

# Leading Through the Great Resignation

Between April and June 2021, a total of 11.5 million workers quit their jobs, and [a recent Microsoft survey](#) found that 41% of workers are considering leaving their current employer. Other studies indicate that at least half of the workforce is actively seeking new opportunities. These figures should alarm any leader, as turnover is costly and harms productivity and morale. The problem of employee turnover is nothing new. However, this extreme turnover rate is a different phenomenon and will require a new approach to recruiting, retaining, and managing talent in the workplace.

## It's Not Just About Remote Work

As pandemic concerns spread around the world, many organizations were able to shift to remote work to ensure the safety of their employees. While much of the discussion about the Great Resignation has focused on whether or not to allow remote work to continue, the desire for workplace flexibility is just one reason employees leave. People are leaving jobs across all industries and job levels, and many of these roles could never offer remote work, such as hospitality and food service. There are other underlying factors contributing to people's desire to make a change in their careers.

- **Burnout** - Unsurprisingly, burnout is a major reason given for wanting to change jobs. According to [Asana's Anatomy of Work Index](#), in 2020, 71% of employees experienced burnout at least once.



That's not surprising considering 87% of those respondents report working later every day, and 62% report being overwhelmed by work responsibilities. For those working at home, the boundaries between work and home have blurred, making it harder to feel like they are "off" work at any time. For those working in-person, stressors like being understaffed, worries about health and safety, and finding childcare or eldercare have increased the likelihood of burnout.

- **Turnover Shock** - [Research](#) seeking to understand the causes of turnover has shown that precipitating events, or shocks, are more often the cause of voluntary unemployment than burnout or job dissatisfaction. These shocks can be positive or negative. Positive life changes like graduating from college, having a child, or receiving an unexpected offer for a dream job could cause employees to resign even if they were previously satisfied with their current position. Negative shocks, such as being passed over for a promotion, needing to relocate to care for a sick relative, or facing a company scandal, can also cause employees to resign. Some shocks are in the control of an employer, but many are just life events that no one can prevent. A global pandemic is, by definition, a shock to the system, and it has caused drastic changes in most people's lives. The prolonged uncertainty of a global crisis has spurred people to reconsider their priorities on many levels, including their careers.



- **Job Dissatisfaction** - Job dissatisfaction has always been a reason that people leave their positions. Dissatisfaction can be caused by a toxic workplace, poor management, or simply because the role is not the right fit for the employee. In July, Fortune reported that more than half of U.S. hospitality workers would not return to their old jobs for any reason, and more than a third will not consider re-entering the industry ever again. A Jobslist survey of 13,000 job seekers found that former hospitality employees seek higher pay, better benefits, and a less physically demanding workplace. Dissatisfaction can also come from poor handling of the return to the office. Choosing stringent policies about coming back to the office with little flexibility could cause frustration and disappointment in employees that have proven they could be productive remotely. Likewise, organizations that fail to keep remote employees connected to the team could see employees leave because they desire a more personal connection with co-workers. Subpar commitment to diversity, equity, and inclusion can also cause dissatisfaction in the workplace, driving top talent to seek new opportunities.



## What Leaders Can Do Now

As organizations focus on rebuilding in the context of the Great Resignation, leaders that take a strategic approach to recruiting and retaining top talent will be best positioned for success in the future. It is important to not only understand the contributing factors to employee attrition but to take action to overcome them. It is time to rethink the role of leadership, redefine how work gets done and increase focus on reskilling and developing employees.

- **Defining Business-Critical Roles** - Organizations experiencing large amounts of turnover are in the perfect position to reassess job roles, the skills needed for success in those roles, and their assumptions about what is required in order to work productively. Research by Bain & Company indicates that fewer than 5% of an organization's roles account for more than 95% of its ability to execute its strategy and deliver results. Before recruiting new talent, leaders should evaluate which skills are mission-critical and carefully define success for each job role. Create robust job descriptions for new positions that define daily responsibilities as well as the traits, behaviors, and special skills needed in each role. Creating detailed and specific definitions provides a clear measure for recruiting—internally and externally.
- **Find Out What Top Talent (Really) Wants** - Since the early days of the tech boom, companies have focused on fun workplace perks like gourmet meals and snacks, ping-pong tables, access to lunchtime yoga, and weekly happy hours to recruit top talent and build workplace culture. While flashy office perks can initially entice recruits, that effect eventually wears off and reveals one truth - that they were put in place to get employees to spend more time at work.



