



## Job Satisfaction and Employee Retention in the Construction Industry: The Mediating Role of Work Life Balance

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### Abstract

This study investigates the relationship between job satisfaction and employee tenure in the construction sector, emphasizing the mediating role of work-life balance. Specifically, it examines how job satisfaction influences employees' decisions to remain in their positions and how work-life balance strengthens this association. The focus on the construction industry is critical given its high turnover rates and demanding working conditions. Data were collected from 100 employees randomly recruited from three major construction firms in Quezon City, Metro Manila, Philippines. Employing Structural Equation Modeling within a descriptive correlational research design, the study reveals that most respondents expressed agreement with statements concerning job satisfaction, work-life balance, and intentions to remain with their current employers. Findings further indicate that extended work hours and limited schedule autonomy intensify work-life conflict and dissatisfaction. Conversely, organizational flexibility, recognition, and a sense of being valued were associated with higher levels of satisfaction. Statistical analyses confirm robust correlations among the three variables, with work-life balance serving as a significant mediator of the positive relationship between job satisfaction and employee retention. These results underscore the importance of organizational policies that enable employees to reconcile professional and personal responsibilities, thereby enhancing satisfaction and reducing turnover. Construction firms, in particular, stand to benefit from recognizing work-life balance as a buffer against job-related stress, ultimately fostering greater employee productivity, stability, and long-term retention.

**Keywords:** job satisfaction, employee retention, work-life balance, construction industry, Structural Equation Modeling (SEM)



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## INTRODUCTION

In the Philippines, the construction industry is important in the growth of the country, but it also has one of the highest rates of employee turnover. High turnover makes it harder to get things done, pushes back project deadlines, increases the costs of hiring and training new employees, and lowers productivity and confidence in the workplace (Hom et al., 2017). Some construction companies respond by giving workers incentive increases or extra benefits, but these solutions do not always get to the root of the problems that make people resign. Smith and Zhao (2020) revealed that unhappy workers, too much workloads, and not enough time off are some of the main reasons why people resign from their jobs. Understanding the reasons employees leave

their jobs, particularly the roles of job satisfaction and work-life balance, is essential for addressing retention challenges. The relationship between work-life balance and job satisfaction has received increasing scholarly attention in recent years, particularly regarding its influence on employees' decisions to remain with or resign from their organizations. This issue is especially salient in the construction industry, where workers face growing challenges in reconciling personal and professional responsibilities. This has led them to look for not only salary but also help and flexibility from their employers (Wang et al., 2021).

The rising turnover has led a lot of construction companies to create policies to make employees happier and keep them longer.

These policies include things like flexible work hours and wellness programs (Chen et al., 2022). However, even with these efforts, fields with a lot of work, like construction, still have a lot of employees leaving. It's hard to keep a healthy work-life balance when you have to work long hours, stick to strict schedules, and meet tough project deadlines. This study looks into the link between job satisfaction and keeping employees, with a focus on how work-life balance can affect that link. It adds to the growing body of knowledge on how to keep employees in the construction industry.

The construction industry, both globally and in the Philippines, continues to face persistent challenges in stabilizing its workforce, largely due to issues of job satisfaction and high turnover. In the Philippines, the national employment rate was reported at 96.2% in February 2025, slightly lower than 96.5% in February 2024; however, turnover data specific to the construction sector remain unavailable (Philippine Statistics Authority, 2025). Industry reports and anecdotal accounts suggest that long working hours, project-based employment with limited opportunities for advancement, and the physically demanding nature of construction work contribute to dissatisfaction and retention difficulties. Similar concerns are evident worldwide. For instance, the construction sector in the United States reported a turnover rate of 54%, underscoring the industry's ongoing struggle to retain skilled workers (Zukunft, 2023). Despite contributing an estimated \$13 trillion to global output in 2023, which represents 7% of total gross output (World Bank, 2024), the sector continues to grapple with labor shortages and turnover that undermine productivity and project delivery. Prior studies confirm that job dissatisfaction, extended working hours, and inadequate work-life integration exacerbate attrition (Poh & Chong, 2021). Moreover, tight client deadlines and unfavorable working conditions further erode employees' ability to maintain work-life balance (Kim et al., 2020). For construction firms, fostering work-life balance is therefore critical to enhancing job satisfaction, improving retention, and sustaining workforce stability.

