



## Human Capital Turnover in the Construction Industry: A Review with Focus on Archies Construction Pvt. Ltd

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### Abstract

*This present research focuses on identifying the reasons behind the high rates of turnover among staff at Archies Construction Pvt Ltd and how the problem can be solved. Retirement, voluntary or forced termination is equally costly within the construction business as it heavily affects schedule, cost and organizational performance. This research also studies the internal factors referring to human capital theory, namely job satisfaction, reward, and promotion, management support, and the coercive factors including market trends and fluctuations, competition, and regulation. Employing survey and qualitative interviewing methods, the study combines the closed, quantitative survey data collected from employees and qualitative data obtained from the interviews with current and former employees of the company. The study brings out several internal factors that are important drivers of turnover such as lack of satisfaction with leaders, absence of career development in organizations, and poor employee remuneration. The problem is further compounded by external forces like the competition witnessed when seeking for the qualified personnel and the volatility of the market forces. The assessment points out that high turnover rates raise costs of hiring and training, impact project duration and employees' morale thereby diminishing a firm's stability. In response to these challenges, it is suggested that the following retention strategies should be adopted: it is proposed that leadership should communicate more effectively with employees; organizations should provide enhanced career progression plans for staff; and organizations should ensure that rewards and remuneration given to employees are competitive. Moreover, an enhancement of the degrees of employee engagement and supportiveness of workplace climate could enhance employee turnover. In other words, by managing both internal and external sources of turnover, it is possible for Archies Construction to maintain a stable workforce, exhibit sound labor productivity and, therefore, improve its performance on projects in general and its financial performance in specific.*

*The study enhances the existing knowledge on HCM in industries that rely on projects and offers best practices for addressing turnover. Further research could focus on changes in economic or technological factors pertaining to workforce retention in the construction industry.*

**Keywords:** Human Capital Turnover, Workforce Retention, Employee Attrition, Construction Industry



## Introduction

Employee turnover refers to the rate at which employees in the organization leave and necessitate being replaced. The importance of this challenge is particularly high in industries that require discipline and expertise such as the construction industry. Construction is a people business where engineers, managers and laborers play an important role since it relies on human resources. High turnover affects workflow, work is delayed, recruiting and training new employees become costly, and morale is affected. Companies like Archies Construction Pvt. Ltd are exposed to various areas, thus making it quite challenging to work with a consistent proficient workforce for the accomplishment of the project.

The problem that plagued the private construction firm Archies Construction in this case is increasing turnover rates particularly among its skilled employees. The least influenced by this development are productivity, delivery times and the ability to control costs. Besides the talent competition, the cyclical nature of the construction industry only adds to these complications and results in inefficiency as well as increased costs. The purpose of this study is to establish some of the fundamental causes of workforce turnover at Archies and suggest some ways through which the organization can improve its capacity to retain its employees.

## Background of the study

High turnover is another problem that can be observed in organizations during a certain period, affecting those organizations that are in constant search of skilled workers, for instance, in the construction industry. Human capital is one of the most crucial resources for any organization and it refers to the talents that the employees possess and the level of skills they have acquired. Here, in the construction industry, where such factors as time and schedule are intrinsically connected to the stability of the workforce, high rates of personnel turnover may significantly negatively affect the delivery of any project, costs of operations, and the quality of work and services being provided. High turnover leads to other ramifications such as stalling of ongoing projects, loss of considerable time before the projects can be completed, and loss of essential organizational memory among the employees.

The case, Archies Construction Pvt Ltd- a leading player in construction and one of India's largest privately held construction companies, has been experiencing a major problem of staff retention. In the last years, the company has been facing important turnover rates, especially amongst mid-echelon workers like engineers and site managers. These employees are crucial for the provision of project deliverables, and their loss has resulted in project delays, higher



recruitment and training expenses, and a decline in the general quality of projects. In the construction labor market, it is not easy to retain highly skilled employees because of external factors such as economic changes and attractive job offers from other companies.

