

Recruiting and Retention Strategies for Construction Employers in the United States

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Abstract - In the fall and spring semesters of 2008, graduating construction management students at Western Carolina University were surveyed to determine their expectations of aspects of working conditions in the construction industry. A previously developed survey instrument was used to partially replicate a study done in 2003 which determined positive recruiting and retention strategies for construction companies. The results of this study indicated that while new graduate expectations of construction employers are ever-changing, the most recently surveyed students generally had similar perceptions to those surveyed in 2003. The similarities in the economic climates during both periods may explain the similarities of the results of the two studies.

Keywords: employee retention, personnel retention, employee recruiting, hiring strategy, employee benefits

INTRODUCTION

Employers wonder how to make their employees happy. The target is moving. How do employers hire and retain the best employees? This question is often answered by trial and error. In this paper, a survey was conducted of graduating senior students in a Construction Management program at Western Carolina University in Cullowhee, North Carolina. The intent of the survey was to examine the job expectations of these soon to be employees. This survey was a replication of a survey done in 2003 of Construction Management students at the University of Florida, Purdue University and Auburn University. Have the expectations of graduating senior students in construction programs changed? Employers of these students may be interested to know the aspects and issues their future employees find important in a job.

A literature review of recent articles pertaining to recruiting and retaining employees is provided in this paper. The methodology, results and conclusions of the study are discussed. Information intended to help employers and recommendations for further studies are also provided.

LITERATURE REVIEW

The current global economic situation has changed the outlook for many workers and businesses in the United States and worldwide. Anxiety levels are high in the workplace. Every television news channel reports massive weekly employee layoffs. Companies are struggling to maintain their customer base. Myron [2, p. 6] suggests that

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“retaining top employees should be seen as part of any effort to retain customers”. Benefits packages are one mechanism employers may use to recruit and retain employees (and customers). Employee job benefits generally fall into three primary areas: personal, organizational and community [6].

Personal job benefits have attributes related to a potential applicant’s and their families’ lifestyles. An example of this type of job benefit, among others, includes vacation/sick time, medical/dental plans, 401K and profit sharing. These types of benefits relate to family. Companies need to understand they are recruiting an entire family, not just one person [6]. Organizational benefits include salary, potential for promotion and quality of work. A dirty, mundane job might pay more for example. The company community and culture is the last category of job benefits and includes company client base, mentoring programs, and job location. A good combination of the three types of benefits should be the goal of company officers to recruit and retain the best people.

Job satisfaction and employee retention are subjective. “Workers may report high levels of satisfaction for reasons to do with personal disposition or outlook rather than quality of work or work conditions” [4, p. 567]. It is hard to measure positive job aspects versus negative ones. A source of job dissatisfaction, if addressed by an employer may not result in satisfaction, just an absence of dissatisfaction. Roelen, et al [4] believe that work content, autonomy, communication, supervision, coworkers, financial rewards, promotion, personal growth and the meaningfulness of work are job satisfiers. Some professional recruiters try to provide benefits based upon potential employee demographics. Baby boomers and generation Xers are two categories often discussed in the literature.

Baby boomers, those born between 1946 and 1964, are currently among the most experienced employees in the construction industry. Many companies in the United States are “sizing up their benefits platforms and seeing how they could be used to appropriately manage (retain) and satisfy their aging workforces” [3, p.1]. Retirement benefits such as wellness programs and 401K plans are examples of personal benefits sought by the older crowd of workers. Until the current recession, knowledge worker shortages were forecast for companies in the United States. Upgraded benefits packages are one means to keep the best and brightest on the payroll.

Generation Xers or the Net Generation are the younger professionals who are under 30 years old and have grown up in the digital age. “They are more likely than their (Boomer) parents to balance work and family” [7, p.1]. Companies have an opportunity to restructure during the current recession, and become stronger when it is over by recruiting young talent which can lead their business in the future when the Boomers are gone from the workplace. Roy and Kreiss [5] suggest ten tips to retain the next generation of workers:

1. Encourage the use of online social networks such as MySpace and Facebook to tap the huge hubs of available information.
2. Offer flextime to provide workers with some personal autonomy.
3. Provide employees the option to work from home in a Flex Office format.
4. Reward employees based upon merit, not time spent at work.
5. Provide a socially conscious work environment. Get workers involved in a cause to generate emotional equity.
6. Offer training opportunities for personal as well as professional growth.
7. Use flat-line management styles to communicate effectively with employees.
8. Spend informal time with employees and mentor them.
9. Offer iPod Fridays to allow employee autonomy.
10. Offer free or discounted gym memberships.

While some of these ideas may seem “out there”, especially to the Boomer generation, all employers should realize that it is not a time of business as usual. “Being proactive on retention today will yield a much higher return than the firms who are reactive tomorrow” [5].