This study addresses this critical gap by examining how job satisfaction influences employee retention, with work-life balance serving as a mediating variable. It contributes to the literature by clarifying the connection between job satisfaction and workforce stability, specifically through the lens of how work-life balance is operationalized within the construction industry. The research aims to provide both theoretical insights and practical recommendations for enhancing retention strategies. While other sectors have been more extensively studied, the construction industry remains underexplored despite its unique challenges. Construction work is often physically and mentally demanding, placing additional strain on employees and underscoring the need for targeted investigation (Wang et al., 2022). The goal of this study is to assist construction companies in improving workforce retention by promoting better work-life balance, thereby enhancing job satisfaction and reducing turnover (Chen et al., 2021). It seeks to identify how the industry can implement policies and practices that address workplace quality, mitigate stress, strengthen employee commitment, and foster cohesive, productive teams. Such measures contribute to a more secure and fulfilling employment environment (Zhao et al., 2020). This research fills a notable gap in the literature by examining the interplay between job satisfaction and employee retention, with particular attention to how work-life balance mediates this relationship in the construction sector. While other industries have been more extensively studied, construction remains underexplored despite its unique physical and psychological demands (Wang et al., 2022). By situating work-life balance as a central factor in retention, this study underscores the importance of organizational strategies that support employee well-being and long-term stability in the construction workforce.

## LITERATURE REVIEW

An extensive literature review was done concentrating on scholarly articles, research papers, and relevant sources related to job

satisfaction, employee retention, and the mediating role of work-life balance. Databases such as Google Scholar and JSTOR were systematically searched using keywords like "job satisfaction", "employee retention", "construction industry", "work-life balance", and "employee retention" to build a theoretical foundation. This was further supplemented by citation chaining and examining reference lists to ensure comprehensive understanding. Gaps in the existing literature were identified through a critical analysis after the literature review. It was found that most articles examined these variables separately or did not fully explore the mediating role of work-life balance between job satisfaction and employee retention in the construction industry context. These gaps became the basis of the research hypotheses, enhancing the understanding of the relationship among job satisfaction, employee retention, and the mediating effect of work-life balance.

**Job Satisfaction.** Recent research has shown that job happiness is quite important for keeping workers engaged in areas where there is a lot of competition, like the construction industry. Job satisfaction refers to the extent to which employees feel content with their work and organizational environment. It has been consistently shown to exert a direct influence on turnover intentions, significantly shaping the likelihood that individuals will leave their occupations (Schleicher et al., 2019). The remuneration, working conditions, and leadership in the construction business all have an impact on how pleased workers are (Yankov et al., 2020). People who are unhappy with their occupations for a long period may feel burned out and wish to leave because construction employment is usually demanding and has tight deadlines. This has happened to people all across the world: disgruntled construction workers have caused the company to lose more employees and do inferior work. For this reason, it is highly necessary to talk about job satisfaction in this industry to keep employees happy and productive (Zhao et al., 2022).

The link between job satisfaction and keeping employees has also garnered a lot of interest

because it has something to do with balancing work and life, which is a key topic in current research on organizational behavior (Karatepe et al., 2020). According to Bergman and Jean (2021), employees with a better work-life balance are likely to be happy with their positions and stay with their company. This is particularly true in the construction business, where workers typically have trouble finding a decent work-life balance since projects have tight schedules (Zhou & Zhang, 2023).

Construction businesses may contribute to their workers in achieving a healthier balance between work and life by adopting rules that promote flexible work hours thus promoting good health. This would make them happier and thus lead to a lesser probability of quitting their job. This demonstrates that balancing life and work is a key aspect that impacts how satisfied people are with their jobs and how likely they are to stay with the company. This research will look into this more closely.

Recent research has once again shown how important job satisfaction is in keeping employees, especially in the construction industry. Job satisfaction, which is the positive emotional connection workers have to their jobs and work environments, is still a major factor in keeping employees (García-Chas et al., 2019). Long hours, physical demands, and stress from project deadlines are some of the things that make construction workers unhappy with their jobs. This makes them more likely to leave (Poh et al., 2021). García-Chas et al. (2019) also argued that things like pay, help from the company, and the chance to grow professionally can affect how happy someone is with their job. When construction workers think these things aren't enough, they are more likely to think of leaving the company. It is therefore important to address job satisfaction in order to keep employees.