Other internal factors that have brought about high turnover rates in Archies include Employee dissatisfaction with leadership, fewer promotional avenues, and low remuneration packages. Due to the failure of the organization in handling these challenges, the company has faced financial and operational losses.

With increasing competition in the construction industry and heightened expectations on delivery of various projects, it is imperative for Archies Construction to analyse the factors for employee turnover in order to formulate effective retention strategies. This research aims to identify these causes and looks at the internal and external factors that lead to high turnover and includes the suggested measures to increase on the employee's retention and the organizational performance.

### **Statement of the Problem**

The turnover at Archies Construction has increased, especially in the case of professionals of the middle level such as engineers and site managers. Several factors contribute to this: Lack of career growth opportunities, dissatisfaction with managers, and low compensation in comparison to other industries. In addition, economic change and the increased emphasis on competitiveness have complicated the issue. Workers are opting for roles that come with higher wages or better benefits.

These continuing exits of skilled employees are detrimental to Archies' capability to keep project standards and meet deadlines. Recognizing this issue, leadership has not managed to implement effective retention approaches quickly. This study seeks to understand the contributors to high attrition and to propose tactics that enhance employee retention.

### **Significance of the study**

This research tackles a critical issue affecting both Archies Construction and the broader construction sector: workforce turnover. Through the investigation of internal and external causes of employee attrition, the study suggests concrete recommendations to aid Archies in boosting employee retention. In addition, the results impart wider understanding for the construction field, helping analogous firms to manage workforce difficulties and to sidestep disruptions. The findings also improve the academic discourse on human resource management in sectors characterized by a high rate of turnover.



## Research Objectives

The specific objective of the present study is to find out the main reasons behind the high turnover at Archies Construction Pvt Ltd and suggest ways of rectifying the situation since high turnover is costly, time consuming and may offset much needed quality in the construction projects.

The specific objectives are:

- **Identify Internal Causes:** Identify the factors that can affect turnover like job satisfaction, wages, promotion opportunities, working conditions and especially consider how to manage these factors for retention.
- **Assess External Factors:** Quantitative tools should be employed to assess how various environmental states such as economic indicators and the state of the labor market impacts turnover rate at Archies.
- **Evaluate Turnover Impact:** Compare the timeline and costing impact of losing workforce and the organization's performance.
- **Propose Solutions:** It is also necessary to include practical suggestions concerning turnover decrease, including the aspects of the remuneration system, selection and recruitment procedures, organizational climate promotion, etc.
- **Contribute to Human Capital Management Knowledge:** Provide recommendations to the construction industry and similar project industries concerning the issue of employee retention.

Interviews, questionnaires, and the review of industrial data will also form the basis for the data collection process to eliminate flaws in the analysis of turnover at Archies.

## Research Questions

In alignment with the research objectives, the following questions have been developed to guide this investigation into workforce turnover at Archies Construction Pvt Ltd:

There are the following internal factors affecting employee turnover in Archies:

This question seeks to find out the correlation between job satisfaction, wages, time demands and promotion opportunities between an organization and its workforce and the consequent turnover.

- Relative to Archies, how do the economic situation, characteristics of the labor market, changes in regulation affect turnover?



- This question evaluates the extent to which the external environmental forces affect the organization's employee turnover.
- The following question needs to be answered to effectively respond to this research question:
- What are the impacts of the workforce turnover on project performance and firm's success in Archies?
- Specifically, this question focuses on the impact of attrition on project time, cost, quality, firm performance, as well as company competitiveness and brand image.
- What can Archies do to address employee turnover and increase overall retention in its organization?

To answer this question, one must review literature and current practices and Title with effective practices and recommendations Toward Reducing Turnover.

This research therefore fills a gap in current knowledge by providing an understanding of the factors that influence workforce management in the construction industry.

In assessing the contribution of this study to knowledge on turnover in construction the following questions are answered:

To guide the study, the following questions are proposed and will help more so in developing and organizing Archies's workforce turnover study: The research will adopt both qualitative and quantitative research methods to reduce biasness.