2003 STUDY

In 2003, Jenkins, Sims, and Fuller [1] wrote a paper entitled, “Survey results of recent construction management graduates and company recruiters regarding perceived incentives for remaining with a construction firm” in *The American Professional Constructor*. In their study, they surveyed graduating senior students at the University of Florida, Perdue University and Auburn University on the aspects they would find important pertaining to future jobs and employers. The authors produced a list of the top ten issues which these students perceived to be most important from a list of 45 aspects provided. This top ten list included aspects from all three of Stretton & Bolon’s categories [4] and several from Roelen’s [6] list of job satisfiers. It was decided to replicate this study, since the instrument addresses the same issues in current literature, to determine whether college students’ expectations of employers have remained fundamentally the same, but the job market changed substantially between 2003 and 2008.

The top ten list of graduating seniors’ expectations of the 2003 paper included:

1. Upward movement in job positions
2. Stability of Company's Management
3. Company's Financial Strength
4. Major medical plan
5. Company's paid health care benefits
6. Company's commitment to professionalism
7. Company's reputation within the industry
8. Turnover rate of company's key management personnel
9. Company matching 401k retirement package
10. Area of the country you will most likely live

This list has three personal aspects of jobs: major medical, paid health care and 401K plan; one community aspect, Area of the country you will most likely live; and six organizational aspects. These organizational aspects appear to dominate the expectations of graduating seniors. This study also found that salary was not a top ten issue. From these results, it may be deduced that new construction, college graduate employees want to work in stable, low turnover, professional, highly reputable, financially sound companies with a possibility of promotion.

CURRENT STUDY

The current study used the same survey instrument as the 2003 study to survey graduating seniors in the Construction Management program at Western Carolina University in Cullowhee, North Carolina. Western Carolina is a regional comprehensive university with about 9000 total students and about 400 construction students. During 2008, graduating construction management students were asked to complete the survey as a part of the senior exit survey. There were 32 respondents. Tabulated survey results from the 2003 study for the construction students from the University of Florida were obtained from one of the initial 2003 study authors and used for

comparison. Table 1 summarizes the results of the Western Carolina University study, compared with the statistics for the 2003 study. Six items on the 2003 top ten list were also on the Western Carolina University study top ten:

1. Stability of Company's Management
2. Upward movement in job positions
3. Company's Financial Strength
4. Major medical plan
5. Company's paid health care benefits
6. Company's commitment to professionalism

Top Ten Employer Aspects	Mean WCU	Mean UF	Statistically different?	p-Value
Stability of Company's Management	4.78	4.05	yes	1.37E-05
Upward movement in job positions	4.75	3.97	yes	1.33E-07
Salary	4.66	3.38	yes	2.21E-09
Company's Financial Strength	4.56	3.13	yes	7.75E-09
Major medical plan	4.56	4.08	yes	0.005
Company's paid health care benefits	4.53	4.22	yes	0.045
Company's attitude toward management training	4.47	3.43	yes	1.40E-08
Company's commitment to professionalism	4.44	4.12	no	0.071
Training	4.38	3.25	yes	1.79E-08
Vacation/Sick time policy	4.38	4.1	no	0.114

5 = High desirability

1 = Very low desirability

Table 1: Results of Western Carolina University students versus University of Florida students.

There were four items which were on Western's 2008 list which were not on the 2003 top ten list:

1. Salary
2. Company's attitude toward management training
3. Training
4. Vacation/sick time

Half of the most important items in Western's 2008 study were from the personal category of job aspects. It seems that the Generations Xers do have different job expectations than boomers. While top ten lists from both studies are similar, one might make a note that nearly all perceptions were statistically significantly different except for commitment to professionalism and vacation/sick time policy. These two items would seem to be most consistently important aspects for construction companies to attract and retain employees. Five of the other eight items were on both top ten lists, but Western's seniors rated them higher than the initial University of Florida study respondents. The differences in perceptions may be due to the time interval between studies, but the top ten issues are still predominate.

However, the United States business environment began to change significantly in late 2007 and dropped even more prior to university graduations in May, 2008 [8]. Likewise, the 2003 study occurred soon after a major shift in the business environment [8]. The similarities of the business environments likely added to the similarities in the findings of the two studies. Employers working in the current business environment may use this information while planning the potential recovery of their businesses and their hiring needs.

CONCLUSION

While five years have passed, results remain similar across universities graduating construction students. The implications are that new construction management professionals entering the construction industry after graduation want a stable company, where their career path will support growth and fulfillment. Current economic downturns may produce different survey results in the near future, but for now students clearly indicate over several years that their top expectations of employers are professional growth, employee focused culture, and autonomy.

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Dr. Ford is an assistant professor in the Department of Construction Management at Western Carolina University. Dr. Ford worked for over fifteen years in the corporate world in plant engineering and environmental engineering positions and managed numerous construction projects as a plant engineer in the paper, plastics and rubber industries including warehouses, manufacturing buildings and utilities infrastructures.

Dr. Jack Patterson, PhD

Dr. Patterson accepted an appointment as an associate professor in the Department of Construction Management at Western Carolina University in the fall of 2007. Dr. Patterson's research interests are in the areas of quality systems for construction firms, sustainability of residential structures in hurricanes, and construction education.

Bradford Sims, PhD

Dr. Sims is the dean of the College of Technology at Indiana State University. Dr. Sims founded Western Carolina University's construction management undergraduate program in 2002 and oversaw its growth to 400 students by 2007. Along the way, he established an online master of construction management program in 2005.