More so, employees who have a better balance between work and life are also happier in their employment and less likely to leave (Wang et al., 2023). This is especially helpful in the construction business, where workers typically

have to deal with plenty of stress and unhappiness because they work for long hours. Companies in the construction industry which provide initiatives that help employees balance work and life, like time flexibility, mental health services, and activities for families, are likely to have happy workers (Sunindijo, 2022).

**Employee Retention.** Recent scholarship underscores the critical role of work-life balance in sustaining employee retention and enhancing workplace satisfaction. Construction workers, in particular, often face excessive workloads and insufficient time for personal responsibilities, which heightens their likelihood of leaving their jobs (Chen et al., 2020). A healthy work-life balance not only improves employee well-being but also strengthens organizational loyalty, as workers feel supported by their employers. Wang et al. (2022) demonstrated that family-friendly policies and flexible scheduling significantly reduce turnover in construction firms, highlighting the importance of organizational initiatives that prioritize employee welfare.

The implications of turnover in the construction industry are substantial, as workforce instability can delay projects and increase operational costs. Improving work-life balance emerges as a strategic approach to mitigate these challenges, ensuring that employees remain satisfied and committed to their roles. This study therefore seeks to explore how work-life balance contributes to retention outcomes, with particular attention to its role in sustaining employee happiness and organizational stability within the construction sector.

Job satisfaction, work-life balance, and organizational commitment are consistently identified as key determinants of turnover intention. Research indicates that dissatisfaction stemming from unfavorable working conditions or limited career advancement opportunities increases the likelihood of employee attrition (Jung & Kim, 2022). The demanding hours and physically intensive labor characteristic of construction

work exacerbate dissatisfaction, leading to elevated turnover rates. Mahendra et al. (2023) emphasize that turnover intention poses significant challenges in the development industry, where shortages of skilled labor prolong project timelines and inflate costs. Understanding the factors that motivate employees to leave is therefore essential for devising effective initiatives and retention strategies.

Turnover intention, defined as the deliberate decision of employees to exit their positions, remains prevalent in the construction sector due to high stress levels, extended working hours, and insufficient job security (Jung & Kim, 2020). Studies reveal that inadequate compensation, limited career progression, and unsupportive work environments further contribute to attrition (Kim et al., 2021; Zhao et al., 2020). Employees are more likely to resign when they perceive their organizations as failing to provide adequate resources or recognition. Conversely, evidence suggests that flexible work arrangements and mental health initiatives significantly reduce turnover among construction workers (Sahito & Zhang, 2021). Collectively, these findings underscore the importance of organizational practices that prioritize work-life balance, thereby fostering employee satisfaction, retention, and long-term workforce stability.

**Work Life Balance.** The construction sector has increasingly focused on work-life balance due to its direct correlation with job satisfaction and employee retention. Work-life balance refers to the equilibrium between professional duties and personal obligations, and its significance has been increasingly acknowledged in recent studies (Wang et al., 2021). Construction workers frequently face significant workloads, extended hours, and tight project timelines, all of which challenge their capacity to maintain a balanced work-life dynamic (Smith et al., 2020). A study by Sunindijo and Zou (2022) indicates that inadequate work-life balance among construction professionals leads to decreased job satisfaction and an increased propensity to leave their positions, highlighting the necessity

for companies to prioritize this balance as a retention strategy.

In addition, work-life balance has also been established to mediate between job satisfaction and employee retention. Staff that feel there is a good balance between their personal and work life are likely to have greater job satisfaction and greater employee retention (Sahito & Zhang, 2021). The capacity to meet both work requirements and personal responsibilities serves as a protective factor against job dissatisfaction and subsequent turnover risks. Within the construction industry, where working conditions are often demanding, workplace policies that promote work-life balance can significantly enhance organizational stability by reducing attrition. Prior studies confirm that work-life balance exerts a mediating influence on the relationship between job satisfaction and employee loyalty, underscoring its importance in retention strategies for construction firms (Bagis, 2022). Work-life balance has emerged as a critical predictor of both job satisfaction and employee retention among construction workers. The absence of adequate balance between professional and personal responsibilities often results in heightened stress, burnout, and dissatisfaction, which in turn contribute to increased turnover rates. Zhao et al. (2020) emphasize that employees who struggle to reconcile work and life demands tend to lose motivation and organizational commitment. These challenges are compounded by the nature of construction projects, where irregular schedules, extended hours, and field-based assignments limit opportunities for workers to spend time with their families or fulfill personal responsibilities. Consequently, employees may begin seeking alternative employment that offers more favorable conditions and a stronger alignment with work-life balance.

