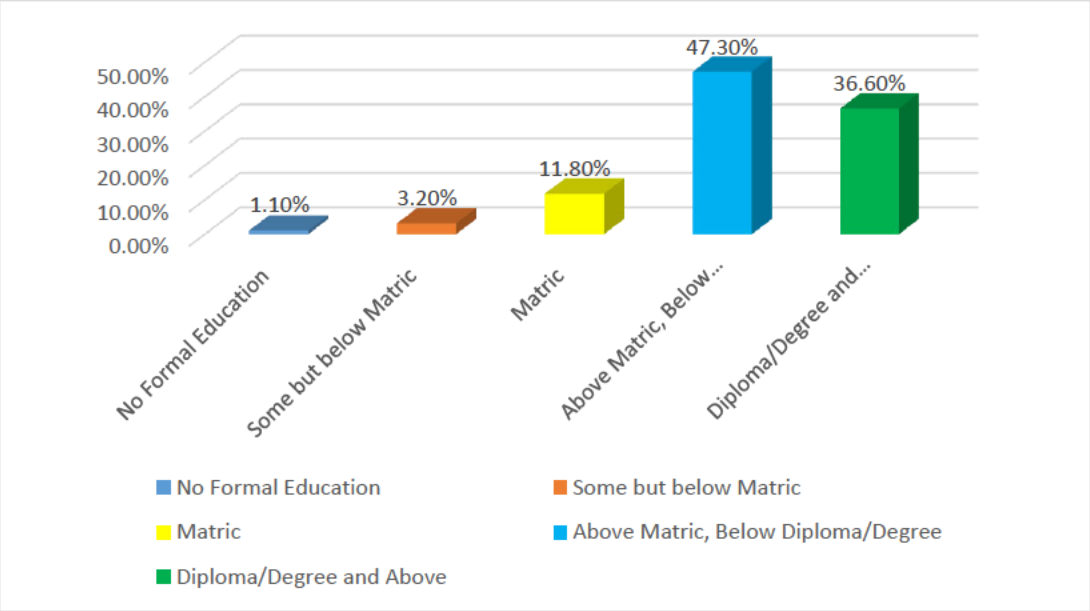

Figure 5.3: Educational Level of Respondents

With regards to the educational level of respondents, it was found that the majority of the respondents comprising 47.3% are above the matric but below diploma or degree level. On the other hand, 36.6% of the respondents have their diploma or degree and above while 11.8% of the respondents are at the matric level. 3.2% of the respondents are below the matric level while only 1.1% of the respondents have no formal education.

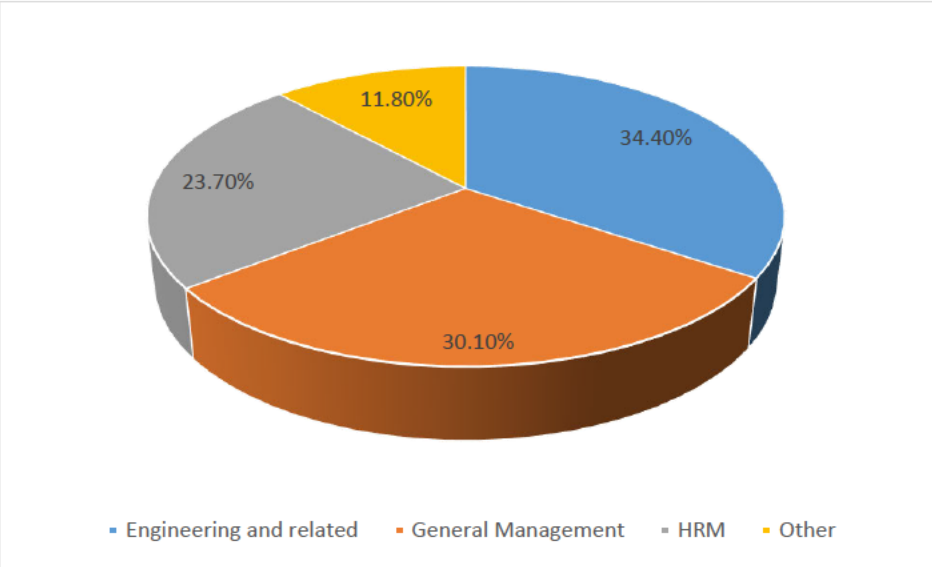

Figure 5.1: Education Expertise

Figure 5.4 presents the educational expertise of the owner managers of ECFs. According to the results, most of the respondents comprising 34.4% have expertise in engineering while 30.1% have expertise in general management. Moreover, 23.7% have expertise in Human Resource Management (HRM) while 11.8% have expertise in other related programmes.

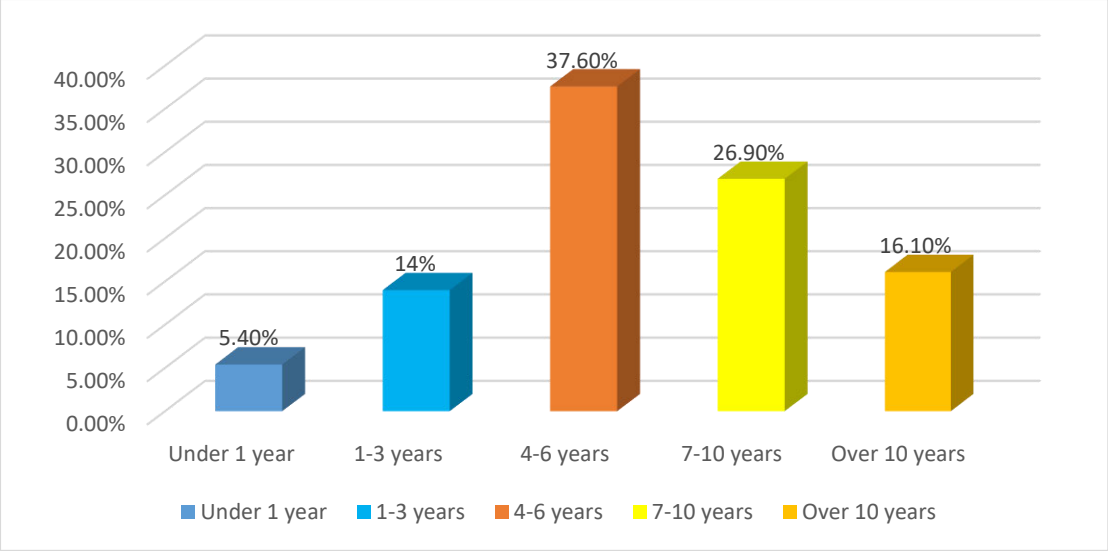

Figure 5.2: Tenure

According to results from Figure 5.5 most of the owner managers of ECFs have worked in their related firms for a period of 4-6 years. 26.9% have worked in the construction industry for a period of 7-10 years while 16.1% have worked in the construction industry for more than 10 years. The results further showed that 14% of the respondents have worked in the construction industry for 1-3 years while 5.4% have worked for a period of less than 1 year.

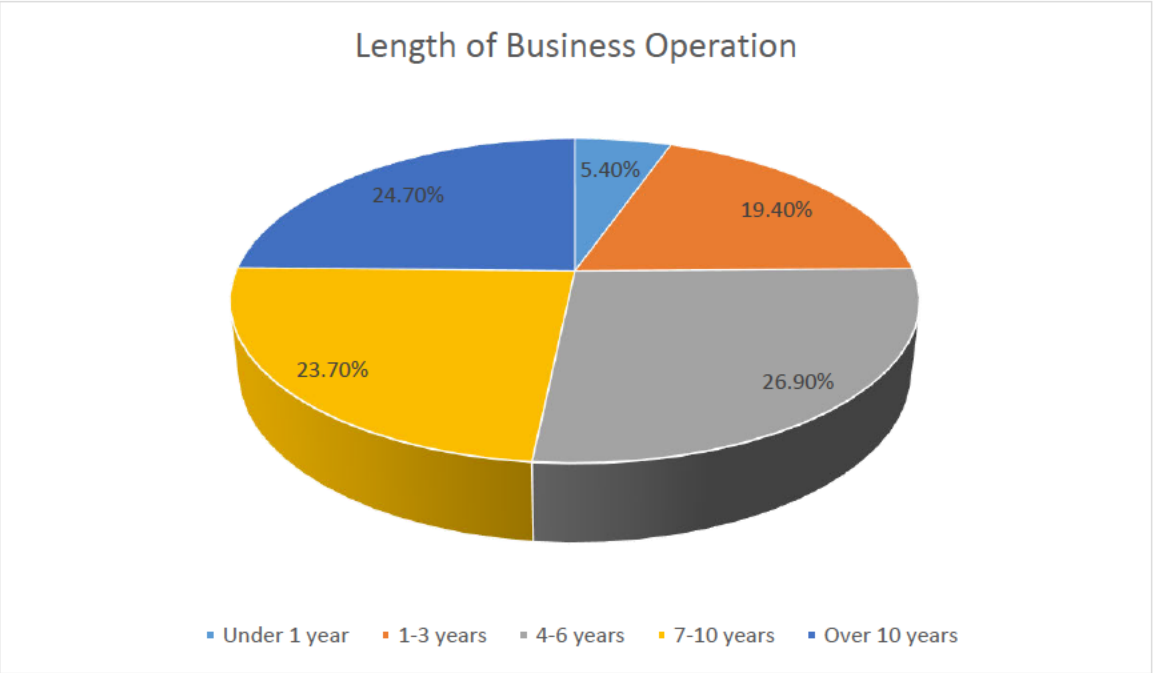

Figure 5.3: Length of business operation

According to results from Figure 5.6, it could be inferred that, most ECFs have been in business for a period of 4-6 years as they constituted 26.9% of the respondents. It was further found that 24.7% of the construction firms have been in existence for a period of more than 10 years while 23.7% have been in existence for a period of 7-10 years. 19.4% of the respondents did assert that their construction firms have been in existence for a period of 1-3 years while 5.4% of respondents attested that their businesses have been in existence for less than 1 year.