After a year or more of working remotely, workers now say they value flexibility and autonomy more than well-designed offices and free snacks. A 2018 survey of Gen Z workers revealed that perks that assist them financially are the most desired. Gen Z will have significant college loan debt that up to two-thirds will never be able to pay off in full. Helping them with expenses by offering competitive wages, free lunches, affordable healthcare, and significant retirement benefits will mean more to them than a lavish Christmas party or an office with a view. Pat Wadors, former Chief Talent Officer of ServiceNow, and Alan Marks, the company's Chief Marketing and Communications Officer, worked together to rebrand the company externally and internally. In their work with employees and potential recruits, they discovered that today's workers want a deep connection to their employer and its purpose in addition to fair compensation. Helping employees at all levels understand how their role affects the overall success of the organization can make them feel valued for their contribution. In addition, organizations can connect their business mission to a greater social purpose that will attract both millennials and Gen Z workers.

For example, Warby Parker, a company that sells glasses, has made it their mission to, “offer designer eyewear at a revolutionary price while leading the way for socially conscious businesses.” Diversity, equity and inclusion efforts should also be a priority, and not just something that is talked about. Leaders that successfully create a culture of inclusion and belonging will attract and retain star employees.

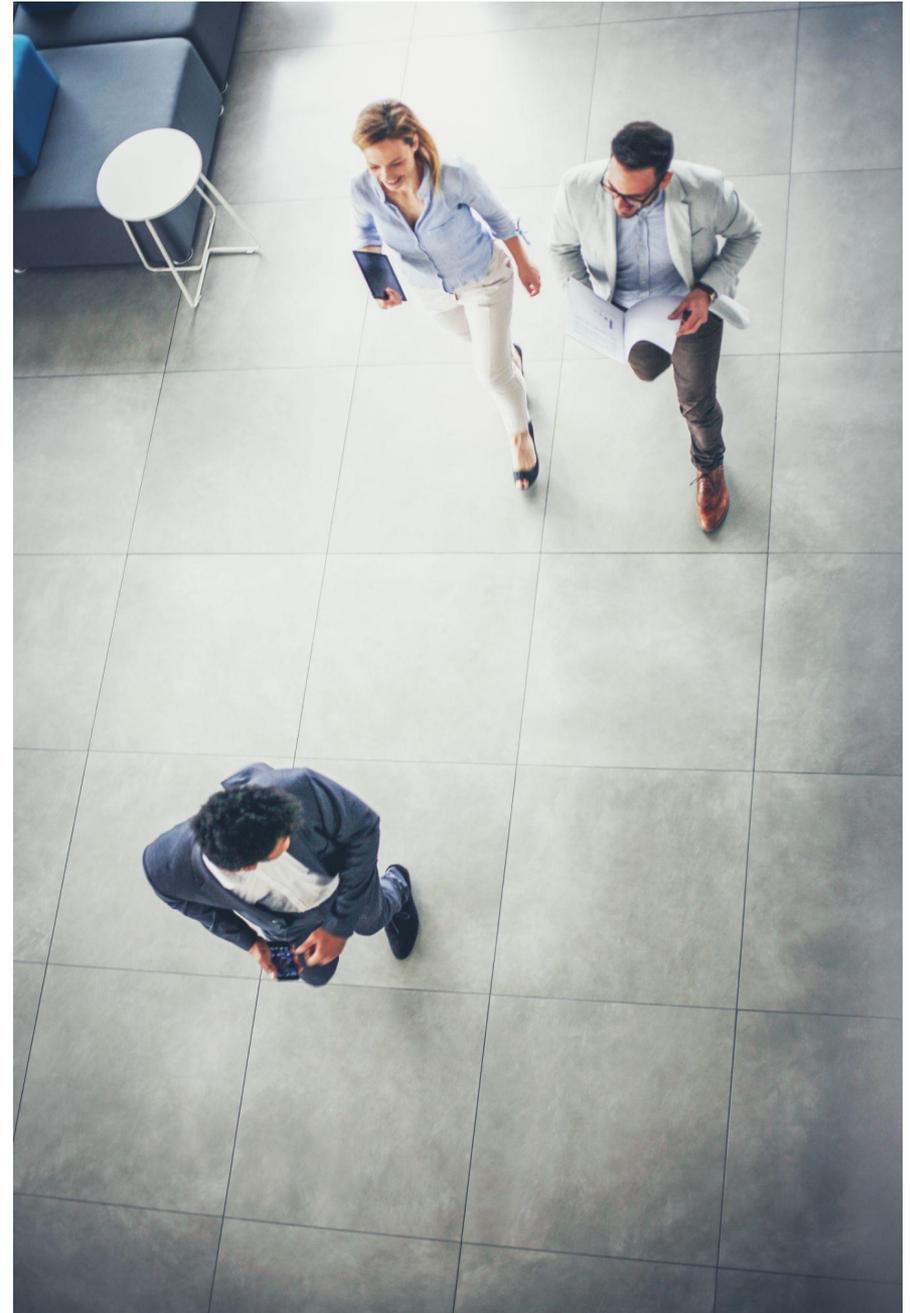
- **Take a Fresh Look at Return-to-Work Programs** - To find great candidates, organizations should re-evaluate their recruiting pool and consider launching programs to attract workers who temporarily left the labor force to raise children, provide eldercare, or support a spouse's career. The National Women's Law Center indicates that 17.79 million women and 1.75 million men have left the labor force entirely since February 2020, many to care for the family while schools and other support systems were unavailable. These gaps in employment should not be seen as a negative but rather a normal part of life. In June 2021, Amazon announced it was expanding its return to work initiative by hiring 1,000 returning professionals. In this program, participants are given coaching and mentoring as part of a paid 16-week program with the potential to be hired permanently upon completion. While most organizations might not be able to offer a program on such a large scale, considering a similar approach could be the key to filling open positions with experienced workers.