Recent studies highlight that enhancing work-life balance not only increases employee satisfaction but also strengthens retention, particularly in high-stress industries such as construction. Wang et al. (2022) found that construction firms offering flexible work

arrangements, including remote work options and adaptable schedules, reported higher levels of employee happiness and reduced turnover. Such organizational practices foster self-discipline across both professional and personal domains, contributing to improved mental health and stronger job commitment (Chen et al., 2021). Moreover, when employees perceive that their organization actively supports a healthy work-life balance, they demonstrate greater loyalty and are less inclined to leave, underscoring the strategic importance of these policies in sustaining workforce stability.

## METHODS

**Research Design.** This study employed a descriptive-correlational research design to examine the interrelationships among job satisfaction, employee retention, and work-life balance in the construction industry. The descriptive component provided a detailed account of participants' levels of job satisfaction, organizational commitment, and perceptions of work-life integration. This facilitated a clearer understanding of how organizations sustain their workforce and support employees in balancing professional and personal responsibilities. Data were collected through a cross-sectional survey, utilizing structured questionnaires administered to a sample of employees. This methodological approach allowed for the systematic measurement of variables and the identification of significant correlations among them.

**Population and Sampling.** The study population is comprised of 540 employees working in the construction industry. Specifically, the study focused on employees from three major construction firms operating within the Quezon City area: (1) Formalum Industries Inc., with approximately 160 employees; (2) Formaply Industries Inc., with approximately 185 employees; and (3) New San Jose Builders, Inc., with approximately 195 employees. To achieve inclusivity, employees were evaluated regardless of their employment arrangement



such as seasonal, contractual, probationary or regular employees. To ensure representative sampling, stratified random sampling was employed by first categorizing the construction firm according to their nature of projects (e.g., residential construction, commercial building, infrastructure works), and then randomly selecting a proportionate number of respondents from each level. Workers were selected using a simple random sampling without replacement method from the construction list. According to Lavrakas (2020), simple random sampling without replacement ensures that each unit has only one chance of being included in the sample.

With a total population of 540 employees, the researcher determined the sample size using stratified proportionate sampling to ensure fair representation from each firm. This sampling strategy ensured that each firm is proportionally represented in the study, enhancing the validity and generalizability of the results across different types of construction organizations. Below is the derived computation for each firm:

- Formalum Industries Inc:  $(160 \div 540) \times 100 = 29.63 = 30$  respondents
- Formaply Industries Inc:  $(185 \div 540) \times 100 = 34.26 = 34$  respondents
- New San Jose Builders Inc:  $(195 \div 540) \times 100 = 36.11 = 36$  respondents

Employees in management roles, such as project managers, site supervisors, and lead foremen, were selected as respondents as they are directly involved in decision-making and operational execution, making them valid participants for assessing job satisfaction, employee retention, and work-life balance. In terms of sample size selection, the study employed a non-probability quota sampling technique while purposive sampling was also used to choose the actual participants, targeting those who have substantial experience and direct involvement in project operations.

**Instrumentation.** Data for this study were gathered using a researcher-developed, four-part questionnaire designed to capture demographic information, job satisfaction, employee retention, and work-life balance. The first section collected demographic details such as length of service in the construction industry, current position, and employment type (e.g., regular, contractual, or project-based). These variables provided contextual insights into participants' backgrounds and allowed for analysis of how demographic characteristics may influence job satisfaction, retention, and perceptions of work-life balance.

The second section assessed job satisfaction, focusing on compensation and benefits, workplace environment, interpersonal relationships, and opportunities for promotion. The third section examined employee retention through items measuring turnover intention, including respondents' likelihood of seeking alternative employment, remaining with their current organization, or resigning within a specified timeframe. The fourth section addressed work-life balance, asking respondents to evaluate their ability to manage workloads, access flexible scheduling, and allocate time for family and leisure activities. This component provided a comprehensive view of how employees perceive the integration of professional and personal responsibilities.

To ensure ethical compliance, the questionnaire explicitly stated adherence to Republic Act 10173, the Data Privacy Act of 2012, guaranteeing that all personal information collected would be used solely for academic purposes and treated with strict confidentiality.