## **Literature Review**

### **Human Capital Theory**

As postulated by economists including Gary Becker in what is now referred to a Human Capital Theory, employees are key organizational resources that have the potential of yielding high returns as boosted by investment in education, training and development, Becker (1964). While physical capital relates to tangible assets in the organization, human capital involves the knowledge, talent, and professional employees' skills. From this theory, it can be inferred that organizations are advantaged in such efforts to invest in their workforce, given the increased productivity, a rise in innovation, and thus better organizational performance.

The essence of human capital in construction industry projects is exceptionally crucial as a result of the specificity of certain types of skills essential in project implementation. The success of projects as stated by both the authors depends on the quality and competency of



the workforce available for execution of projects. In this sector, turnover issues are especially severe as high turnover rates negatively affect the schedule, cost, and organizational memory. Therefore, it is vital to keep valued staff with organization as this is crucial to the organization's survival and ability to compete.

Archies Construction also shows that high employee turnover is a dangerous threat to the projects' success. Such high turnover leads to project delays, JC's poor product quality and high operating costs, which are detrimental to any business. Drawing from Human Capital Theory in this regard, working on the enhancement of human capital in relation to employee concern is crucial for strengthening its pillar hence improving on projects accomplished.

### **Models of Employee Attrition**

Analytical models have been established to describe the antecedents of intent to turnover by employees. Among them the three most well-known models include the Job Embeddedness Model, the Push-Pull Framework and the Unfolding Model.

**Job Embeddedness Model:** Mitchell et al. (2001)'s model shows that employees are more likely to stay with their organizations provided that they bond with their jobs through social and professional contacts, organization objectives and costs to be incurred where necessary. The model centers on three key dimensions: fit, links, and sacrifice. Fit assesses the congruence between an employee's values and the organization's culture; links refer to the employee's connections with colleagues and management; and sacrifice concerns what the employee would lose if they left the organization. In construction, massive imports are acknowledged to depend upon close team working and integration with project goals. Whenever team members feel a disconnection from the team or organizational objective, this leads to increased turnover in the organization.

**Push-Pull Framework:** March and Simon (1958) critical turn highlights two major factors that exert force pulls on turnover. They pertain to the negatives of the current position that compel the employees to look for other jobs, including dissatisfaction with the boss, stagnation, or working conditions. Push factors are those factors outside of the organization which exist to lure employees away due to attractive offer of higher pay, better job condition or prospect for advancement. In construction for example, work is challenging, and advancement opportunities are scarce and weak push factors will lead to turnover while attractive packages expressed by competitor companies influence turnover.



**Unfolding Model:** Lee and Mitchell (1994) unfolding model suggests that turnover is often triggered by specific life events, or "shocks," such as personal circumstances or organizational changes. Such shocks require employees to evaluate job satisfaction and make plans to quit their jobs. In the construction Industry such shocks might include project cancellations instances or change of leadership, employees join other organizations in search of other employment.

In combination these models also signify the need to establish the causes of employee turnover. Addressing push and pull factors, as well as guaranteeing that the employees become organizational committed, can minimize the high turnover that is experienced by Archies Construction.

### **Major Observations concerning Construction Workforce Turnover**

Historical works of literature have looked at turnover in the construction industry and discovered many factors leading to employee turnover. In their study on antecedents to turnover, Loosemore and Waters (2004) established that workplace discontentment and lack of career advancement inform employees' decision to leave their organizations. This concurs with the push and pull theory which posits that employees search for better jobs whenever they are dissatisfied with their current positions.

Lingard and Sublet (2017) considered the moderation effect of work life balance on turnover with the construction industry. From their research, they found out that long working hours and travelling, prevalent in the construction personnel, affected turnover through stress and burnt out. This consideration strengthens the job embeddedness model because the workers who have conflicts between the family and work environment will have a higher tendency to quit.