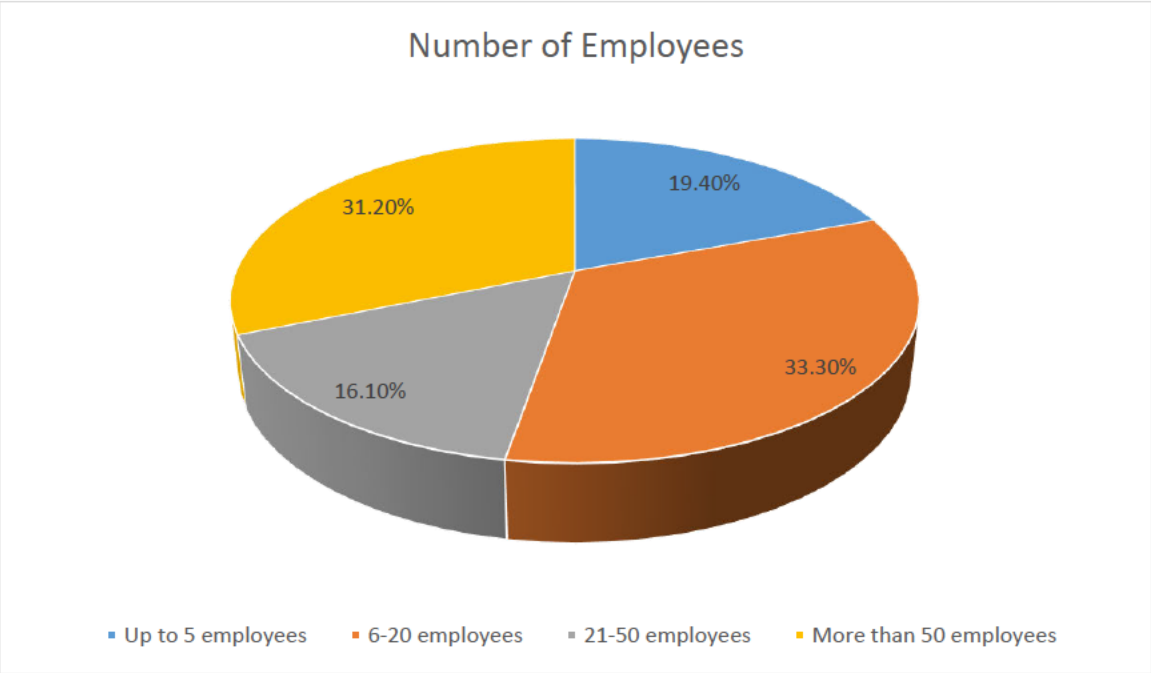

Figure 5.4: Number of employees/firm size

According to Figure 5.7, majority of the ECFs could be categorized as “small” since they have between 6-20 employees (33.3%); 31.2% of the ECFs that participated in the study could be classified as “large” since they have more than 50 employees. 19.4% of the ECFs that participated in the study could be classified as “micro” because they have up to 5 employees while the remaining 16.1% of the respondents could be classified as “medium” since they have employees between 21-50. This is consistent with the United Nations Industrial Development Organization (UNIDO) classification of firm size in developing countries (Elaian, 1996)

5.4 RESULTS AND DISCUSSIONS BASED ON RESEARCH QUESTIONS

5.4.1 Exploratory factor analysis

In order to achieve the first objective which sought to assess the current soft skill competence level of owner managers of construction firms in the Manguang Metropolitan Municipality, the exploratory factor analysis was used. According to Costello and Osborne (2005), the use of exploratory factor analysis ensures that data variations are probed to ensure that a limited set of variables or factors could explain the variability observed for the variables measured. Through the combination of the predicted variables within the components identified, Exploratory factor analysis (EFA) allowed the reduction of the total number of variables to process and, most importantly, assessing construct validity (Hayton, Allen, & Scarpello, 2004) by enabling the quantification of the extent to which the items measure the intended constructs (Groth-Marnat, 2009). The goal of factor analysis was to “explain the variance in the observed variables in terms of underlying latent factors” (Habing, 2003:2). It offers the possibility of gaining a clear view of the data and also allows the possibility of using the output in subsequent analyses (Rietveld & Van Hout, 1993; Field, 2000).

For this study, the Statistical Package for Social Sciences (SPSS) software was used in conducting exploratory factor analysis. Three tables from the SPSS output were used in explaining each of the variables. These comprised the KMO and Bartlett’s test table which assessed the sample size adequacy for exploratory factor analysis; the total variance explained table which provides an explanation of the number of factors extracted per the eigenvalues greater than 1 and their corresponding variance that explains the variable and also the factor matrix which explains the factor loadings of the variables. Results from the SPSS output are presented in the following sub-sections:

Table 5.1: KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.720
Bartlett's Test of Sphericity	Approx. Chi-Square	4761.932
	df	1596
	Sig.	0.000

According to results from table 5.1, the KMO value of 0.720 gives the indication that the dataset and its related sample size is adequate for the conduct of exploratory factor analysis. On the other hand, the Bartlett's Test of Sphericity which was statistically significant (p=0.000) gives the implication that the items measuring the competency level of owner managers of construction firms correlate well with each other, hence the data is good for the conduct of exploratory factor analysis.

Table 5.2: Total Variance Explained

	Initial Eigenvalues			Extraction Sums of Squared Loadings		
Factor	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	17.005	29.834	29.834	16.597	29.118	29.118
2	5.104	8.954	38.789	4.690	8.228	37.346
3	3.577	6.275	45.063	3.191	5.599	42.945
4	2.978	5.224	50.287	2.572	4.513	47.458
5	2.755	4.833	55.120	2.361	4.142	51.599
6	2.420	4.245	59.365	2.022	3.548	55.147
7	2.062	3.618	62.983	1.662	2.916	58.064

According to results from table 5.2, it could be rightly inferred that the total variance explained for items on the competency of owner managers of construction firms was 58.065%. The first factor contributed to 29.12% of the total variance while the second factor extracted 8.23% of the total variance explained. The third factor loading explained 5.59% of the total variance while the fourth factor loading explained 4.51% of the total variance. The fifth factor contributed to 4.14% of the total variance while the sixth factor contributed to 3.55% of the total variance explained. The seventh factor explained 2.92% of the total variance.

Table 5.3: Rotated Factor Matrix[a]

	Factor						
	1	2	3	4	5	6	7
1. Conveying company vision to employees	0.116	0.242	0.409	-0.180	0.439	0.190	0.114
2. Making employees feel they are part of the achievement of organization's goals	0.188	0.120	0.241	-0.094	0.466	0.498	0.093
3. Employees' commitment in achieving organizational goals.	0.019	0.245	0.044	-0.045	0.766	0.133	-0.005
4. Making employees align their own objectives to the company's objectives	0.031	0.339	0.205	-0.040	0.474	0.101	0.198

5. Organizing/ conducting team building exercise among employees	0.205	0.352	0.334	-0.092	0.194	0.341	0.071
6. Encouraging employees to work in teams	0.209	0.575	0.132	0.120	0.326	0.270	0.148
7. Making employees collaborate well and trust each other	0.221	0.453	0.171	0.209	-0.002	0.483	0.016
8. Opening showcasing employee good work on public platforms in the company	0.123	0.581	0.102	-0.058	0.145	0.162	0.059
9. Ensuring that employees help each other when need be	0.032	0.589	0.012	0.280	0.233	0.295	0.145
10. Highlighting any appreciation for employees	-0.016	0.638	0.050	0.180	0.132	0.211	0.134
11. Providing specific recognition or rewards to employees who do good jobs	0.195	0.757	0.097	0.126	-0.018	0.243	0.091

12. Helping workers to satisfy their personal and professional needs and goals	-0.002	0.728	0.117	0.012	0.008	0.197	0.193
13. Expressing love and belonging to employees in their times of difficulty	-0.017	0.576	0.112	0.186	0.280	0.146	0.231
14. Making employees feel respected, valued and wanted	0.028	0.260	0.123	0.171	0.039	0.640	0.186
15. Making employees realize their full potential	0.036	0.305	0.232	0.057	0.096	0.641	0.080
16. Recognizing that communication is a two street	-0.035	0.329	0.053	0.148	0.391	0.576	0.248
17. Resisting the temptation to interrupt when listening to employees or subordinates	0.090	0.160	0.168	0.232	0.338	0.338	0.401
18. Paying attention to non-verbal signals	0.250	0.177	0.016	0.164	0.029	0.197	0.506

