

The logo for 'Cause the Effect', featuring the words 'CAUSE' and 'EFFECT' in a bold, sans-serif font, with 'THE' in a smaller font size between them. A small play button icon is integrated into the letter 'T' of 'EFFECT'.

CAUSE
THE **EFFECT**

Surviving the Great Resignation

Executive Summary
for Executive Network

SURVIVING THE GREAT RESIGNATION

Amid workforce churn, executives need to build a more competitive employee experience.

Organizations across the United States are experiencing a Great Resignation. More U.S. workers are quitting their jobs than at any time in at least two decades. In fact, 4.4 million U.S. workers quit their jobs in September 2021, the most since the Bureau of Labor Statistics started recording this data in 2000.¹

According to a new survey by the Society for Human Resource Management (SHRM), **almost half (49%)** of U.S. executives say their organization has seen higher or much higher turnover than usual in the past six months.

In a corresponding survey of U.S. workers, SHRM found that over **2 in 5 (41%)** are actively searching for a new job right now or plan to over the next few months.

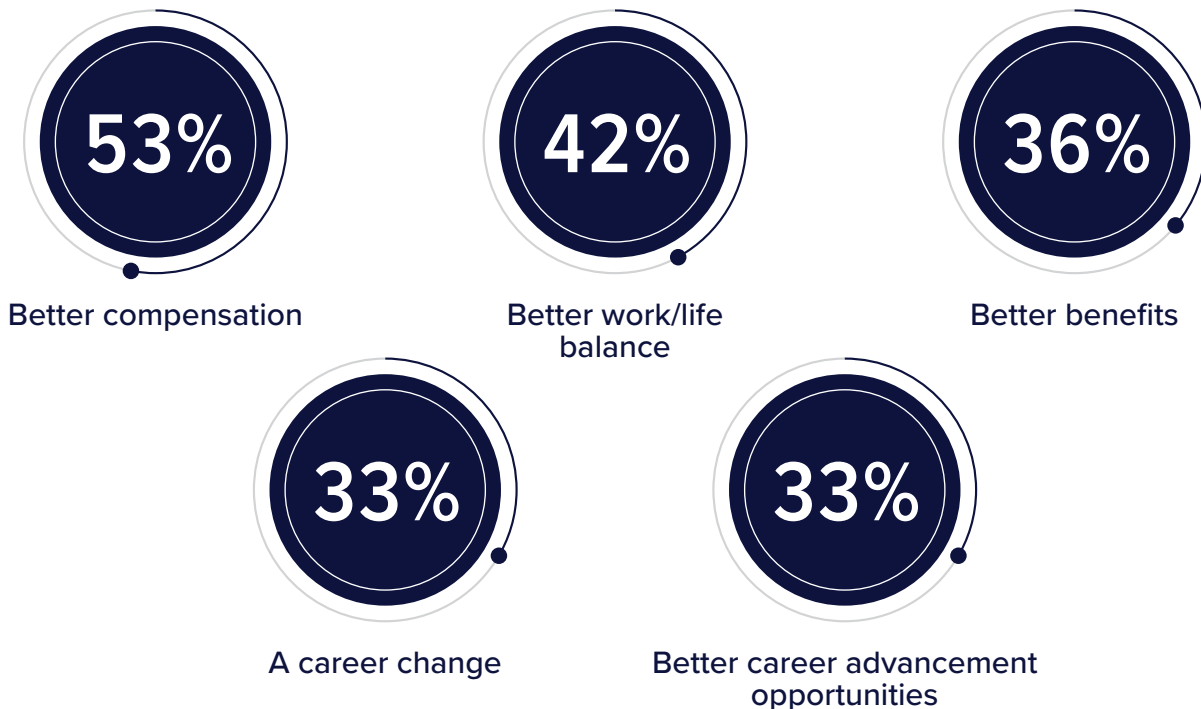
High turnover is costly and slows down innovation and growth. **Over 9 in 10 (93%)** U.S. executives say their organization **has had open positions** in the past six months, and **4 in 5 (84%)** agree that these positions are **remaining open for longer periods** than before the COVID-19 pandemic.

Moreover, **7 in 10 (71%)** are seeing less qualified people applying for jobs as compared to before the pandemic.

1. https://www.bls.gov/news.release/archives/jolts_11122021.pdf

THE DIVIDE BETWEEN U.S. EXECUTIVES AND WORKERS

The most common reasons U.S. workers are searching for jobs include:



When a global skills shortage meets a global pandemic, it becomes even more critical for HR's executive leaders to revisit and reset their strategies to attract and retain the best talent.

Understanding why employees are leaving is the first step to creating workplace cultures that can attract talent looking for a change. However, leaders and departing workers are not on the same page when it comes to why workers are seeking change.

The top reasons why executives believe their employees leave are for better career opportunities (28%) and better benefits (28%). However, among the 1,150 U.S. workers we surveyed, it was better compensation that most often prompted a new job search, followed by better work/life balance—which didn't even make the top 5 reasons cited by executives.

The most common reasons U.S. executives think U.S. workers are searching for jobs include:



SHRM also gathered perspectives from HR professionals—and most indicate their organizations are investing more in compensation to attract and retain talent.

As of July 2021, almost **one-third (32%)** of those whose organizations have seen higher or much higher turnover in the past six months have implemented new or additional employee referral bonuses; 28% have implemented new or additional merit increases; and 27% said they have implemented new or additional spot bonuses (beyond annual or holiday bonuses) to reduce turnover.

Yet, there is still a significant portion of these organizations (23%) that have done nothing to reduce turnover.

As of September 2021, **nearly 3 in 5 (58%)** indicate that their organization is offering higher starting salaries or wages than they did last year. Of them,

- 59% are offering 1%-5% higher starting salaries/wages.
- 32% are offering 6%-10% higher starting salaries/wages.

Almost 1 in 5 say they are making more counteroffers to employees who resign or say they have another offer (18%).

What Can Executives Do?

HR leaders have the ability to counter the Great Resignation by creating workplace cultures and employee experiences that cease the mass exodus and attract restless talent.

- Review your current **total rewards strategy** to ensure you are maximizing your investment.
- Engage with your **executive peer network** on this topic to share ideas, best practices, experiences and advice.
- Be an **empathetic leader**. Empathy is the ability to feel or understand another person's experiences or situation from that person's frame of reference, and to be sensitive to their feelings based on those experiences. It can be demonstrated in many ways, such as actively listening to others, ensuring others are included in conversations and activities, being open to new experiences, and hearing differing viewpoints.
- Strengthen HR. Strong HR teams offer stability and keep workplace cultures on track to drive business goals and help retain invaluable talent. Working together, HR professionals, executives and people managers need to sustain the positive culture shifts cultivated during the pandemic and utilize findings to improve processes in case another crisis arises.

Methodology

A sample of 200 executives were surveyed using a third-party online panel. The survey was administered July 2 to July 8, 2021. For the purposes of this survey, we refer to “executives” as those who are working as a paid employee for an organization with 50 or more employees, supervise at least one employee, and hold a Vice President role or above.

A sample of 1,150 U.S. workers were surveyed using a third-party online panel. The survey was administered July 2 to July 8, 2021. For the purposes of this survey, we refer to “U.S. workers” as those who are working as a paid employee.

A sample of 1,187 employed HR professionals were surveyed through SHRM membership from July 6 through July 21, 2021, and a sample of 1,034 employed HR professionals were surveyed through SHRM membership from August 31 through September 7, 2021. Only HR professionals who were currently employed (either remotely, in person or through a hybrid model) were eligible to participate in this survey.