Dainty et al. (2007) examined the link between leadership and turnover in context to construction industry. According to them, organizational communication breakdowns, perceived lack of management support and unresolved workplace conflict, common correlates of turnover intentions. This contributes to the unfolding model which assumes that modification or disruption in an organization causes people to reassess their roles in the organization.

These studies call for increased efforts to upgrade leadership practices, promote working conditions, and provide promising career mobility for containing turnover in construction





organizations. In its case, for Archies Construction such factors, if addressed, could help minimize the rate of employee turnover.

### **Applied Turnover Models to Archies Construction**

The aforementioned models are very useful in understanding the problems of Archies Construction experiences as this company struggle to find solution for its high employee turnover. Hence, the Job Embeddedness Model accepts that strengthening the social bonds between the employees and Organization is an essential strategy. Archies can be useful to develop these relationships through better change of information between the administration and the staff, mutual objective and goal setting, and company's advancement opportunities.

The Push-Pull Framework is used to explain why employees leave Archies for competitors most significantly. Correcting internal push factors obtains employee satisfaction, poor working conditions, low wages, and poor career path in Archies. Further, it is crucial to counterbalance the external pull factors through providing the company's employees with highly competitive wages and valuable perks to ensure that the crucial employees do not leave the company.

The Unfolding Model for example states that changes such as leadership change or project cancellation may cause employees to leave. Identifying such antecedent factors and dealing with them energetically can assist Archies reduce staff turnover relative to such interferences. Implementing these models within Archies Construction's human resource management approach can help to form optimal treatments for decrease turnover rate for the workforce that belongs to the company.

## **Research Methodology**

### **Research Framework**

The research employs both quantitative and qualitative data to establish the causes of employee turnover in Archies Construction Pvt. Ltd. Using two approaches helps to design a more robust study and get quantitative data on turnover rates, and qualitative data from the employees and managers on their companies.

The quantitative part of the study is based on surveys which measure job satisfaction, compensation, and career development. This measurable information helps in the identification of the trends and patterns on turnover among diverse teams. The qualitative part of the study involves interviews with management and staff employees to gain deeper





understanding of cultural, leadership, and individual factors that lead to workforce decrease. These two methods when combined together give a complete picture of turnover at Archies.

### **Population Defined for Research and Used Sampling Procedure**

The workers from two high-turnover departments, engineering and construction operations, at Archies Construction Pvt Ltd are specifically targeted by this research. The sample selected by stratified random sampling consists of 100 employees and 10 managers. This practice guarantees that job functions that are important are adequately represented, giving a complete understanding of turnover dynamics throughout the company.

This assorted sample comprises workers of different age groups, tenure lengths, and educational backgrounds, where demographic data on age, gender, and position were collected. The individuals from departments like recruitment, retention, and project management, who were interviewed, offer key understandings of HR strategies and leadership approaches.

### **Data Gathering Procedures**

Data collection involved two primary methods: employee surveys and interviews that are partially structured. Surveys contacted 100 workers from various teams, focusing on principal issues of job satisfaction, career development, and pay. A Likert scale (1 = strongly disagree to 5 = strongly agree) was used to obtain quantitative data on these variables.

Surveys were complemented by interviews with 10 managers. The purpose of these semi-structured interviews was to uncover more profound understanding of the influences on employee separation and the obstacles in the development of impactful retention strategies. The qualitative supplement from the interview data was in line with the quantitative survey findings.

### **Analytical Techniques**

Descriptive statistics, specifically mean scores, helped to appraise levels of satisfaction, compensation, and other related variables. A correlation analysis took place to analyse the links between various variables including satisfaction and turnover intentions. There was a use of statistical software (SPSS) to analyze these trends.

Qualitative data thematic analysis identified recurrent themes from the interview transcripts. In total, responses were grouped into themes, which included things like leadership dissatisfaction, career development concerns, and organisational culture issues. These joint



analyses provided detailed understanding of the quantitative and qualitative factors affecting employee attrition at Archies.