19. Re-stating what is said when speaking with someone and there is doubt about the message being communicated as intended	0.022	0.246	0.164	0.239	0.226	0.230	0.572
20. Providing constant feedback to employees	0.064	0.358	0.154	0.021	0.133	0.261	0.722
21. Overcome the urge of "waiting to speak" syndrome	0.290	0.209	0.135	-0.016	-0.063	0.037	0.732
22. Making employees collaborate and cooperate well in achieving organizational and project goals	0.321	0.243	-0.024	0.130	0.058	0.438	0.103
23. Turning up early for work	0.301	-0.080	0.083	0.206	0.587	-0.001	0.045
24. Subtly showing that cutting corners is not good	0.446	0.105	-0.103	0.251	0.303	0.201	0.076

25. Rewarding performance but making sure criteria to meet are clear to every employee and making sure all stand a fair chance of achieving the criteria	0.617	-0.058	0.225	-0.047	0.325	-0.038	0.201
26. Able to transfer knowledge to all relevant employees	0.529	0.020	0.037	0.101	0.419	0.156	-0.003
27. Making punishment a last resort when an employee is not performing and must be reminded of bad consequences if there is no improvement	0.576	-0.036	0.147	0.055	0.042	-0.142	0.218
28. Keeping the interest of employees in mind when making decisions	0.610	0.176	0.192	0.165	0.358	0.103	0.164
29. Taking all the following steps when making decision	0.775	-0.129	0.144	0.056	0.055	0.325	0.091

30. Involving those who must implement the solution and those who get affected when making decisions	0.706	-0.011	0.105	0.180	0.283	0.140	-0.021
31. Identifying lessons learned from a decision made	0.656	-0.081	-0.012	0.216	0.055	0.191	0.052
32. Evaluating to what extent decision objectives were achieved	0.690	0.065	0.088	0.201	0.015	0.185	-0.021
33. Using the consultation approach in decision making	0.639	0.320	0.040	0.062	-0.065	-0.047	0.105
34. Communicating decisions transparently with workers	0.599	0.266	0.133	0.226	0.235	0.041	0.085
35. Considering the different cultural backgrounds of employees or project stakeholders before communicating with them	0.604	0.164	0.171	0.090	-0.356	0.187	0.110

36. Ensuring that authority is used skillfully and in a right manner by myself and other senior members of the company.	0.518	0.196	0.152	0.205	0.036	0.336	0.044
37. Taking the position that it may not be always possible to please all parties when negotiating	0.546	0.553	0.053	0.003	-0.129	-0.186	0.081
38. Attempting for a win-win situation for all parties when negotiating	0.518	0.276	0.121	0.155	0.001	-0.212	-0.014
39. Not taking sides when presiding in a negotiation	0.332	0.193	0.255	0.391	0.119	-0.196	-0.082
40. Being fair and just in arriving at a resolution when presiding in a negotiation	0.128	0.197	0.326	0.411	0.467	0.087	-0.287
41. Sharing information with employees	0.004	0.357	0.547	0.289	0.388	-0.166	0.194
42. Being transparent with employees about decisions	0.011	0.308	0.586	0.137	0.396	-0.046	0.208

43. Getting employees involved in decision making process	0.124	0.068	0.743	-0.069	0.287	0.027	0.059
44. Being genuinely interested in employee growth	0.081	0.051	0.699	0.267	0.153	0.124	0.098
45. Helping employees achieve their personal goals	0.148	0.016	0.779	0.169	0.062	0.099	0.001
46. Being receptive to employee suggestions and concerns	0.129	0.144	0.692	0.135	-0.102	0.144	0.109
47. Empathizing with employees	0.248	0.055	0.681	0.145	-0.058	0.170	0.066
48. Making earnest attempt to solve employee problems	0.344	0.175	0.384	0.345	-0.221	0.130	0.177
49. Communicating openly with employees	0.262	0.028	0.250	0.685	-0.045	0.315	0.036
50. Taking preventive actions even before conflict surfaces	0.322	-0.057	0.250	0.693	-0.009	0.314	0.052
51. Moving quickly to diffuse interpersonal conflicts	0.261	0.140	0.146	0.737	0.044	0.212	0.198

52. Reacting without blaming any of the involved parties when resolving a conflict	0.364	0.144	0.132	0.544	0.037	-0.060	0.450
53. Seeking compromise to arrive at win-win situation	0.439	0.214	0.135	0.374	0.029	-0.097	0.378
54. Listening to all viewpoints when resolving a situation	0.196	0.340	0.088	0.576	0.257	-0.008	0.103
55. Remaining calm when an important employee decides to quit	0.359	0.511	0.125	0.334	0.160	-0.199	0.287
56. Remaining calm when clients project that you have been working on for a while informs you that the project's requirements changed suddenly	0.501	0.413	0.046	0.442	-0.188	-0.122	0.171
57. Permitting employees to work at their own pace	0.459	0.418	0.153	-0.074	-0.084	-0.074	0.251

Extraction Method: Principal Axis Factoring.

Rotation Method: Varimax with Kaiser Normalization.

The varimax rotation method was used to identify the items that represent the factors extracted. The use of the varimax rotation approach was to help simplify the interpretation of factors since it minimizes the number of variables that have high loadings on each of the factors. According to the factor loadings from the varimax rotation, it was found that the first factor which explained 29.12% of the total variance was labelled as “Decision Making and Conflict Management Competency”. This is because, most of the items in factor one highly represented the decision making and conflict management competency of owner managers of ECFs. The second factor which explained 8.23% of the total variance was labelled as “Motivation and Communication Competency” since majority of the items displayed in the second factor displayed the Motivation and Communication competency of owner managers of construction firms. The third factor which explained 5.59% of the total variance was labelled as “Leadership Competency” since most of the items identified displayed the leadership competency of owner managers of ECFs. The fourth factor which explained 4.51% of the variance was labelled as “Conflict Management Competency” since most of the items in factor four displayed the conflict management competency of owner managers of Manguang Metropolitan Municipality. The fifth factor identified explained 4.14% of the variance and was labelled as “Communication, Motivation and Leadership Competency” since most of the items in the fifth factor reflected these competencies in owner managers of ECFs. For the sixth factor which explained 3.55% of the total variance, most of its items reflect motivation and communication competencies and so it was labelled as such. The seventy factor which explained 2.92% of the variance displayed competencies in communication and conflict management. In this regard, it was given the label “Communication and Conflict Management Competency”.

5.4.2 Current soft skill competence of owner managers of ECFs

According to results from the exploratory factor analysis, it could be inferred that owner managers of ECFs show competency in soft skills such as decision making, conflict management, motivation, leadership and communication. This finding is therefore

discussed in line with the knowledge based theory. According to the knowledge based theory, organizations have the responsibility of generating, integrating and distributing knowledge (Narasimha, 2000; Miller, 2002).

From the perspective of the knowledge based theory, the extent to which organizations are able to generate new knowledge and create core competencies determine the extent to which they can become competitive on the market (Pemberton & Stonehouse, 2000). Relating the findings of the study to the knowledge based view theory, the study augments that the existence of current competencies on the part of owner managers of ECFs gives the indication that knowledge in soft skills could serve good purposes in organizational knowledge integration and distribution. That is to say, the exhibition of competencies in soft skills has crucial roles to play in enhancing the competitive advantage of emerging construction firms if they are given the priority they deserve to be incorporated as core competencies in the organizational culture of the firms

