György Spányi: Leading the Future of Construction Economics

A DISTINGUISHED construction professional with over four decades of experience in the field of architectural, engineering and project management, György Spányi was recently elected President of the CEEC (The European Council of Construction Economists), a knowledge hub for construction economists in Europe.

Focused on expanding the organisation's reach and continuing to explore the diverse roles and practices within the construction economics profession globally, György shares his plans for the future and insights into his journey so far with Irish building magazine readers.

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Following family tradition, I graduated from Budapest Technical University as a structural engineer in 1982. I was very keen to study abroad and applied to many places around the world. Finally, I secured a scholarship to Japan in 1985. I earned a master's degree in architectural engineering at Hokkaido University in Sapporo and stayed in Japan for one more year as a technical trainee at Ohbayashi Corporation in Tokyo.

Reflecting on my time in Japan, I learned a lot about diligence, incredibly precise work, and attention to the smallest details. I remember my department working on a bid for a major project (large cooling towers for a power plant) in Australia. As the only English speaker in the office, I was tasked with calling hardware stores in Australia to get prices for a padlock to secure the site fence.

I returned to Hungary just as Soviet-dominated Eastern Europe was collapsing. The world suddenly opened up, and although we were not ready, we were eager. Until then, our industry was dominated by a few large multidisciplinary architectural and engineering offices, each specialising in different sectors: large-scale residential, industrial, and public buildings. The same applied to construction companies. Work was distributed by the state, with no competition among companies. This changed overnight. State-owned companies were quickly privatised by their management, while ambitious architects, engineers, and contractors left large companies to set up hundreds of small businesses. It was a very inspiring time.

In 1991, a colleague and I started our own construction project management practice. We began with technical supervision, then gradually added more services. Today, we have about 40 well-qualified employees, working almost entirely for the private sector.

In the beginning, we knew very little about modern project management techniques and had no idea about construction economics. In the 1990s, Hungary was a fast-growing economy. This process was further strengthened when Hungary joined the EU in 2004. A few British companies quickly entered the Hungarian market and were awarded major projects, but fortunately, there was still plenty of work for Hungarian firms.

Soon, we received orders from companies such as Coca-Cola, BOSCH, Tesco, FESTO, and others. In the nineties, I met a British QS firm, Widnell, which we represented in Hungary for a couple of years. It was then that I first encountered the term 'quantity surveyor,' which took me a long time to decipher. Although the British connection did not bring us any significant assignments, I learned a lot about the uniquely professional English reporting and documentation. I also learned about RICS, codes of measurement, and more. My English improved significantly.

In Hungary, the lack of professionals speaking foreign languages is a problem. We are a small country with a very open economy, much like Ireland, where foreign investors are very active. However, unlike in Ireland, foreign language communication is highly problematic at all levels of business. German used to be the most widely spoken foreign language, partly because of our history (Austro-Hungarian Monarchy) and more recently because, after the fall of communism, many people went to work in Austria and Germany for shorter or longer periods. This has now changed, with English becoming the first foreign language. Unfortunately, very few people have active, up-to-date knowledge of it.

I entered the international professional community through my connection with Widnell and began attending meetings and conferences, eventually being invited to join CEEC in 2008. I also joined RICS in 2008 and am now a RICS Assessor.

In Hungary, construction economics, quantity surveying, and cost management did not (and still do not) exist in the same way they do elsewhere. Architects are responsible for the design, including all consulting engineering aspects. A Bill of Quantities (B/Q) is a compulsory part of the implementation plan, but architects are not responsible for its content, accuracy, or completeness. Preliminary cost estimates are often done by architects or project managers, but without established methods or content, these estimates can be very inaccurate and difficult to compare.

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Hungary lacks established measurement standards, a standard construction cost classification system, and standard construction contract templates. Most investors prefer to use the standards of their own countries and individual contracts prepared by their lawyers.

However, I am very proud of the significant progress I made. Many years ago, well before the ICMS was born, CEEC conducted a comparison of construction classification systems used in different countries. I found this study very valuable because it addressed a gap we had in Hungary. After more than ten years of lobbying, in 2021, my company was commissioned to compile a comprehensive construction cost classification. We conducted extensive research to analyse systems in different countries across Europe, with invaluable help from CEEC members. After a year of dedicated effort, we have developed a construction cost classification that well integrates international standards with the unique practices of the Hungarian construction industry. Our construction cost classification has been very well received by the industry and will be introduced in Hungary soon. This is a prime example of what can be achieved by sharing knowledge among CEEC members.