- **Prioritize Management Development and Reskilling Employees** - According to Bain & Company, more than 60% of a company's future roles can be filled by current employees— but only if adequate programs are put in place to develop their skills. Reskilling an existing employee is less costly than losing them and onboarding a new person.

Preparing the next generation of workers to be the managers and leaders of tomorrow is vital to the longevity of any company. In times of economic uncertainty, it can be tempting to cut training budgets, but that is a very short-sighted view. In fact, a [LinkedIn Workforce Learning](#) report found that as many as 93% of employees would stay longer at a company if it invested in advancing their careers. Very few managers are actually trained to be good leaders. With today's emphasis on tech skills, many managers lack the soft skills needed to improve employee engagement, communicate effectively and boost productivity. Employers should consider interactive, results-oriented training for their current and future managers. Crestcom's [signature training program](#) covers 24 core leadership skills over 12 months that include coaching sessions, real-life action plans and is proven to create positive and lasting change.



## Looking Forward

Organizations experiencing the Great Resignation must first reflect and consider information received from exit interviews and check-in with current employees to monitor engagement and job satisfaction. Then, use those learnings to reshape their approach to recruiting and retention. A yearning for respect and human connection is at the core of most preventable resignations. The smartest leaders today are taking the time to ask their associates what is and is not going well as they navigate the changes of the last couple of years. Few employees expected their leaders to have all the answers at the onset of a global pandemic. However, they want and need leaders that will take time to communicate honestly and include workers in finding solutions. The Great Resignation is not just a disruption. It is an opportunity. The market is flooded with job-seekers looking for something better, for work that can provide meaning and connection. Now is the chance for leaders to change how they think about recruiting and retaining employees in order to achieve organizational goals and create a bright future for themselves and their teams.



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