5.4.3 Soft skills that owner managers of ECFs require

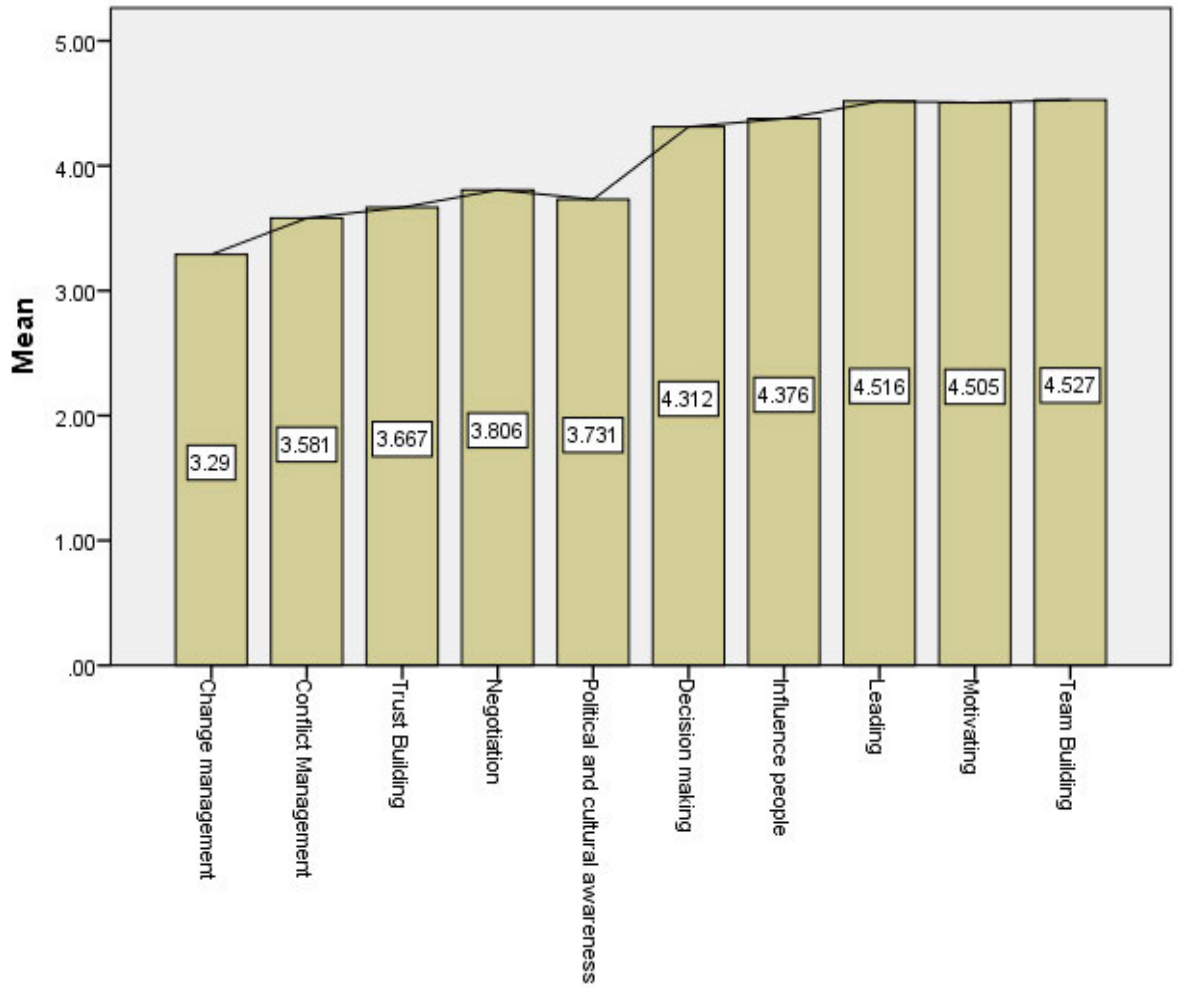

Figure 5.8: Soft skills required by owner managers of ECFs

In order to determine the specific soft skills that owner managers of ECFs require to enhance their managerial effectiveness, the mean score ranking analysis was utilized. According to the mean score ranking analysis, the most prominent soft skill that owner managers of construction firms require to enhance their managerial effectiveness is team building since it had the highest mean score value of 4.527. The second most prominent soft skill required by owner managers of construction firms is leadership (Mean Score=4.516) while the ability to motivate people is the third most prominent soft skill required by owner managers of ECFs (Mean Score=4.505). With a mean score of 4.376,

influencing people is identified as the fourth most prominent soft skill required by owner managers of ECFs to enhance their managerial effectiveness while decision making was identified as the fifth most prominent soft skill required by owner managers to enhance their managerial effectiveness. With a mean score value of 3.808, negotiation skills was identified as the sixth most prominent soft skill required by owner managers to enhance their managerial effectiveness while political and cultural awareness was identified as the seventh most prominent soft skill required by owner managers to enhance their managerial effectiveness. The least soft skills required by owner managers to enhance their managerial effectiveness comprised the following: trust building (Mean Score= 3.667), Conflict management (Mean Score=Conflict Management), and Change Management (Mean Score=3.29).

From the findings of the study, it was found that owner managers of construction firms in Mangaung require the following soft skills in order to enhance their managerial effectiveness: team building, leadership, motivation, influencing people, decision making, political and cultural awareness, negotiation, trust building, conflict management and change management. According to Maley (2012), acquiring special skills which are relevant to organization's project management techniques are critical for successful project implementation. Dwelling on the standpoint of Maley (2012), the researcher argues that when priority is given to the soft skills identified, owner managers of emerging construction firms will be well equipped with more managerial competencies and deliver projects effectively since the human component of project management is critical for the successful implementation of construction projects. Kloppenborg (2012) as well as Larson and Gray (2014) also hold the view that the success of project implementation is not embedded in the application of hard skills such as risk analysis, budgeting, quality control and scheduling, rather there is the need for soft skills such as leadership, team work, problem solving and negotiation among others in order to enhance successful project implementation. In the construction industry therefore, attention must not be given to the hard skills alone such as structural engineering, project design, cost forecasting, and interpretation of site maps among others. Rather there is the need to also give priority to soft skills such as leadership, motivation skills, coordination skills and also communication

skills (Larson & Gray, 2014). In this regard, emerging construction firms in the Mangaung Metropolitan Area can achieve managerial competency when they gain the needed training and capacity development in soft skills such as team building, leadership, motivation, influencing people, decision making, political and cultural awareness, negotiation, trust building, conflict management and change management.

5.4.4: Soft skill training needs versus firm size and age

In order to ascertain the differences in soft skill training needs of owner managers of construction firms in terms of firm size and age, the one-way analysis of variance (One-Way ANOVA) was used. The use of the one-way ANOVA was justified on the premise that the differences in soft skill training needs are being assessed on the basis of two independent variables which are categorical in nature (firm size and firm age). Results from the one-way ANOVA are presented as follows.

Table 5.7: One-way ANOVA for differences in soft skill needs versus firm age

		Sum of Squares	df	Mean Square	F	Sig.
Change management	Between Groups	31.842	4	7.960	3.813	0.01
	Within Groups	175.349	84	2.087		
	Total	207.191	88			
Conflict Management	Between Groups	19.250	4	4.813	2.911	0.03

	Within Groups	140.539	85	1.653		
	Total	159.789	89			
Trust Building	Between Groups	17.564	4	4.391	2.999	0.02
	Within Groups	124.436	85	1.464		
	Total	142.000	89			
Negotiation	Between Groups	18.098	4	4.524	3.872	0.01
	Within Groups	96.993	83	1.169		
	Total	115.091	87			
Political and cultural awareness	Between Groups	10.798	4	2.699	2.458	0.04
	Within Groups	92.258	84	1.098		
	Total	103.056	88			
Decision making	Between Groups	3.203	4	0.801	1.121	0.35
	Within Groups	59.988	84	0.714		
	Total	63.191	88			
Influence people	Between Groups	1.578	4	0.395	0.484	0.75
	Within Groups	69.322	85	0.816		

	Total	70.900	89			
Leading	Between Groups	1.745	4	0.436	0.726	0.58
	Within Groups	50.480	84	0.601		
	Total	52.225	88			
Motivating	Between Groups	1.273	4	0.318	0.415	0.78
	Within Groups	65.216	85	0.767		
	Total	66.489	89			
Team Building	Between Groups	2.558	4	0.639	0.939	0.45
	Within Groups	57.898	85	0.681		
	Total	60.456	89			

Table 5.5: Tukey's Post Hoc Analysis

Dependent Variable	(I) Firm Age	(J) Firm Age	Mean Difference (I-J)	Std. Error	Sig.
Change management	Under 1 year	1-3 years	-1.01250	0.74025	0.650
		4-6 years	-0.53333	0.71027	0.944
		7-10 years	0.41905	0.71896	0.977
		Over 10 years	-1.11304	0.71292	0.526
	1-3 years	Under 1 year	1.01250	0.74025	0.650
		4-6 years	0.47917	0.46631	0.842
		7-10 years	1.43155*	0.47945	0.030

		Over 10 years	-0.10054	0.47035	1.000
	4-6 years	Under 1 year	0.53333	0.71027	0.944
		1-3 years	-0.47917	0.46631	0.842
		7-10 years	0.95238	0.43172	0.188
		Over 10 years	-0.57971	0.42159	0.645
	7-10 years	Under 1 year	-0.41905	0.71896	0.977
		1-3 years	-1.43155*	0.47945	0.030
		4-6 years	-0.95238	0.43172	0.188
		Over 10 years	-1.53209*	0.43608	0.010
	Over 10 years	Under 1 year	1.11304	.71292	0.526
		1-3 years	0.10054	0.47035	1.000
		4-6 years	0.57971	0.42159	0.645
		7-10 years	1.53209*	0.43608	0.010
Conflict Management	Under 1 year	1-3 years	-0.34118	0.65417	0.985
		4-6 years	0.10000	0.63212	1.000
		7-10 years	0.74286	0.63985	0.773
		Over 10 years	-0.48696	0.63448	0.939
	1-3 years	Under 1 year	0.34118	0.65417	0.985
		4-6 years	0.44118	0.40762	0.815
		7-10 years	1.08403	0.41951	0.082
		Over 10 years	-0.14578	0.41127	0.997
	4-6 years	Under 1 year	-0.10000	0.63212	1.000
		1-3 years	-0.44118	0.40762	0.815
		7-10 years	0.64286	0.38422	0.456
		Over 10 years	-0.58696	0.37520	0.524
	7-10 years	Under 1 year	-0.74286	0.63985	0.773
		1-3 years	-1.08403	0.41951	0.082
		4-6 years	-0.64286	0.38422	0.456
		Over 10 years	-1.22981*	0.38810	0.018