**Instrument Development and Validation.** The survey instrument was developed using the Google Documents platform, with each section carefully formatted according to the constructs being measured. Items were designed to capture job satisfaction, employee retention, and work-life balance, drawing from a synthesis of relevant literature and established measures to ensure that theoretical concepts were properly operationalized. To strengthen

construct validity, the instrument underwent expert review by specialists in human resource management and organizational psychology, who evaluated the clarity, relevance, and alignment of the items with the study objectives.

To minimize response bias, several items were intentionally worded negatively and later reverse-coded during data processing. This approach encouraged respondents to reflect carefully on each statement rather than adopting uniform response patterns. For example, positively worded items on job satisfaction and retention were balanced with negatively phrased items reflecting dissatisfaction or turnover intention. Reverse coding ensured that higher scores consistently represented stronger agreement with the construct being measured. This methodological rigor enhanced both the validity and reliability of the instrument, particularly by addressing acquiescence bias.

**Data Gathering.** The survey was distributed electronically through email, Messenger, Viber, and other accessible online platforms to maximize convenience for respondents. In cases where technological access was limited, printed copies of the questionnaire were prepared and administered directly to participants within the study locale. This dual approach ensured broad participation across varying levels of technological accessibility.

Ethical compliance was strictly observed throughout the data collection process. The instrument explicitly stated adherence to Republic Act 10173, the Data Privacy Act of 2012, guaranteeing that all personal information collected would be used solely for academic purposes and treated with strict confidentiality.

**Data Analysis.** Mean calculation was used to find the average scores for job satisfaction, keeping employees, and balancing work and life. This measure gives a general idea of how participants felt and what they thought about the topic (Hair et al., 2019). Measures of dispersion, specifically standard deviation and variance, were employed to assess the extent

of variability in the data. These statistics provided insight into how widely participants' responses were distributed across the variables under investigation, thereby offering a clearer understanding of the consistency and spread of perceptions related to job satisfaction, employee retention, and work-life balance (Field, 2018).

Percentage analysis expressed the distribution of scores across different response categories for job satisfaction and employee retention. This method helped in showing the number of people who were happy with their jobs and how many wanted to leave (Saunders et al., 2019). This study utilized the Pearson correlation coefficient to seek out which relationships are profound, and in which path fulfillment with employment, employee retention, and work-life balance are connected. The research sought if there are any strong connections concerning these variables (Pallant, 2020).

Multiple regression analysis method was used to find the relationships between satisfaction at work (the variable that is independent), life balance at work (which consists of mediator), and maintaining workers (the dependent variable). It helped figure out how job satisfaction directly affects in keeping employees and how work-life balance indirectly affects the conservation of workers (Hair et al., 2019). In mediation analysis, the Structural Equation Modeling (SEM) was used to find out how a good work-life balance can help keep workers happy in their job. SEM was chosen as this can model complicated relationships between both observed and latent variables and look at both direct and indirect effects between variables (Kline, 2016).

## RESULTS

**Partial Least Squares-Structural Equation Modeling.** Table 1 revealed the comprehensive understanding on the linkages that work-life balance has with job satisfaction and employee retention. Of the three modeled paths, work-life balance was found to exert strong and statistically significant direct effects on both job

satisfaction ( $\beta = 0.8008$ ,  $p < .001$ ) and employee retention ( $\beta = 0.6011$ ,  $p < .001$ ) so much that it is seen to play a major mediating role. On the contrary, the job satisfaction was found to not significantly predict employee retention directly ( $\beta = 0.1164$ ,  $p = .5035$ ). This non-significance indicates that job satisfaction in itself cannot sufficiently account for the decision of employees to stay unless that job satisfaction translates into a corresponding balance between professional and private domains.

Table 1  
*PLS – Structural Equation Model*

Path Coefficients	Original sample (O)	Sample mean (M)	P values	Remarks
Job Satisfaction → Employee Retention	0.1164	0.1389	0.5035	Not Significant
Work-Life Balance → Employee Retention	0.6011	0.5854	0.0007	Significant
Work-Life Balance → Job Satisfaction	0.8008	0.8073	0.0000	Significant

**Total indirect effect of work-life balance.** As shown in Table 2, employee retention was found to be statistically insignificant as reflected in path coefficient  $\beta=0.0932$ ,  $p=0.5168$ . It indicates that WLB's effect on retention is not really meaningful through job satisfaction as a mediator in this structural model. Contrary to the generally accepted views by organizational psychologists, job satisfaction does not act as a mediator between WLB and retention (Karatepe, Rezapouraghdam, & Hassannia, 2020; Smith & Zhao, 2020).