CEEC is a knowledge and networking hub where members share their latest and most important experiences, continuously learning from each other. CEEC was founded to bring together delegates from national organisations representing construction economist professionals from various European countries. Among our members are large, influential national organisations such as RICS from Britain, SCSI from Ireland, Untec from France, CGATE from Spain, and CIQS from Canada, the only non-European country represented.

Despite the importance of our profession, many countries lack an independent organisation representing construction economists. To address this, CEEC aims to include as many countries as possible. Therefore, individuals from countries without a national organisation can join CEEC as affiliates, who currently make up about one-third of our members.

I was elected President of CEEC a year ago. My predecessor, Agnete Skytte, our Swiss member, did a fantastic job liaising with international organisations of similar profiles, such as ICEC, PAQS, AICE, and CIQS. She was also very successful in keeping CEEC together during the Covid period.

As President of CEEC, my ambition is to attract more members from European countries that are not yet represented. It is of utmost importance that our two annual meetings address relevant topics of interest. Each meeting has a main theme around which the presentations are structured. At the Budapest meeting, the lead topic was quantity

take-off from BIM models. Peter Reicher, senior manager of Graphisoft (ArchiCAD), explained how they provide solutions to collect quantities from their BIM model. My colleague, Balazs Lengyel, and I presented our latest project, the new Museum of Ethnography, where we were responsible for both building the BIM model and preparing the B/Q. We shared the lessons learned on the magnitude of the data that can be extracted from the BIM model and the added value of the quantity surveyor. Csaba Livjak, the founder of a leading BIM designer company BUILDEXT, presented their latest innovations and their practice of quantity take-off. Our Dutch member, Tim de Jong, made an interesting presentation on the carbon footprint of demolishing versus renovating the housing stock in the Netherlands. In the Frankfurt meeting, we had an inspiring lecture about cost data collection and analysis done by BKI of Germany. We were also introduced to the BKI cost planner software by Tabea Wessel of Germany. We had a great presentation by Dr. Marc Grief, our German member, on the challenge of climate-friendly conversion in residential construction. Dr. Ronan Lyons from Trinity College, Dublin, presented the Trinity College Building Homes report, a cost study prepared with the active participation of CEEC. Our next meeting in Ajaccio, Corsica, will focus on the challenges of restoring historic buildings from a cost engineer's point of view.

The CEEC, apart from being a very high-level professional organisation, is also a great group of friends. We have many members who, after their term of office has expired and they are no longer delegates, continue to attend our meetings.

In the CEEC, my intention is to further explore the similarities and differences in conducting our profession across various countries. I plan to relaunch the 'Role of Construction Economist' comparison, focusing on our role and work throughout the entire length of a project. It is interesting that even the titles for our profession vary significantly: construction economist, quantity surveyor, cost engineer, and more. The status, reporting structure, employers, responsibilities, scope of services, and prestige differ greatly from country to country. Understanding the building practices of different countries can be particularly useful when dealing with foreign clients. By having knowledge of the structure of their construction industry, the roles of key players, and their responsibilities, we can collaborate more effectively. In this context, CEEC members serve as an invaluable source of information for one another.

Additionally, I would like to continue and expand our very successful 'Office Cost Model' to include different types of buildings such as residential, warehouse, and industrial structures, which can also be compared relatively easily.

With the rise of ICMS, comparing construction cost classification systems has become obsolete. However, I am very curious about the extent to which ICMS is applied in CEEC countries. Does it truly replace the old classification systems? I suspect there are significant differences between countries.

The business environment in Hungary is currently very slow and challenging. Hungary's budget is not in a healthy state, inflation is high, and EU funds are not flowing as they used to. Germany's struggling economy significantly impacts us, as Hungary is heavily reliant on existent, the housing market is stagnant, and the office market is frozen. The only segment showing some activity is the tourism industry, mainly hotels.

German car manufacturers (we have large plants for Audi, Mercedes, and BMW). Apart from a few major projects by Chinese car and battery manufacturers, there are not many projects in the market. Public works are non-

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We are using this time to explore new directions in digitalisation, BIM, and AI. We have always been at the forefront of introducing new technologies. We started developing our project portal system 15 years ago, moved our everyday work to the cloud, and began using building scanners and drones in our daily operations years ago. Now, we are looking into integrating AI into our work. We hope that by the time the business environment improves, we will have accumulated new skills and be able to offer services that our competitors cannot. We are excited to see how AI technology will interact with human intelligence, knowledge, experience and expertise. ■