## **Data Analysis**

### **Analysis of Profile of the Organization**

Founded in 1898, Archies Construction Pvt Ltd is one of the biggest privately managed global construction companies, conducting business in more than 160 countries. Currently, the company is taking part in a selection of construction projects, including the development of infrastructure, as well as residential and industrial sites. Over many decades, Archies has constructed a powerful reputation for doing complex projects on deadline and within the budget provided.

In all the continents the company operates, it has a vertical organizational structure whereby distinct regions coordinate operations. The employees in Archies' team include engineers, architects, project managers and workers; all these personnel are instrumental in the achievement of the firm's project objectives. Despite the global reach and the availability of highly qualified staff, the company is still struggling to keep key employees in the key departments.

### **Workforce Management Practices**

Recruitment, training and retention of employees are the employment policies of Archies Construction. This company has a systematic approach of its recruitment process which thus enables it to search for qualified employees through job advertisements, a recruitment agency and employee recommendations. All the new employees are put through several orientations to make sure that they gain technical knowledge and safety measures relating to their respective positions.

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### **Current Problems**

There are several problems that Archies Construction is experiencing concerning worker turnover, with a major impact on engineering and operations. The high attrition rate is caused



by the following factors: dissatisfaction within the organization and competition in the market. According to employees, reasons for dissatisfaction include leadership issues, a shortage of advancement opportunities, and compensation levels that don't totally consider the demands placed on their jobs. Externally, Archies faces competition from other firms that pay better and provide more stable working environments, which is why employees tend to depart for better options.

Also, since the construction industry works on projects, workers may not see obvious routes for progression after each project's completion. This unclear situation encourages many to go after growth opportunities in different locations. Consequently, the company has dealt with delays, augmented costs associated with ongoing recruitment and training, and interruptions in how well the teams work together.

### **The appraisal of workforce attrition**

For the last ten years, the turnover among employees has been particularly high, especially in the departments that are vital to project success: engineering and construction operations. With a turnover rate each year that typically falls around 20%, the company's rate beats the industry standard of 15%. Within certain divisions, engineering being an example, turnover has soared to 25%. Project engineers and site managers find themselves in roles that involve long work hours, lots of travelling, and significant accountability.

The turnover rate tends to be 10% or less in administrative and support positions, where workers aren't confronted with the physically demanding aspects of construction and usually benefit from better stability at work. The wider labor crisis in the sector has caused escalating issues about retention across the board. The circular pattern of construction exacerbates the problem, because fluctuating demand for skilled labor happens during times of economic boom and slump.

### **Contributors to Attrition**

Certain internal and external factors are responsible for the situations of high turnover at Archies Construction.

**Internal Factors:** A lot of people leave an organization due to leadership dissatisfaction. According to the survey, many employees complain of not feeling close to their managers and blame it on lack of communication and lack of support. Also, they claim that there are few opportunities for the growth within the company. When projects are completed, people tend to have an ambiguous path for growth and thus seek challenges beyond that domain.



Studies also show that the human resource practices should support the employee retention. In a study conducted by Allen, Shore, and Griffeth (2003), results indicated that perceived organizational support plays an effective role in retention as workers who feel that their organization actually cared for them are less likely to quit. Likewise, Griffeth, Hom, and Gaertner (2000) noted job dissatisfaction and absence of career opportunities as some of the most important forces pushing for turnover. For Archies Construction, managing these internal issues—by actively involving and motivating their employees, providing them better career ladder, and creating a favorable working climate—may result to lesser turnover rates and stable workforce.

Reimbursement also has a critical role to play. However, Archies pays a lot of money and many of the employees are satisfied with the wages, even though they claim that working hours are long and the Those engineers and site managers working in organizations with high turnover rates have the perception that they are paid lower than their counterparts in other similar companies.