	Over 10 years	Under 1 year	0.48696	0.63448	0.939
		1-3 years	0.14578	0.41127	0.997
		4-6 years	0.58696	0.37520	0.524
		7-10 years	1.22981*	0.38810	0.018
Trust Building	Under 1 year	1-3 years	-0.08235	0.61555	1.000
		4-6 years	0.25833	0.59480	0.992
		7-10 years	0.80000	0.60208	0.674
		Over 10 years	-0.41739	0.59703	0.956
	1-3 years	Under 1 year	0.08235	0.61555	1.000
		4-6 years	0.34069	0.38355	0.901
		7-10 years	0.88235	0.39475	0.177
		Over 10 years	-0.33504	0.38699	0.909
	4-6 years	Under 1 year	-0.25833	0.59480	0.992
		1-3 years	-0.34069	0.38355	0.901
		7-10 years	0.54167	0.36154	0.566
		Over 10 years	-0.67572	0.35306	0.318
	7-10 years	Under 1 year	-0.80000	0.60208	0.674
		1-3 years	-0.88235	0.39475	0.177
		4-6 years	-0.54167	0.36154	0.566
		Over 10 years	-1.21739*	0.36519	0.011
	Over 10 years	Under 1 year	0.41739	0.59703	0.956
		1-3 years	0.33504	0.38699	0.909
		4-6 years	0.67572	0.35306	0.318
		7-10 years	1.21739*	0.36519	0.011
Negotiation	Under 1 year	1-3 years	-0.45000	0.55385	0.926
		4-6 years	0.09167	0.53142	1.000
		7-10 years	0.70000	0.54051	0.695
		Over 10 years	-0.46087	0.53341	0.909
	1-3 years	Under 1 year	0.45000	0.55385	0.926

		4-6 years	0.54167	0.34890	0.532
		7-10 years	1.15000*	0.36258	0.018
		Over 10 years	-0.01087	0.35192	1.000
	4-6 years	Under 1 year	-0.09167	.53142	1.000
		1-3 years	-0.54167	0.34890	0.532
		7-10 years	0.60833	0.32729	0.348
		Over 10 years	-0.55254	0.31544	0.409
	7-10 years	Under 1 year	-0.70000	0.54051	0.695
		1-3 years	-1.15000*	0.36258	0.018
		4-6 years	-0.60833	0.32729	0.348
		Over 10 years	-1.16087*	0.33051	0.006
	Over 10 years	Under 1 year	0.46087	0.53341	0.909
		1-3 years	0.01087	0.35192	1.000
		4-6 years	0.55254	0.31544	0.409
		7-10 years	1.16087*	0.33051	0.006
Political and cultural awareness	Under 1 year	1-3 years	0.25882	0.53317	0.989
		4-6 years	0.90833	0.51519	0.402
		7-10 years	0.65000	0.52400	0.728
		Over 10 years	0.06957	0.51712	1.000
	1-3 years	Under 1 year	-0.25882	0.53317	0.989
		4-6 years	0.64951	0.33222	0.297
		7-10 years	0.39118	0.34572	0.789
		Over 10 years	-0.18926	0.33520	0.980
	4-6 years	Under 1 year	-0.90833	0.51519	0.402
		1-3 years	-0.64951	0.33222	0.297
		7-10 years	-0.25833	0.31730	0.926
		Over 10 years	-0.83877	0.30580	0.040
	7-10 years	Under 1 year	-0.65000	0.52400	0.728
		1-3 years	-0.39118	0.34572	0.789

	4-6 years	0.25833	0.31730	0.926
	Over 10 years	-0.58043	0.32042	0.374
Over 10 years	Under 1 year	-0.06957	0.51712	1.000
	1-3 years	0.18926	0.33520	0.980
	4-6 years	0.83877	0.30580	0.040
	7-10 years	0.58043	0.32042	0.374

From the one-way ANOVA, it was found that there were significant differences in the following soft skills with respect to firm age (change management, conflict management, trust building, negotiation and political and cultural awareness). The use of Tukey's post hoc analysis was relevant to identify which of the sub-groups in the independent variable (firm age) significant differed in their mean sizes with respect to the soft skills training needs of owner managers of ECFs.

According to results from Tukey's post hoc analysis, it was found that there are significant differences in soft skill training needs on Change Management for firms which have existed for a period of 1-3 years, 7-10 years (p=0.030) and over 10 years (p=0.010) since their p-values were less than 0.05.

In terms of conflict management as a soft skill, the results from the post-hoc analysis showed that significant differences exist for ECFs which have existed for a period of 7-10 years and over 10 years respectively (p=0.018). The study further found that significant differences exist in the training needs of the soft skill of trust building for ECFs which have existed for a period of 7-10 years and more than 10 years (p=0.011). With regards to negotiation as a soft skill training need, the study found that significant differences exist for ECFs which have existed for a period of 1-3 years and 7-10 years (p=0.018). For political and cultural awareness, it was found that significant differences exists for ECFs which have existed for a period 4-6 years and over 10 years (p=0.040).

Table 5.8: One-way ANOVA for difference in soft skill needs versus firm size

Soft skill training needs		Sum of Squares	df	Mean Square	F	Sig.
Change management	Between Groups	10.948	4	2.737	1.177	0.327
	Within Groups	193.041	83	2.326		
	Total	203.989	87			
Conflict Management	Between Groups	8.546	4	2.137	1.216	0.310
	Within Groups	147.633	84	1.758		
	Total	156.180	88			
Trust Building	Between Groups	9.686	4	2.422	1.576	0.188
	Within Groups	129.078	84	1.537		
	Total	138.764	88			
Negotiation	Between Groups	4.737	4	1.184	0.898	0.469
	Within Groups	108.114	82	1.318		
	Total	112.851	86			
Political and cultural awareness	Between Groups	5.203	4	1.301	1.116	0.354

	Within Groups	96.695	83	1.165		
	Total	101.898	87			
Decision making	Between Groups	3.881	4	0.970	1.388	0.245
	Within Groups	58.017	83	0.699		
	Total	61.898	87			
Influence people	Between Groups	2.858	4	0.714	0.891	0.473
	Within Groups	67.344	84	0.802		
	Total	70.202	88			
Leading	Between Groups	3.030	4	0.758	1.284	0.283
	Within Groups	48.970	83	0.590		
	Total	52.000	87			
Motivating	Between Groups	1.589	4	0.397	0.516	0.724
	Within Groups	64.636	84	0.769		
	Total	66.225	88			
Team Building	Between Groups	3.556	4	0.889	1.317	0.270
	Within Groups	56.692	84	0.675		
	Total	60.247	88			

According to the results from Table 5.8, it was found that there are no significant differences between all the training need soft skills and firm size since none of the p-values for the soft skills was less than 0.05; Change Management (F=1.177, p=0.327), Conflict Management (F=1.216, F=0.310), Trust Building (F=1.576, p=0.188), Negotiation (F=0.898, p=0.469), Political and Cultural Awareness (F=1.116, p=0.354), Decision Making (F=1.388, p=0.245), Influencing People (F=0.891, p=0.473), Leadership (F=1.284, 0.283), Motivation (F=0.516, 0.724), Team Building (F=1.317, p=0.270). Since there were no significant differences between the soft skills training needs of managers and firm size, there was no need for Tukey's post hoc analysis.

5.4.5 Differences in soft skill training needs of ECFs versus firm size and age

From the results of the study, it was found that some training needs of owner managers of ECFs differ in terms of firm age and these include change management, conflict management, trust building, negotiation as well as political and cultural awareness. On the other hand, there are a number of soft skills training needs of owner managers of ECFs which do not differ in terms of firm age and this comprised the following: decision making, influencing people, leadership, motivation and team building. The results further found that all the soft skills training needs comprising change management, conflict management, trust building, negotiation, political and cultural awareness, decision making, influencing people, leadership, motivation and team building do not differ in terms of firm size. This finding was discussed in line with the planning training model in literature. According to the planned training model, training needs assessments are very essential for the designing and implementation of effective training programs.

The planned training model further postulates that the conduct of training needs assessments encompasses the analysis of the business, team, professional and individual needs in order to identify the competencies that require training and development. In order for ECFs of Mangaung to be able to conduct effective soft skill training programs, there is the need to ensure that firm characteristics such as firm size

(number of employees) and firm age (number of years of firm existence) must not be ignored. This is because, these firm characteristics have implications on the organization's capability to organize effective soft skills training to enhance organizational effectiveness.

