ABSTRACT

Development of Employee Retention Strategies for the New Zealand Construction Industry

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The construction industry is one of the major employers in New Zealand and a significant contributor to economic growth. One of the main problems surrounding the construction sector is employee turnover. Voluntary employee turnover is costly and adversely impacts construction organizations. The long-term skill shortage issue within the industry and voluntary turnover, necessitate the retention of a qualified workforce. The development of effective employee retention strategies requires an understanding of turnover. Although the employee turnover phenomenon has been studied in different occupational groups and sectors, construction employee turnover has yet to be extensively investigated. Given the importance of the construction sector in New Zealand and the long-term difficulty of filling vacancies in professional roles, this research aims to develop retention strategies for professionals in the New Zealand construction industry. A mixed-methods approach will be applied. The qualitative stage using semi-structured interviews will identify the impact of employee turnover on construction organizations. It will provide practical implications about the importance of addressing turnover issues within construction organizations. During the next stage, a conceptual framework will be developed and tested using quantitative data from professionals in the New Zealand construction sector. This research will indicate the interaction effect of various factors on professionals’ turnover intention and further provide strategy implications for the retention of professionals within construction organizations. It makes practical and theoretical contributions to construction practices and literature. In practice, generated knowledge will ascertain the relative importance of different constructs on employees’ quitting decisions. It will help organizations to understand the underlying constructs of intention to quit and implement effective retention strategies. Theoretically, this research examines the possible mechanisms in which the integration of various factors leads to turnover intention. Further, it expands previous research to address repeated calls on studying employee turnover in different contexts.