**External Factors:** High turnover rates of employees are attributed to market conditions in the construction industry. In periods of economic expansion firms hire workers and offer those good wages and other fringe benefits thus poaching employees from Archies. On the contrary, when economy is in a recession, employees may seek more secure positions in other sectors due to employment insecurity. In addition, the competition for good employees in areas experiencing job deficits magnifies the turnover issue. Moreover, the shift of the construction industry towards digital solutions has created new career avenues for workers to progress in more technologically driven organizations, which is detrimental to Archies. These factors from outside and within the organization combine to make it very difficult to retain employees especially when they are skilled.

### **Methods Attrition Impacts Archies Construction**

Due to the high turnover of employees in Archies Construction there is a lot of financial and operational impact in the company. This is a huge financial and time commitment for Archies for the recruitment and placement of new employees as they spend millions of dollars every year to fill in the positions vacated by the exiting employees. By the year 2023, the company invested more than \$3 million in recruitment and onboarding to address the worker deficiency.



These flow from the fact that volatility and turnover costs are major factors that worsen organizational performance and financial results. By Huselid (1995) stated that, human resources management practices play important roles on reducing turnover, on increasing productivity, and on improving the corporate financial performance. In the case of Archies Construction where the rates of turnover have escalated to high levels resulting in the increase in the cost in relation to recruitment and training, improved strategies of HR could assist in halting these rates. The introduction of planned HR policies which include performing specific recruitment processes & designing special training programs would not only help in minimizing the problem of attrition but also assist in enhancing the long-term project performance & organizational sustenance.

Turnover is a significant problem that affects the overall performance of a particular organization, particularly when the key personnel such as engineers and site managers resign from their duties at the time when the project is in progress. The lack of departure often results in project holds, which in turn has a negative impact on the organization in its relations with its clients. The practice of replacing workers impedes the work of teams because newcomers need some time to adapt to new working environment and tasks, which leads to the decrease of total output.

Also, high turnover has affected the morale of the current workforce in the wrong way. The common phenomenon of colleagues' departure creates an element of instability, and that makes the employees start to think about their future at the company. This reduction of morale feeds the turnover cycle and makes it hard for the company to retain its employees.

### **Retention Strategies**

To mitigate the high attrition rates, Archies Construction needs to implement several key retention strategies

**Enhanced Leadership and Communication:** Improvements in the quality of relationships between management and employees is imperative. Managers should check in more often on how their employees are doing, what they want to achieve in the future, and where they see themselves in the future.

**Career Advancement Opportunities:** A project-based employment model could benefit from having mentorship programs and career advancement opportunities in order to prevent turnover. Thus, the development of a more formal course of action for career paths, even within the context of temporary projects, should help to alleviate this problem.



**Competitive Compensation and Benefits:** Archies must ensure that the company's compensation packages are competitive to meet industry requirements. To prevent turnover, organizations can offer rewards like bonuses or more flexible schedules to get employees to stay, especially in critical areas like engineers and site managers.

**Employee Engagement and Recognition:** Putting in place programs that recognize and reward employees can help make the working environment a happier one. Scheduled employees' meetings and team building activities with employee recognition will help employees feel valued and thus more committed to staying in the company.

Thus, concentrating on these strategies, Archies can reduce employee turnover and build a more stable workforce, which will lead to further project success and increase in employees' satisfaction.

The following internal and external factors among others have been found to influence the high turnover within Archies Construction Pvt. Ltd. Another internal concern is the discomfort with leadership. Employees in several departments reported again and again that management did not support them, and with communication issues and insufficient direction being frequent complaints. The engineering and operations teams frequently faced this issue, since many employees handled elaborate projects without the necessary resources or support. The other prominent anxiety is the deficiency of career development opportunities. Many employees feel that after a project is over, there are few options for growth, driving them to look for improved opportunities at other organizations. For practitioners at a mid-level, namely engineers and site managers, this becomes especially problematic, because they face a lack of career pathways within the organization.

Compensation continues to be a reoccurring problem. Archies supplies salaries that are industry competitive; however, a large number of employees believe that their pay does not properly reflect the high demands of their roles. The team members in the engineering and operations departments, responsible for supervising demanding projects, reported an increase in more attractive job offers from rivals.