5.4.6 Preferred mode of delivery of training

This section presents results on the preferred training and development mode for owner managers of ECFs in Mangaung Metropolitan Area . The result was presented in the bar graph below:

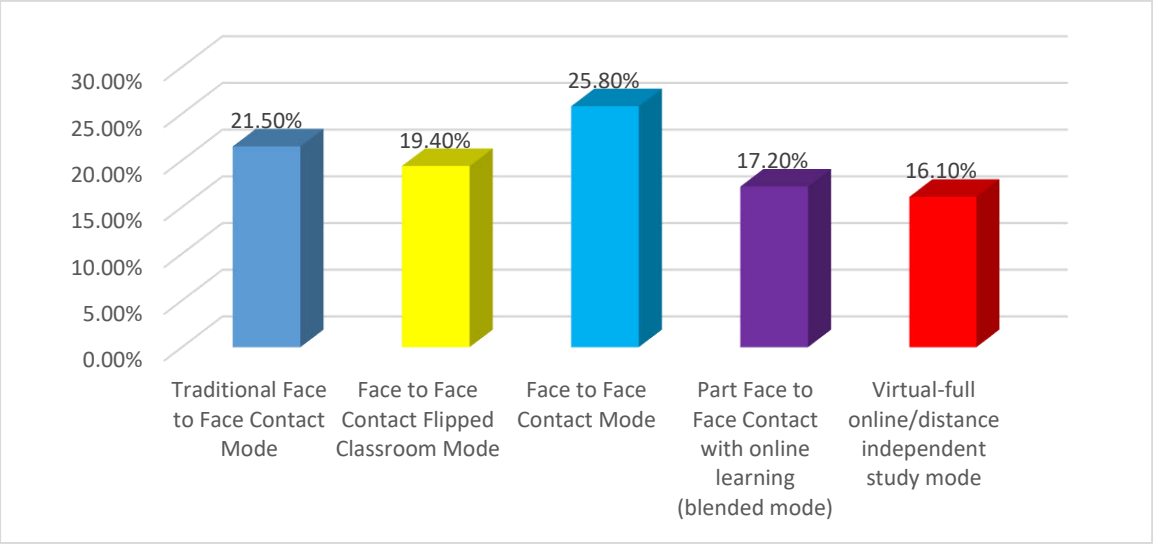

Figure 5.9: Preferred training mode

According to results from Figure 5.9, it was found that the most preferred training and development mode by owner managers of ECFs is the Face-to-Face contact mode as this was attested by the majority of respondents (25.8%). The Face-to-Face contact mode is characterized by problem based learning where trainees are presented with a problem and they search for needed information to find solution to the problem. Moreover, 21.5%

of the respondents did attest that they do prefer the traditional face-to-face contact mode which is lecture based followed by independent study and then assignments which must meet all scheduled sessions. According to 19.4% of the respondents they do prefer the Face-to-Face Contact Flipped Classroom Mode which is characterized by lectures, scheduled sessions, homework as well as contact time divided into discussions and activities. 17.2% of the respondents preferred the Part face-to-face contact with online learning (blended mode) which comprises of the traditional teaching and online learning as well as independent study. The least of the respondents (16.1%) do prefer the Virtual-full online/distance independent study mode whereby students and lecturers rarely or never meet but rather makes use of videos and other learning materials through the internet.

According to the results, it could be deduced that the three most preferred training and development modes in their order of prominence are the face-to-face contact mode, traditional fully face-to-face contact mode and the face-to-face contact flipped classroom mode. The least preferred training and development modes are the part face-to-face contact with online learning (blended mode) and the virtual full online/distance mode. Comparing this result to literature, it could be inferred that all the training mode preferences for owner managers of ECFs are examples of off-the-job training methods. According to Smith (2000), the use of off-the job training methods enhances effective learning through the application of both oral and written communication skills in other to acquire new skills that could ensure better functioning in the organizational environment. In this regard, since all the preferred training modes preferred by owner managers of ECFs are off-the-job, the utilization of different face-to-face modes could enhance the effective acquisition of soft skills which could enhance the managerial competencies of the owner managers of ECFs in Mangaung Metropolitan Area.

5.4.7 Differences in preferred training mode versus demographic factors

In order to assess the differences in training mode preferences based on demographic statistics of the respondents, the cross tabulation analysis was utilized. The demographic characteristics that were assessed comprised the following: gender, age, educational level and working experience of respondents.

Table 5.9: Differences in preferred training mode versus gender

Training mode	Gender		Total
	Male	Female	
The traditional fully face-face contact (FTF) mode	10	10	20
Face-face contact flipped classroom (FTF) mode	15	3	18
Face-face contact (FTF) mode	13	11	24
Part Face-face contact with online learning (blended) mode	9	7	16
Virtual - full online / distance independent study mode	8	7	15
Total	55	38	93

According to results from the cross tabulation, it could be inferred that equal number of males and females (10 respondents each) prefer the traditional fully face-to-face contact mode. On the other hand, with regards to Face-to Face contact flipped classroom mode, more males (15 respondents) prefer it as compared to females (3 respondents). In terms of the face to face contact mode, it could be inferred that more males (13 respondents) prefer it more than females (11 respondents). For the part face to face contact with online

learning (blended mode) males (9 respondents) outnumber females (7 respondents) in terms of preference. For the virtual online mode, 8 males preferred it as against 7 females who also preferred it.

Table 5.10: Differences in preferred training mode based on age

Training Mode	Age				Total
	Up to 25 years	26-35 years	36-55 years	56-65 years	
The traditional fully face-face contact (FTF) mode	1	7	11	1	20
Face-face contact flipped classroom (FTF) mode	0	8	8	2	18
Face-face contact (FTF) mode	2	9	10	3	24
Part Face-face contact with online learning (blended) mode	0	8	6	2	16
Virtual - full online / distance independent study mode	2	5	7	1	15
Total	5	37	42	9	93

From the results, it could be inferred that for the traditional fully face to face contact mode, most of the owner managers who prefer it are between the ages of 36-55 years (11 respondents) and this is followed by owner managers between the ages of 26-35 years.

Few owner mangers who are up to 25 years (1 respondents) and between the ages of 56-65 years do prefer the traditional fully face to face contact mode of soft skill training.

In terms of the face to face contact flipped classroom mode, equal number of owner managers between the ages of 26-35 years (8 respondents) and 36-55 years (8 respondents) do have preference for it. Few owner managers between the ages of 56-65 years also have preference for the face to face contact flipped classroom mode. With regards to the face to face contact mode, 10 owner managers between the ages of 36-55 years do prefer it while 9 owner managers between the ages of 26-35 years also prefer the face to face contact mode. It was also found that, in terms of the blended mode, 8 owner managers between the ages of 26-35 years have preference for it while 6 owner managers between the ages of 36-55 years also have preference for it. Moreover, 2 owner managers between the ages of 56-65 years have preference for the blended mode of soft skill training. The results also showed that 7 owner managers between the ages of 36-55 years have preference for the virtual-full online mode, 5 owner managers between the ages of 26-35 also have preference for the same mode (virtual full online mode). Few of the owner managers who are up to 25 years (2) and those between the ages of 56-65 years (1) have preference for the virtual full online mode.

Table 5.11: Differences in preferred training mode based on educational level

Training Mode	Education					Total
	No formal education	Some but below matric	Matric	Above matric, below diploma / Degree	Diploma, Degree and above	
The traditional fully face-face contact (FTF) mode	0	1	2	10	7	20
Face-face contact flipped classroom (FTF) mode	0	0	2	10	6	18
Face-face contact (FTF) mode	1	2	1	11	9	24
Part Face-face contact with online learning (blended) mode	0	0	2	6	8	16
Virtual - full online / distance independent study mode	0	0	4	7	4	15
Total	1	3	11	44	34	93

According to results from the cross tabulation, it could be inferred that the majority of owner managers who prefer the traditional fully face to face contact mode are above

matric, below diploma/degree level (10) and also the diploma, degree and above educational levels (7 respondents). Few owner managers who prefer the traditional fully face to face contact mode are at the matric (2 respondents) and below matric levels (1 respondent).

The results also show that the majority of owner managers who prefer the face to face contact flipped classroom mode are above matric but below diploma/degree educational levels (10 respondents) and also diploma/degree and above educational levels (6 respondents). On the other hand, minority of owner managers (2 respondents) who prefer the face to face contact flipped classroom mode are at the matric educational level. With regards to the face to face contact mode, majority of owner managers who prefer it are at the above matric, below diploma/degree education level (11 respondents) and the diploma, degree and above educational level (9 respondent). Minority of respondents who prefer the face to face contact mode are at the following educational levels: below matric (2 respondents), Matric (1 respondents), no formal education (1 respondent). In terms of the blended training mode, majority of the respondents who prefer it are at the following educational levels: above matric, below diploma/degree (6 respondents), diploma, degree and above (8 respondents). Two (2) owner managers who are at the matric educational level also prefer the blended training mode. From the results, most of the owner managers who prefer the virtual full online/distance training mode are at the following educational levels: above matric, below diploma/degree (7 respondents), Matric level (4 respondents), Diploma, degree and above (4 respondents).