Table 2  
*Total Indirect Effects*

Total indirect effects	Original sample (O)	Sample mean (M)	P values	Remarks
Work-Life Balance → Employee Retention	0.0932	0.1133	0.5168	Not Significant

In the early model, WLB had strong direct effects on both job satisfaction and employee retention (Table 3). The nonsignificant indirect path, however, demonstrates that satisfaction does not carry the impact forward in a meaningful way.

The indirect influence of work-life balance on employee retention via job satisfaction is understood conceptually but shown statistically

insignificant in this specific model ( $\beta = 0.0932$ ,  $p = 0.5168$ ). As a result, job satisfaction is not significantly mediating the relationship between work-life balance and employee retention. Most pieces of research focus on work-life balance (WLB) as a significant determinant of job satisfaction (Chen et al. 2021; Sunindijo 2022; Wang et al. 2020). However, it might not apply to all sectors for the same reason; that is, increased satisfaction will always mean increased retention, especially in sectors like construction, where the labor is rather volatile.

Table 3  
*Specific Indirect Effects*

Specific indirect effects	Original sample (O)	Sample mean (M)	P values	Remarks
Work-Life Balance → Job Satisfaction → Employee Retention	0.0932	0.1133	0.5168	Not Significant

All of these calls for adopting WLB mechanisms, like flexible scheduling, less than overtime, and family-supportive practices to curb turnover among employees, as construction work is stringent and inflexible (Sunindijo & Zou, 2022; Zhao et al., 2020). Conversely, the direct effect of job satisfaction on employee retention was not statistically significant ( $\beta = 0.1164$ ,  $p = 0.5035$ ), suggesting that satisfaction alone does not reliably predict whether employees will stay (Table 4).

Table 4  
*Total Effects*

Total effects	Original sample (O)	Sample mean (M)	P values	Remarks
Job Satisfaction → Employee Retention	0.1164	0.1389	0.5035	Not Significant
Work-Life Balance → Employee Retention	0.6943	0.6987	0.0000	Significant
Work-Life Balance → Job Satisfaction	0.8008	0.8073	0.0000	Significant

Earlier literature argued on job satisfaction mainly as a retention factor, which contradicts this statement (Jung & Kim, 2022; Yankov, Lazarova, & Dimitrov, 2020); recent discussions claim that construction professionals often make decisions about their careers in relation to broader contextual or structural factors like job site issues, safety, and opportunity for career advancement rather than just satisfaction with their current roles (Mahendra,



Chong, & Loo, 2023). Satisfaction does not always guarantee a person's staying in a given line of work. Should a job place an interference in one's priorities metaphysically or any obligations towards home, leaving the work would "quite easily" follow (Poh & Chong, 2021; Sahito & Zhang, 2021).

The R-square values (Table 5) derived from this model provide strong statistical support for the explanatory power of the predictor variables. In this case, the R-square value for employee retention is 0.4870; hence, work-life balance and job satisfaction explain 48.7% of the variance in employee retention. Meanwhile, job satisfaction itself has an R-square of 0.6412, meaning that 64.1% of its variance is explained by work-life balance. These values are substantial and demonstrate that the model captures nearly half of the dynamics influencing employee retention, and even more for job satisfaction.

Table 5  
*R-Square Values*

	R-square	R-square adjusted
Employee Retention	0.4870	0.4769
Job Satisfaction	0.6412	0.6377

The  $f^2$  analysis of effect size brings out the most significant insights in nailing constructs in structural equation modeling. According to Cohen's guidelines - small  $\geq 0.02$ , medium  $\geq 0.15$ , and large  $\geq 0.35$ - results of this study substantiate high cross-path variation across different lines of construction. The balance comprises an effect on job satisfaction ( $f^2 = 1.7873$ ); besides being statistically very large, the results indicate an actual very high effect, meaning it has a huge impact on the dependent variable: job satisfaction. This further substantiates with other studies that work-life balance is at the center of well-being and satisfaction, especially on the demanding construction industry (Chen, Zhao, & Liu, 2021; Sunindijo, 2022; Zhou & Zhang, 2023). Construction sites are usually in a state of turmoil, bearing heavy workloads, operating at irregular hours, and inheriting stress-laden

action, all of which pretty much destroy any work-life balance in question and become a negotiable state in the sustenance of morale and contentment in workers (Wang et al., 2021).