Labor market conditions are critically important from an external perspective. The building industry is intensely competitive, with companies often drawing skilled workers through increased compensation and improved benefits. The issue of employee turnover became more difficult as employees reported approaches from rivals with job offers. As well, the cyclical



structure of the construction sector makes workers frequently feel uncertain in economic slowdowns, driving them to move towards more stable professions.

In general, the study suggests that both internal elements, for example, leadership dissatisfaction and inadequate career growth, along with external pressures, such as labor competition and economic uncertainty, are driving Archies' substantial turnover rates.

### **Industry Comparison**

The turnover rates for Archies Construction exceed the industry typical rates. Although firms throughout the construction field usually encounter turnover rates of about 15%, Archies' overall rate is 20%, with engineering departments experiencing still higher percentages. This affects the company negatively, particularly in a sector characterized by fierce competition, where retaining capable workers is key for meeting project deadlines and furnishing quality results.

Unlike many of his competitors, Archies has not embraced effective retention strategies including competitive pay, clear career development pathways, and nurturing favorable work cultures. Even with difficult economic conditions, these firms keep lower turnover rates. Archies' failures to address both its own internal discontent and external attraction factors expose it to the risk of losing experienced personnel.

### **Relevance to Approaches to Turnover**

The results from this study are in close agreement with several recognized turnover models. The Job Embeddedness Model points out the importance of employees feeling tied to their jobs via their social and professional relationships, alignment with organizational goals, and their judgement of the costs involved in their departure. Archies employees have often complained of feeling alienated from the organization particularly due to inadequate leadership communication and lack of opportunity for career development. Lack of embeddedness in terms of weak ties with management and the lack of clarity in individual goals thus forms the highest cause of turnover. Thus, by developing the conditions and offering less generalized career options, Archies can enhance its chances of keeping talent. It explains the cause of turnover that has been observed at Archies.

Employees leave the organization due to the following reasons: dissatisfaction with the leadership, lack of opportunities for personal and professional development and low wages. At the same time, employees are poached from Archies by other employers offering better compensation packages and better working conditions offered by other companies. The





company's overall lack of management of the push factors, or ability to counter the pull factors, only worsen the turnover issue.

The Unfolding Model of Turnover, which highlights that significant events (or "shocks") can trigger employees to leave, is evident in Archies' context as well. Employees spoke often about how organizational changes such as takes in leadership, project cancellations, or alterations in management priorities influenced their job satisfaction. Such shocks triggered a consideration of their responsibilities, causing a large number to look for jobs elsewhere. Understanding these shocks on time and taking necessary proactive measures might help Archies lower workforce attrition.

## **Discussion and Conclusion**

### **Discussion**

From the findings of this research, this study points to some of the major difficulties Archies Construction Pvt. Ltd experiences in dealing with employee turnover. In the internal category, dissatisfaction of the workers with the management was a key factor that attributed to turnover, few promotional chances and the reward mechanism that the employees expected from their workplace were also a cause of turnover. These issues mirror other problems occurring in the construction industry, which due to pressurizing work conditions and projectized employment relationship is characterized by high workforce turnover.

Based on these findings, one of the most important lessons that organization and Archies in particular needs to learn is the effect of high turnover rate on its financial and operational performance. The appreciation of cost of getting and nurturing human capital mixed with time loss resulting from project setbacks arising from highly qualified employee's attrition calls for a better retention plan. Furthermore, the morale created a cycle of turnover which somewhat destabilizes the organization's total workforce.

From outside the organization, competition for labor through turnover is prevalent especially among talented professionals in the construction industry affecting Archies organization. Rotating economic situations and calls for more skilled human resource in the market have made employees search for improved conditions of work with other companies in the industry. This also means that pressures from the external market are just as influential and should also be considered when building a retention strategy.

It reveals recommendations which when implemented into Archies will help to reduce turnover, including hiring right practices, successful organizational culture promotion,



remuneration, and employee engagement. Thus, by synchronizing its employment strategies to the intricacies of internal and external environments, the company can build a more reliable human resource – which is excessively important for fixing project communications and cutting general costs.