Table 5.12: Differences in preferred training mode based on work experience

Training mode	Working Experience					Total
	Under 1 year	1-3 years	4-6 years	7-10 years	Over 10 years	
The traditional fully face-face contact (FTF) mode	0	4	7	5	4	20
Face-face contact flipped classroom (FTF) mode	2	2	11	3	0	18
Face-face contact (FTF) mode	3	1	9	9	2	24
Part Face-face contact with online learning (blended) mode	0	1	4	5	6	16
Virtual - full online / distance independent study mode	0	5	4	3	3	15
Total	5	13	35	25	15	93

According to the results of the study, majority of owner managers who prefer the traditional fully face to face contact mode have 4-6 years (7 respondents) and 7-10 years working experience (5 respondents). Moreover, 4 respondents respectively who have 1-3 years and over 10 years working experiences also asserted that they prefer the traditional fully face to face contact mode.

From the results, it could be deduced that the majority of respondents who prefer the face to face contact flipped mode have 4-6 years working experience (11 respondents). Moreover, the minority of respondents who preferred the face to face contact flipped classroom mode had the following working experiences: 7-10 years (3 respondents), 1-3 years (2 respondents), under 1 year (2 respondents).

From the results, it could be inferred that most of the respondents who prefer the blended training mode had the following working experiences: over 10 years (6 respondents), 7-10 years (5 respondents), and 4-6 years (4 respondents). Moreover, 1 respondent also preferred the blended training mode. For the virtual –full online training mode, 5 respondents who preferred it have worked for a period of 1-3 years, 4 respondents have worked for 4-6 years, 3 respondents have worked for 7-10 years and over 10 years respectively.

From the results of the study, it was inferred that training mode preferences differ in terms of gender, age, educational level and working experience of owner managers of ECFs in Mangaung. According to Dzansi and Dzansi (2011), in order for owner managers to possess the right soft skills, there is the need for training which is based on the conduct of training needs analysis in order to identify the specific deficiencies in soft skill competencies which require training. Dwelling on this standpoint, the study argues that in conducting soft skill training need assessments for owner managers of ECFs, demographic characteristics such as gender, age, educational level and working experience should not be ignored since such demographics have implication on how the training should be designed to enhance effectiveness especially in terms of training mode preferences.

CHAPTER SIX: CONCLUSIONS AND RECOMMENDATIONS

6.1 INTRODUCTION

This chapter presents the conclusions and recommendations of the study. Training programs in soft skills are relevant to managers of ECFs in South Africa provinces due to their influence on business sustainability (Hauptfliesch et al., 2007). The need to identify soft skill training needs of managers in ECFs in South Africa provinces necessitated this study since it will help in the development of a comprehensive soft skill training curriculum for ECFs in South African provinces.

6.2 CONCLUSIONS BASED ON LITERATURE

Despite the relevance of both the theoretical and conceptual literature to the study. It could be inferred that the application of the knowledge based view theoretical foundation is unique to the understanding of soft skills training needs of owner managed ECFs in the South African context. Secondly, although one of the key problems identified in the South African Construction industry remains the mismatch between available skills and required skills, there has not been much exploration in the context of soft skills defects in the construction industry and most especially in the ECFs in South Africa, which therefore requires much exploration, making this study very relevant. Moreover, although soft skills such as communication, integrity, courtesy, team work, work ethic, positive attitude among others have been identified in literature as relevant in enhancing firm effectiveness in various firm sectors, it was realized that a huge gap exists in the construction industry especially among ECFs in the South African context. This study therefore seeks to fill up the existing gaps identified in literature.

6.3 CONCLUSIONS BASED ON RESEARCH QUESTIONS

This section presents the conclusions based on research questions that guided the study. The first research question: What is the soft skill competence level of owner managers of small ECFs in Mangaung? was achieved through the use of exploratory factor analysis. From the exploratory factor analysis, it could be concluded that owner managers of ECFs have soft skill competencies in the following areas: decision making, conflict management, motivation, leadership and communication.

The second research question: what the specific soft skills are that owner managers of ECFs in Mangaung require to enhance managerial effectiveness was achieved through the use of mean score ranking analysis. In their order of prominence, the study concluded that owner managers of ECFs require the following soft skills: team building, leadership, motivation, influencing people, decision making, political and cultural awareness, negotiation, trust building, conflict management and change management.

The third research question: Do soft skill training needs of owner managers of small ECFs differ in terms of firm size and age? was achieved through the use of one-way ANOVA. According to the results, it could be concluded that some of the soft skills training needs of owner managers of ECFs differ in terms of firm age and these are as follows: change management, conflict management, trust building, negotiation as well as political and cultural awareness. On the other hand, there are a number of soft skills training needs of owner managers of ECFs which do not differ in terms of firm age and this comprised the following: decision making, influencing people, leadership, motivation and team building. Again from the results it was found that all the soft skills training needs of owner managers (change management, conflict management, trust building, negotiation, political and cultural awareness, decision making, influencing people, leadership, motivation and team building) did not differ in terms of firm size.

The fourth research question “Which is the preferred training and development mode of owner managers of small ECFs in Mangaung? was achieved through the use of descriptive statistics. According to the results, it could be deduced that the three most preferred training and development modes in their order of prominence are the face to face contact mode, traditional fully face to face contact mode and the face to face contact flipped classroom mode. The least preferred training and development modes are the part face to face contact with online learning (blended mode) and the virtual full online/distance mode.

The fifth research question “Do these training mode preferences differ? If so what demographic characteristics are the basis of this difference?”. Was achieved through the use of cross tabulation analysis. According to the results, it could be concluded that the training mode preferences differ in terms of gender, age, educational level and working experience of owner managers of ECFs in Mangaung. In terms of gender difference in relation to the training mode preferences, it was concluded that most males prefer the face to face contact flipped classroom mode and the face to face contact mode than females whiles both males and females equally prefer the traditional fully face to face contact mode. In terms of age difference, it was concluded that most owner managers between the ages of 36-55 years do prefer the following training modes in its order of prominence more than the other age groups: traditional face to face contact mode, face to face mode and face to face contact flipped classroom mode. From the results, it was concluded that the majority of owner managers who are above matric but below diploma or degree do prefer the following training modes in their order of prominence: face to face contact mode, traditional fully face to face contact mode and the face to face contact flipped classroom mode. According to the results of the study, it was concluded that the majority of owner managers of ECFs who have worked in their respective firms for a period of 4-6 years prefer the following training modes in their order of prominence: face to face contact flipped classroom mode, face to face contact mode and the traditional fully face to face contact mode.

6.4 RECOMMENDATIONS

Dwelling on the findings of the study and conclusions derived from it based on the research questions, the study provides recommendations for policy and practice and also for future studies.

6.4.1. Recommendations for policy and practice

Approach to Needs Assessments

From the findings of the study, it was found that owner managers of ECFs in Mangaung have soft skills competencies in decision making, conflict management, motivation, leadership and communication. In as much as these soft skills were identified as the key competencies possessed by owner managers of ECFs, it must be emphasized these soft skill competencies emanated from the self-assessments of owner managers themselves. In this regard, the study recommends that, in conducting training needs assessments for ECFs, there is the need for a two-way approach. By the two-way approach, training needs assessments must not be conducted from the perspective of only owner managers of ECFs. Rather, employees should also be involved in identifying the soft skill training needs of owner managers of ECFs. By this two-way assessment, it will enable owner managers of ECFs to know their soft skill training needs that will not be biased but based on comprehensive assessments from employees as well. This approach will serve as a guide in helping owner managers of ECFs to design soft skill training programs that will meet their soft skill deficiencies in their respective organizations.

Soft skill training programs for owner managers of ECFs

From the findings of the study, it was found that owner managers of ECFs require the following soft skills to enhance their managerial effectiveness: team building, leadership, motivation, influencing people, decision making, political and cultural awareness, negotiation, trust building, conflict management and change management. The study

recommends that, in as much attention must be paid to the development of advanced skills for the construction industry, government and institutions involved in the construction industry in South Africa must pay attention to equipping ECFs with soft skill training programs from time to time in order to develop their managerial capacities and enhance firm improvements in the end.

Involvement of owner managers in the design of training programs

From the findings of the study, it was found that owner managers have more preferences for the following training modes: face to face contact mode, traditional fully face to face contact mode and the face to face contact flipped classroom mode as compared to the blended and virtual full online distance training modes which they showed least preferences for them. In this regard, the study recommends that owner managers of ECFs should be vigorously involved in the design of training programs that will suit the specific soft skills needs. In that way, they can be involved in choosing the specific training modes in which they want the training to be conducted which will enhance their soft skill enhancement.

Demographic factors to be given priority training programs design

From the study it was realized that some of the soft skills training needs of owner managers of ECFs differ in terms of firm age and these are as follows: change management, conflict management, trust building, negotiation as well as political and cultural awareness. The study also found that training mode preferences differ in terms of gender, age, educational level and working experience of owner managers of ECFs in Mangaung. The study therefore recommends that, in order to conduct effective soft skill training programs for owner managers of ECFs, demographic characteristics such as gender, age, educational level, working experience, firm age and firm size should be given priority in the design, implementation and evaluation of soft skill training programs for owner managers of ECFs.