Table 6  
*F-Square Analysis*

	f-square
Job Satisfaction → Employee Retention	0.0095
Work-Life Balance → Employee Retention	0.2527
Work-Life Balance → Job Satisfaction	1.7873

The results showed that composite reliability coefficients  $\rho_a$  (0.7738 and 0.7402) and  $\rho_c$  (0.8355 and 0.8353) for job satisfaction and work-life balance, respectively, still provided values exceeding the generally recommended threshold of 0.70 for confirming strong internal consistency reliability (Chen, Zhao, & Liu, 2021; Poh & Chong, 2021). The Average Variance Extracted (AVE), which assesses convergent validity, is 0.5059 for job satisfaction and 0.6293 for work-life balance, both surpassing the minimum threshold of 0.50 (Fornell & Larcker criterion). This indicates that more than half of the variance in the indicators is explained by the constructs themselves, thus demonstrating acceptable convergent validity (Bergman & Jean, 2021). A high AVE in work-life balance gives very good support to model measurement and as such indicates that this variable is multidimensional in nature within the construction industry where personal and professional roles tend to conflict because of tight schedules (Sunindijo, 2022).

Table 7  
*Construct Reliability and Validity*

Construct reliability and validity	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	Average variance extracted (AVE)
Job Satisfaction	0.7620	0.7738	0.8355	0.5059
Work-Life Balance	0.7172	0.7402	0.8353	0.6293

## DISCUSSION

**Level of Respondents' Engagement Towards Job Satisfaction.** Construction workers frequently encounter conflicts between occupational demands and personal responsibilities, reflecting the difficulty of

maintaining equilibrium between professional and private life in such a demanding industry. Although many employees perceive that they have some degree of control over their work schedules, this autonomy is often insufficient to alleviate the pressures associated with long hours and project-based workloads. These conditions highlight the need for organizations to provide stronger institutional support, enabling workers to exercise greater self-sufficiency in managing their tasks. By fostering supportive policies and practices, construction companies can enhance employee engagement, reduce stress, and ultimately strengthen job satisfaction and retention.

**Level of Employee Retention in the Construction Sector.** Findings indicate that many construction workers express willingness to remain with their current employers, but this commitment is often conditional. While loyalty and a sense of being valued are important, employees also emphasize the need for clear career development pathways and improved working conditions. The absence of such opportunities can undermine long-term retention, even among workers who report current satisfaction with their roles. This suggests that retention in the construction sector requires more than immediate job satisfaction; it demands strategic organizational initiatives that prioritize career growth, professional advancement, and supportive workplace practices. Without these measures, employees may be inclined to seek alternative employment that better aligns with their long-term aspirations and well-being.

**Level of Work-Life Balance Experienced by Employees.** Respondents in the construction sector generally report experiencing a satisfactory level of work-life balance, indicating that they are able to manage both personal and professional responsibilities. However, this balance appears to function less as a driver of job satisfaction and more as a safeguard against dissatisfaction. Limited time for personal interests and family responsibilities suggests that organizational policies and practices could be further

improved to enhance employee well-being. Strengthening such initiatives would contribute to healthier and more sustainable workforce engagement.

**Job Satisfaction and Employee Retention.** Survey findings reveal that employees remain in the construction industry primarily because they are satisfied with their jobs. Job satisfaction directly influences retention, shaping both the desire to stay and the likelihood of leaving. This underscores the importance of cultivating a supportive and positive workplace environment. In a sector characterized by high turnover, ensuring that employees are content with their roles is essential for sustaining workforce stability and reducing attrition.

**Job Satisfaction and Work-Life Balance.** Respondents also affirm that their current work arrangements enable them to balance professional responsibilities with personal and family commitments. This highlights the significant role of work-life balance in shaping job satisfaction. The ability to integrate family duties and leisure activities with occupational demands is viewed as critical to overall well-being. Findings suggest that a supportive work-life environment not only enhances employee happiness but also strengthens organizational commitment.

**Work-Life Balance and Employee Retention.** Work-life balance demonstrates a strong and direct relationship with employee retention, serving as a critical determinant in workers' decisions to remain with their organizations. Evidence suggests that proactive and well-designed work-life balance initiatives are not merely supplementary benefits but essential strategies for reducing turnover and cultivating workforce stability in the highly demanding construction industry. By embedding such practices into organizational culture, companies can mitigate attrition and strengthen long-term employee commitment.