Therefore, regardless of the general situation and constant fluctuations of the construction industry, Archies has a possibility to improve the situation by studying the factors that influence employees' turnover. Perhaps the adoption of the recommended interventions could not only increase the chances of retaining employees, but also increase organizational effectiveness and viability.

## **Conclusion**

### **Recap of Main Points**

This report identifies the essential problem related to employee attrition at Archies Construction Pvt. Ltd. This study exposes the inner and outer factors that contribute to the organization's increased turnover rates. The role of concerns related to leadership dissatisfaction, the unavailability of growth opportunities for careers, and compensation is significant in employee resignations. The situation worsens because of competition for experienced labor and changes in the economy of the construction sector. These factors have produced important results, causing increases in recruitment and training costs, project delays, and a fall in employee morale.

Addressing these problems involves the application of rapid fixes, especially by boosting communication and assessing the compensation packages, and also by adopting prolonged techniques, which include investing in career growth programs and promoting a supportive workplace environment.

### **Future Research Directions**

Further study should also be done on the subject of the correlation between technological development created in the construction area and its influence on employee turnover rate. To that end, there is no doubt that as construction organizations continue to invest in digital tools and automation that the competencies needed to thrive in the sector will change over time. It can also have ramifications for levels of staff turnover, where upon gaining employment, it may be necessary for an employee to obtain new technical competencies, adjust to new patterns of work, or potentially lose their job to an automated system. Determining whether



such technological changes lead to greater turnover rates or serve to curtail turnover through increased employee job satisfaction and productivity is a key research question.

Furthermore, Archies Construction may find some interesting observations by comparing turnover rates of the regions it operates in, against other regions. The economic characteristics in some regions, supply and demand in the labor market, and cultural features are the components which may impact employee retention. By knowing the detailed analyses Archies can pinpoint the specific problems and opportunities of each geographical location in an effort to enhance the plan of action more locally oriented and compatible with its retention campaigns. This kind of research would enable the company to implement regional strategies that enhance stability of talent within the workforce since the demands of various geographical areas are different.

These are important future research directions since they will help determine how technological and regional characteristics affect workforce retention within the dynamic construction industry. These studies could significantly improve the company's possession of skilled and satisfied workforce to gain increased competitive advantage in the market.

## **Recommendations**

### **Immediate Solutions**

The company should put in place a number of short-term actions to raise employee retention in response to high turnover at Archies Construction. The focus of the company should be, at the outset, on bettering employee engagement. This can be done through the establishment of communication channels through which the management and employees can convey their information. One on one meetings and feedback sessions on a monthly basis can make employees feel valued and recognized at work. Also, the design of recognition programs that reward employees for their work can enhance their motivation and reduce the number of employees who quit.

Perhaps, Archies should also consider changing its compensation packages as well. Many employees complained about their wages, stating that they do not meet the needs of their positions in the organization. Therefore, through the salary benchmarking analysis, Archies will align its payments with market trends. Offering incentives based on their performance, or benefits like flexible working hours or work from home may help retain more of the workforce.



## Long-Term Strategies

Ultimately, for the Archies to create and support the career development and progress strategies, it has to allocate some resources. Employees will clearly see avenues for career growth within the organization as a result of the start of mentorship programs and leadership development activities. Doing it will help lessen the perception of standing still that drives a lot of employees to seek out external opportunities. Correlating junior staff with senior leaders might also develop a culture of learning and growth that could raise employee loyalty. Archies has to be watchful of their organizational culture. By considering the physical and mental aspects of construction tasks, offering a more balanced work and life system may decrease burnout and improve the retention of employees. Some potential inclusions could be flexible work models, extra paid leave focused on staff health, or wellness initiatives that focus on the health of employees. Establishing a setting that supports employees and backs them by management enhances Archies' workforce sustainably and lowers turnover.

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