6.4.2 Recommendations for future research

Based on the findings of the study, the researcher proposes the following for future research. Firstly, the study recommends that future researchers could assess the soft skill training needs of managers in other sectors of the South African economy such as banking, educational institutions, and health institutions among others. Secondly the study recommends the need for future researcher to replicate this study in other South African Metropolitan Municipalities. In replicating this study, the researcher recommends that the soft skill competencies of owner managers of ECFs should not only be based on self-assessments but rather employees must also be involved in assessing the soft skill competencies of their superiors.

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Appendix: Questionnaire

Dear Sir/Madam,

I am Mark Dzansi, an MTech Business Administration student from the Central University of Technology (CUT), Free state, Bloemfontein campus. I am conducting a research on the soft skills training needs of owner managers of emerging construction firms in the Mangaung Metropolitan Area. This questionnaire seeks your candid opinions on your soft skills training needs. Your responses will be kept strictly confidential and used for research purposes only.

	SECTION A **Please indicate what applies to you the most**					
1.	Gender	**1** Male		**2** Female		
2.	Age	**1** Up to 25 years	**2** 26-35 years	**3** 36-55 years	**4** 56 – 65 years	**5** Over 65 years
3.	Level of education	**1** No formal education	**2** Some but below matric	**3** Matric	**4** Above matric, below diploma/ degree	**5** Diploma, degree & above
4.	Educational expertise	**1** Engineering & related		**2** General management	**3** HRM	**4** Other ……..
5.	Your working experience	**1** Under 1 year	**2** 1-3 years	**3** 4-6 years	**4** 7-10 years	**5** Over 10 years
6.	Length of business operation	**1** Under 1 year	**2** 1-3 years	**3** 4-6 years	**4** 7-10 years	**5** Over 10 years
7.	Number of employees	**1** Up to 5		**2** 6-20	**3** 21-50	**4** More than 50

	SECTION B					
	Please indicate how often you perform the following activities	1 Not at all	2 Rarely	3 Sometimes	4 Often	5 Very often
8.	Conveying company vision to employees	1	2	3	4	5

9.	Making employees feel they are part of the achievement of organisation's goals	1	2	3	4	5
10.	Making employees committed to achieving organisational goals	1	2	3	4	5
11.	Making employees align their own objectives to the company's objectives	1	2	3	4	5
12.	Organising/ conducting team building exercises among employees	1	2	3	4	5
13.	Encouraging employees to work in teams	1	2	3	4	5
14.	Making employees collaborate well and trust each other	1	2	3	4	5
15.	Openly showcasing employee good work on public platforms in the company	1	2	3	4	5
16.	Ensuring that employees help each other when need be	1	2	3	4	5
17.	Highlighting any appreciation for employees	1	2	3	4	5
18.	Providing specific recognition or rewards to employees who do good jobs	1	2	3	4	5
19.	Helping workers to satisfy their personal and professional needs and goals	1	2	3	4	5
20.	Expressing love and belonging to employees in their times of difficulty	1	2	3	4	5
21.	Making employees feel respected, valued and wanted	1	2	3	4	5
22.	Making employees realise their full potential	1	2	3	4	5
23.	Recognising that communication is a two-way street	1	2	3	4	5
24.	Resisting the temptation to interrupt when listening to employees or subordinates	1	2	3	4	5
25.	Paying attention to non-verbal signals - body language, facial expressions and gestures when communicating with employees	1	2	3	4	5
26.	Re-stating what is said when speaking with someone, and there is doubt about the message being communicated as intended.	1	2	3	4	5
27.	Providing constant feedback to employees	1	2	3	4	5
28.	Overcome the urge of "waiting to speak" syndrome	1	2	3	4	5
29.	Making employees collaborate and cooperate well in achieving organisational and project goals	1 Not at all	2 Rarely	3 Sometimes	4 Often	5 Very often
30.	Turning up early for work	1	2	3	4	5

31.	Subtly showing that cutting corners is not good	1	2	3	4	5
32.	Rewarding for performance but making sure criteria to meet is clear to every employee and making sure all stand a fair chance of achieving the criteria.	1	2	3	4	5
33.	Able to transfer knowledge to all relevant employees	1	2	3	4	5
34.	Making punishment a last resort when an employee is not performing and must be reminded of bad consequences if there is no improvement	1	2	3	4	5
35.	Keeping the interest of employees in mind when making decisions	1	2	3	4	5
36.	Taking all the following steps when making decision: a) Defining the problem when making decisions b) Brainstorming multiple solutions c) Defining evaluation criteria when making decisions d) Exploring pros and cons of each of all decision alternatives e) Choosing the best solution when making decisions	1	2	3	4	5
37.	Involving those who must implement the solution and those who get affected when making decisions	1	2	3	4	5
38.	Identifying lessons learned from a decision made	1	2	3	4	5
39.	Evaluating to what extent decision objectives were achieved	1	2	3	4	5
40.	Using the consultation approach in decision making	1	2	3	4	5
41.	Communicating decisions transparently with workers	1	2	3	4	5
42.	Considering the different cultural backgrounds of employees or project stakeholders before communicating with them	1	2	3	4	5
43.	Ensuring that authority is used skilfully and in a right manner by myself and other senior members of the company	1	2	3	4	5
44.	Taking the position that it may not be always possible to please all parties when negotiating	1	2	3	4	5
45.	Attempting for a win-win situation for all parties, when negotiating	1	2	3	4	5
46.	NOT taking sides when presiding in a negotiation,	1	2	3	4	5
47.	Being fair and just in arriving at a resolution when presiding in a negotiation,	1	2	3	4	5
48.	Sharing information with employees	1	2	3	4	5
49.	Being transparent with employees about decisions	1	2	3	4	5

50.	Getting employees involved in decision-making process	1	2	3	4	5
51.	Being genuinely interested in employee growth	1	2	3	4	5
52.	Helping employees achieve their personal goals	1	2	3	4	5
53.	Being receptive to employee suggestions and concerns	1	2	3	4	5
54.	Empathizing with employees	1	2	3	4	5
55.	Making earnest attempt to solve employee problems	1	2	3	4	5
56.	Communicating openly with employees	1	2	3	4	5
57.	Taking preventive actions even before conflict surfaces	1	2	3	4	5
58.	Moving quickly to diffuse interpersonal conflicts	1	2	3	4	5
59.	Reacting without blaming any of the involved parties when resolving a conflict	1	2	3	4	5
60.	Seeking compromise to arrive at win-win situation	1	2	3	4	5
61.	Listening to all viewpoints when resolving a situation	1	2	3	4	5
62.	Remaining calm when an important employee decides to quit	1	2	3	4	5
63.	Remaining calm when a client's project that you have been working on for a while informs you that the project's requirements changed suddenly	1	2	3	4	5
64.	Permitting employees to work at their own pace	1	2	3	4	5

SECTION C: TRAINING NEEDS

Please indicate the degree to which you agree or disagree that the following topics must form part of your soft skills program

		1 Strongly disagree	2 Disagree	3 Not sure	4 Agree	5 Strongly agree
65.	Change management	1	2	3	4	5
66.	Conflict management	1	2	3	4	5
67.	Trust building	1	2	3	4	5
68.	Negotiation	1	2	3	4	5
69.	Political and cultural awareness	1	2	3	4	5
70.	Decision making	1	2	3	4	5
71.	Influencing people	1	2	3	4	5
72.	Leading	1	2	3	4	5
73.	Motivating	1	2	3	4	5
74.	Team building	1	2	3	4	5

	SECTION D: PREFERRED TRAINING MODE		
	Please indicate which lecturing mode best suits your circumstance		
75.	**PLEASE SELECT THE LECTURING MODE THAT BEST SUITS YOUR CIRCUMSTANCE** **PLEASE DO NOT SELECT MORE THAN ONE (1)**	1	**The traditional fully face-face contact (FTF) mode**- lecture based; followed by independent study; then assignments. must meet all scheduled sessions.
		2	**Face-face contact flipped classroom (FTF) mode** - lecture based; all scheduled sessions attended; lecture and homework elements are reversed meaning a recording/ detailed manual of a lecture is viewed by students at home before coming to the lecture, and then the contact time itself is devoted to discussion and activities.
		3	**Face-face contact (FTF) mode** - problem based learning; students presented with a problem and they search for information needed to find solution to the problem.
		4	**Part Face-face contact with online learning (blended) mode** - traditional classroom teaching is combined with online learning and independent study.
		5	**Virtual - full online/ distance independent study mode** – student and lecturer rarely or never meet – uses videos land other learning materials as well as the web.
76.	**PLEASE SELECT WHICH LECTURING TIME THAT BEST SUITS YOUR CIRCUMSTANCE** **PLEASE DO NOT SELECT MORE THAN ONE (1)**	1	Maximum 1 day per session weekly
		2	Maximum 2 day per session fortnightly
		3	Maximum 2 day per session monthly
		4	Maximum 3 days per session fortnightly
		5	Maximum 3 days per session monthly