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How Tech and Sustainability Help Companies Attract and Retain Talent

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In today's evolving job market, attracting and retaining top talent has become a significant challenge for organizations across industries. The construction sector faces unique hurdles due to its dynamic nature and the increasing demand for skilled professionals. How can the industry address these challenges? I'd suggest that the solutions to the challenges are, in many cases, already existent within construction companies and that — with a few tweaks in how we look at talent and how we market ourselves as an industry — we can make tremendous progress in addressing this issue.

LEARNING FROM ERIN AND JAMAL

I'd like to begin by introducing you to two talented, hardworking individuals: Jamal and Erin.

Jamal works as an estimator. He's been in his role for four years and is starting to think about looking for another position. He's somewhat bored, and he's frustrated with the disconnected systems and inefficiencies he faces on a daily basis. Jamal is looking to address his dissatisfaction by asking questions during interviews with competing firms focused on understanding the systems he will be working with and the potential to have input in how those system evolve.

Now let's meet Erin. Erin is a recent college grad with a specialty in sustainability. She is beginning her search for a position that she hopes will start a career where she can make a difference. Erin has been talking to firms with big, splashy sustainability campaigns (tech companies, mostly). Even though



she learned that buildings are responsible for almost 40% of global greenhouse gas emissions, she has no visibility into how she could work on that from within construction. Construction is not on her career pursuits list.

We'll return to Erin and Jamal later.

THE COST OF TALENT TURNOVER AND MISSED HIRING OPPORTUNITIES

We've all heard the statistic that construction needs to hire almost half a million net new workers in 2025 to meet demand. The lack of personnel is increasing project costs and extending timelines, which sometimes leads to project delays or cancellations.

In 2023 alone, nearly 30% of U.S. workers quit their jobs,

and it cost nearly \$900 billion to replace them, according to Work Institute. In 2024, almost half (46%) of professionals said they're considering quitting in the next 12 months, CNBC reported. That was higher than the 40% of respondents who said the same ahead of 2021's record number of workers leaving their existing role.

Considering all this, construction companies know they need to attract new people into the industry and retain those already here — but they struggle to do so.

WHY IS THIS HAPPENING?

There are several factors in play: We have the most diverse workforce ever, which is a benefit, but it also presents its own challenges. How people view their careers and loyalty has changed. And what people want from work has also evolved.

WORKPLACE CULTURE

We have a five-generation workforce, and they all have different work styles. While companies do try, it is not possible to foster the ideal culture for everyone, all the time. We have the most diverse workforce ever, and that's truly needed, but it is a challenge to keep them all happy and attract more into the industry.

THE EVOLVING EMPLOYMENT 'CONTRACT'

Loyalty — both from employees and from companies — has shifted. What do I mean by that? Consider that it used to be normal to have one job for an entire career and retire from that company with a pension. Letting someone go was rare, and typically for cause. Reductions in force (RIFs) weren't regularly utilized until the '80s, but now they are a common strategy. This has an impact.

Companies are now more beholden to shareholders and profit, and I'm not here to judge that. But it makes sense that, in this environment, employees tend to act more like free agents. They know they have options, and they exercise those options frequently.

Today, the common belief is that to progress, employees must change jobs often; some say every two to three years. That's a shame, because it seems that most employees are just getting warmed up at two to three years into a role.

ADDRESSING THE DESIRE FOR PURPOSE

Once we meet the employee's basic needs for safety, security, and belonging — which most organizations do — our highest performers look to their career to deliver purpose, which is a tall order. Keeping employees enthusiastic about their roles and contributions is critical to solving for this. When organizations crack the code on allowing their people to pursue purpose in their work, inside of their organization, they create a work environment that fosters employee attraction, satisfaction and retention.

WHAT'S THE SOLUTION?

Considering the above, companies can make some important shifts that address each of these issues:

- » Instead of focusing on addressing each individual work style, explore ways to find common ground to build from as employees work toward purpose.
- » Instead of longing for the old days when folks stayed longer, companies must deliver appealing opportunities for career shifts and renewed focus and passion within their four walls.
- » Instead of encouraging our people to stay in their traditional roles, companies should focus on increasing mobility, allowing people to follow their interests from role to role within the organization.
- » Instead of talking primarily about traditional construction roles when recruiting, companies should focus on delivering the message that construction has evolved into new frontiers that embrace the future of work and our world.

Companies that make these shifts well become almost "unleavable." It sounds like a very heavy lift, but the good news is that most construction companies have efforts underway with the potential to deliver all these things and simply need to shift their message to spark this revolution.

What are these internal efforts with such incredible potential? The industry's focus on innovation, technological improvements, and sustainability.

THE ROLE OF TECH AND INNOVATION IN TALENT ATTRACTION AND RETENTION

In a survey from Workfront, 32% of workers reported that technology was a barrier to their ability to perform, and 49%

of workers indicated they were likely to leave their job if dissatisfied with the technology they use. The really tough news is that from the outside, it looks like other firms have it much more together. True or not, that's hard to compete against.

But here's the good news: Your current and potential people have hundreds of ideas about how to make it better — if you let them.

Allowing Jamal, our estimator from earlier, to work on technology improvements could be a game changer for him and for his organization. Would he be missed in estimating? Of course. But his work on tech improvements could mean the remaining estimators become more efficient than they would be if everyone kept their heads down, doing things the same way. Even more, Jamal could escape his boredom and frustration without changing firms and make the organization better in the process. That's a win-win.

SUSTAINABILITY AS A STRATEGY

Sustainability has also emerged as a critical factor. In one survey from Cone Communications, 70% of respondents indicated that a company's sustainability plans influence their decision to stay. Anthesis reported that 53% of its respondents look to sustainability as a key factor when deciding which company to work for. These findings underscore the importance of integrating sustainability into strategies to attract and retain talent.

The great news here is that sustainability is not an additional chore to tack on - it's a current effort within most organizations. Just like technology, this is a true opportunity when talking with candidates, and it's an opportunity to allow existing employees to follow their passion while staying with the organization.

Imagine if Erin, who we met earlier, understood the work the construction industry is doing to reduce our carbon footprint, manage our waste, use water responsibly, build with the most beneficial materials, and provide a safe and healthy workplace for our workers. We might have a new construction team member who would never have considered the industry otherwise.

CREATING OPPORTUNITIES AND ACCESS

The next step for construction firms is to increase the visibility of our technology and sustainability efforts, internally and externally, by talking about them at every recruiting event, in every interview, in each performance review, and in all our internal and external communications.

Once we get that message across, new pathways open up in our people's minds — and their careers — that allow them to follow their passion as new and continuing contributors in the construction industry.



About the Author

Cheri Hanes is head of construction innovation and sustainability at AXA XL, where she provides strategic leadership in sustainable construction and innovation via the implementation of processes, technology, unique insurance solutions, and enhanced customer service initiatives. Hanes has over three decades of industry experience in insurance, sustainability, preconstruction, operations, and project management.

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