

Abstract

The construction sector is one of the most important of the Spanish economy. It has some peculiarities that make it clearly different from the whole industry: its products make the surrounding areas more dynamic in a decisive way because of the impact of the investments; the different governments are the principal clients, therefore they have a key role; the market size is strongly conditioned by the public investments policy; its products cannot be moved and its production is not repetitive.

The sector has shown its weakness to the economical cycles in the past. This factor has a strong influence in the present strategies of the enterprises such as diversification strategies and outsourcing. The diversification strategies has been strongly developed by the biggest companies in order to ensure a stable source of income, in this scenario the concessions market is specially important. The increasing importance of the outsourcing has the objective of make the organizations structure more flexible in order to improve the adaptation to the cycles. The public administrations are another key factor in the cyclic process because they are the most important clients in the civil engineering. Moreover the central and regional governments investments policy has a strong influence in the sector evolution.

In spite of the different sorts of enterprises, they can be included in three main groups: the big, the medium and the small size enterprises. There are a lot of small size enterprises and frequently they only have a few number of employees. They are focused in the building house market rather than civil engineering. The organisation and organisation levels of those enterprises are less sophisticated than the modern companies.

On the other side, the biggest companies are more and more focused in other activities rather than building and civil engineering such as project management and promotion. The present process of diversification in the biggest companies is a proof of that, due to the wider range of interests.

Therefore, the medium companies make the basic economical structure of the sector, especially in Catalonia. They are traditional companies. suddenly they are specialists in some areas and are really well known because of their abilities. However, they suffered serious problems because the cycles of the sector.

The last half of the 90's has been a cycle change moment. The crisis of the first half of the 90's was followed by a historical strong-growth period. The important investments made before the 1992 Olympics drove to a big crisis. And in the last half of the decade the market has reached again an important business volume. This has been possible because of the Investments Plan of the Government and the situation of the building houses market. There are numerous mysteries in the future evolution of the market, especially in the building houses market. The interests rate evolution and the bear stock exchange market have had an important role in the building houses market trends. The strategies have special importance in this sector due to the short-term uncertainties in the building houses market and mid- term uncertainties in the civil engineering.