

FOR IMMEDIATE RELEASE CONTACT: Roxanne Alaniz EMAIL: press@alanizmarketing.com PHONE: 415-892-5252

Homebuilding Workforce Engagement Study Shows that Upskilling Workers and Career Pathways are the Key to Better Retention

Building Talent Foundation Collaborated with Oxford Centre for Employee Engagement to Identify the Key Reasons for Residential Construction Skilled Trades Workers to Stay or Leave Their Jobs

(Washington, DC) February 11, 2022 — <u>Building Talent Foundation</u> (BTF) today announced the main findings of a residential construction workforce engagement study designed to probe into tradespeople opinions about their career plans. To improve industry strategies for building talent retention, BTF launched the survey with the support of <u>Leading Builders of America</u> (LBA).

Amid increasing competition for frontline workers due to the COVID-19 pandemic, BTF and LBA sought to better understand the current levels of engagement and priorities among tradespeople working on residential construction job sites. The levels of engagement of this group as measured in this study are comparable with the average engagement levels for all US companies in all industries and were higher than those in the Healthcare and Manufacturing industries, according to 2021 data from Perceptyx. BTF and LBA will use this data to address the concerns illuminated by the study, create resources to disseminate throughout the industry, and work with trade partners who employ these tradespeople so that levels of engagement and retention can be improved at this critical time and into the future.

The results of the inaugural Homebuilding Workforce Engagement Survey are:

• Out of all tradespeople working on residential construction job sites, 51% are engaged and planning to stay in their jobs, 35% are thinking about another job, and 14% are disengaged yet not considering leaving their job.



- Of those thinking of another job, more than half (51%) are considering leaving residential construction for other sectors, and more than 1 out of 3 (34%) are thinking of leaving construction for opportunities in other industries.
- The group most likely to be thinking of another job is those tradespeople with 1 to 5 years of experience. By the time they have been trained, invested in, and add real value to employers, over 2 out of 5 (43%) of this group are thinking of another job.

The top reason survey respondents gave for staying in their jobs was that they had opportunities for career advancement, training, and learning new skills. The next most cited reason was their boss treating them well and feeling valued and respected at work. On the other hand, a lack of career advancement, training, and development was the top reason people wanted to leave their job. Therefore, while compensation does matter, this study reveals that it is not the most important factor in employee engagement.

BTF engaged the <u>Oxford Centre for Employee Engagement</u> (OCEE) to conduct the survey to listen, learn, and respond to those with the most significant insight into the reasons for the turnover rate—the residential construction workers. To help residential construction industry employers to improve talent engagement and increase employee retention, and drawing from the research and experience of OCEE, BTF is developing best practice guidelines to share widely within the industry.

Applying rigorous scientific methods, the OCEE research team, led by world-renowned Human Resources expert <u>Professor William Scott-Jackson</u>, received and analyzed the results from the talent pool about why they stay in or leave their jobs. A total of 1,462 respondents completed the survey, 61% of respondents work on job sites, and 39% are in office/administrative roles.

Developing strategies to engage skilled workers is crucial, as demonstrated by a <u>Construction</u> <u>Labor Market Report</u> recently published by the HBI. The residential construction industry will need to train and place an overwhelming 2.2 million new workers within the next three years to meet the United States' housing demands. The <u>Home Builders Institute</u> (HBI) supported the BTF engagement study by distributing the survey questionnaires to its alumni network.

"The investment that we are collectively making to attract, train, hire and develop talent in the homebuilding sector must be matched with adequate investment in engaging, upskilling,



and retaining employees in our industry," said Branka Minic, CEO of BTF. "Building Talent Foundation is committed to working with all industry stakeholders to develop and implement programs for improving workforce engagement."

"This survey is a strong warning signal and an opportunity for employers to make sure their people see a clear future for themselves and are well-led. There are well-founded, relatively simple solutions to both these issues (to be outlined in the Final Report) so that even the smallest trades firms can better retain, develop and maximize the value of their people", stated Professor Scott-Jackson."

To measure changes in workforce engagement in the residential construction industry over time, BTF plans to conduct the survey biannually.

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ABOUT LEADING BUILDERS OF AMERICA

<u>Leading Builders of America</u> was formed in 2009. Our members include many of the largest homebuilding companies in North America. Our purpose is to preserve home affordability for American families.

ABOUT OXFORD CENTRE FOR EMPLOYEE ENGAGEMENT

<u>The Oxford Centre for Employee Engagement</u> (OCFEE) carries out rigorous research, on behalf of companies and organizations, to find new solutions to previously intractable human issues, such as maximizing engagement and leadership effectiveness. It works to use this research to develop practical, simple, yet innovative solutions to make a significant impact on work and its value, for both employers and their people.

ABOUT BUILDING TALENT FOUNDATION

<u>Building Talent Foundation</u> (BTF) is a non-profit organization founded by the Leading Builders of America, 20 of the largest residential construction companies in the United States. BTF's mission is to advance the education, training, and career progression of young people and people from underrepresented groups, helping them develop into skilled technical workers and business owners in residential construction.

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