**Mediating Role of Work-Life Balance.** Within the proposed model, job satisfaction alone does not

exert a substantial influence on the relationship between work-life balance (WLB) and employee retention. However, both WLB and job satisfaction independently contribute positively to retention outcomes. In labor-intensive sectors such as construction, WLB exerts a direct impact by addressing tangible challenges such as time-off availability, stress reduction, and workload management, rather than functioning solely as a source of workplace happiness. This underscores the need for organizations to prioritize direct WLB interventions as a central retention strategy, recognizing that satisfaction with work alone may not sufficiently offset the effects of imbalances between professional and personal responsibilities.

**Implementing Comprehensive Work-Life Balance Programs.** Construction employees frequently report difficulties in balancing occupational demands with personal responsibilities, particularly in meeting project deadlines under restrictive schedules. These challenges highlight the necessity for organizations to implement comprehensive work-life balance programs. Such initiatives may include flexible scheduling, compressed workweeks where feasible, reduced overtime, and supportive workload management policies. The goal is to position WLB not merely as a mechanism for stress mitigation but as a fundamental component of employee well-being and retention. By institutionalizing these practices, construction firms can foster healthier, more engaged, and more resilient workforces capable of sustaining productivity in a demanding industry.

**Enhance Autonomy and Control Over Work Schedules.** Construction workers often perceive that they have limited influence over their work schedules, which restricts their ability to manage occupational demands effectively. To address this, organizations should actively explore mechanisms that grant employees greater autonomy in planning and executing daily tasks, provided that business operations remain unaffected. Empowering team leaders to offer flexible arrangements and

involving employees in project planning to establish realistic deadlines are practical strategies. Increasing employee control in this manner directly enhances job satisfaction and reduces stress associated with tight deadlines, thereby contributing to improved retention.

**Develop Clear Career Progression and Goal Alignment Initiatives.** Retention in the construction industry is closely tied to the availability of transparent career development pathways. Organizations must establish clear mechanisms through which employees can envision and pursue professional advancement. This includes regular performance evaluations focused on growth, structured mentorship programs, and opportunities to innovate and expand skills within current roles. Findings indicate that aligning individual career aspirations with broader organizational objectives is essential for fostering long-term commitment and reducing turnover intentions. Such initiatives not only strengthen employee engagement but also build organizational resilience in a competitive labor market.

**Strengthen Employee Recognition and Value Programs.** Companies should build on the good effects of making employees feel valued by creating and improving comprehensive recognition programs that really reward and acknowledge their hard work, loyalty, and important contributions. There are both formal and informal ways to show appreciation, such as awards and performance-based incentives. These kinds of programs are very important to make sure that employees are happy, loyal, and feel like they are truly valued at work. This will make it much easier to keep workers.

**Future Inquiries.** Researchers in the future should do qualitative research, such as in-depth interviews and focus groups. This method would help us learn more about the real-life problems and challenges that people in the construction industry face when trying to balance work and family life. This kind of qualitative data would give us a lot of useful information that would help us figure out the root causes and full effects of these problems. This would then help

us come up with more targeted and effective ways to fix them.

Future research should also prioritize implementing longitudinal studies to rigorously assess the long-term effectiveness of specific work-life balance and job satisfaction interventions on employee retention in the construction sector. This methodology would involve systematically tracking a defined cohort of employees over an extended period, measuring changes in retention rates and employee perceptions both before and after the introduction of new policies or programs. Such studies could employ quasi-experimental designs or pre-post intervention analyses, comparing retention and employee metrics in intervention groups against control groups over a period of one to three years.

Given that job satisfaction did not emerge as a significant mediator in the relationship between work-life balance and retention within this study's specific model, future research should broaden its scope to explore other potential external or pragmatic factors that may directly influence retention in labor-intensive industries like construction. This expanded investigation could include a detailed examination of compensation structures, benefits packages, workplace safety conditions, and prevailing regional economic factors. Integrating these additional variables related to extrinsic motivators and industry-specific challenges into future quantitative models, utilizing methods such as comprehensive surveys and publicly available economic data, would yield a more holistic and complete understanding of the multifaceted drivers of employee retention.

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