



The Great Resignation



Table of Contents

Intro - What is The Great Resignation	Page 2
Causes of the Great Resignation	Page 3
The Great Resignation: Legitimate or Overblown?	Page 4
How the Great Resignation is Impacting Hiring Managers and Companies	Page 5
Looking Forward: What the Great Resignation Means to Job-Seeking Talent	Page 6



What is The Great Resignation?

As we transition into new stages of the pandemic, employers and analysts have noticed a trend with talent. After the distressing experiences of the pandemic in people's work and personal lives, many employees are considering resigning to find work elsewhere. The ongoing worker shortage has led employers and analysts to coin the term '**The Great Resignation,**' highlighting the number of workers who have already resigned, and the number of workers planning to resign by fall. Now more than ever, employees are looking for work that is meaningful, aligns with their values, and offers them flexible work and benefits. In many cases, employers who were slow to adapt to flexible work and who did not place emphasis on the employee experience have already started noting the consequences.

But what are the true causes of the Great Resignation? Is it as noteworthy as some sources are currently suggesting? How will it impact hiring managers and companies? And what does it mean for workers that are currently searching for a job that they'll love? Whether or not the scale of the Great Resignation will be as large as some believe, there will be ample opportunity in the job market for both candidates and employers.



Causes of the Great Resignation

With most of the world under stay-at-home orders over the past 18 months, many people reflected on their life choices, aspirations, and general well-being. Our decisions and lifestyles were cast to the forefront of our attention and minds, leading many to question their current state of life.

Amidst all this self-realization, particularly in the early stages of the pandemic, some employers were reluctant or unable to transition to remote work¹. Certain industries necessitated on-site work, leading employees to work in unsafe conditions of an unpredictable and unprecedented nature².

In particular, the manufacturing, service, retail, healthcare, and hospitality industries were heavily impacted by the pandemic. Employees in these industries became painstakingly aware of the cost of performing their job every day. They had to reconcile the importance of their health against the importance of their career.

Simultaneously, employees who were able to work remotely had to adjust to the new thin line between their work and personal lives. Once employees acclimated to remote or more flexible work, the decision by some employers to fully return to on-site work in early 2021 was met with skepticism³. Since vaccination rates had plateaued, some workers felt that their safety had now come into question, leading them to contemplate the next steps in their careers.

41%

of workers currently considering leaving their job

For many, the difficult choice led them to reconsider their post-pandemic career trajectory. Many looked for options that align with their passions and values. A large proportion of employees kept their jobs during the pandemic for stability. But at the same time, with 41 percent of workers currently considering leaving their job⁴, many of these employees started figuring out where they wanted their career to go next.



The Great Resignation: Legitimate or Overblown?

Some sources say that the Great Resignation is overblown and won't be noticeably different from the resignation rates of previous years⁵. Employers are citing high employee engagement rates as a sign that talent is unlikely to resign⁶. Some analysts also believe that although many employees may have considered finding a new job over the past year, only a small percentage will do so.

However, for sources that believe the Great Resignation is legitimate, the focus centers around the historically high resignation rates between July and September. In Visier's recent survey of more than nine million workers, they found that resignation rates during July - September continued to trend upwards, even during the pandemic⁷.

**4
mil**

*people resigned from
their positions*

The resignation rates of the first half of 2021 seem to suggest that the Great Resignation is legitimate. In April, a total of 4 million people resigned from their positions⁸. However, a total of 6 million people were hired for new roles. This high availability of jobs and job postings reflects the current state of the job market⁹; employees currently have access to a larger pool of opportunities.

**6
mil**

*people were hired for
new roles*

While the Great Resignation may not end up being as sizeable as its name suggests, the summer and fall will allow employees to rethink career decisions and look for employment elsewhere. Statistics of the past few months indicate that employee hiring rates will outweigh resignation rates, but the number of resignations will still reflect a noteworthy shift in the market.



How the Great Resignation is Impacting Hiring Managers and Companies

Many employers are experiencing the effects of a worker shortage, with job posting rates being higher than pre-pandemic levels¹⁰. Now, with the Great Resignation looming, the impact of high attrition rates on companies and hiring managers is more apparent than ever.

Job postings have increased notably this year, reflecting a temporary shift in the job market¹¹. HR job postings are up even higher than overall postings, with hiring managers actively seeking talent to meet the market's demands¹². Employers are currently searching for talent, rather than vice versa, and as a result, employers are reassessing their talent outreach and location strategies. Hiring managers are at the center of this strategic change, working to hire talent while accommodating new hybrid or remote workforce models.

During the pandemic, hiring rates were low, and the number of job postings noticeably decreased. However, with the ongoing changes in the market, the growth of remote and flexible work, and the impending Great Resignation, hiring managers and companies are hiring, screening, and retaining employees with a more widespread, multifaceted approach. If your organization is also looking for new ways to expand hiring and outreach processes, AllStem has the resources and experience to help.



The job market is still down by 7.6 million jobs

The job market is still down by 7.6 million jobs compared to pre-pandemic numbers¹³, and demand is outpacing supply in booming industries due to increasing vaccination rates. However, for some industries, the exceptional growth of the remote work model has given companies and hiring managers access to a new pool of talent. The creation of a new role – Chief Remote Officer – substantiates the amount of growth the pandemic facilitated for the remote work model.



If you want to have an advantage over the competition, AllStem has the tools, resources, and teams to help you navigate these uniquely challenging times.

Contact us today at AllStem to learn how we can partner with you to make your organizational hiring goals a reality.

Looking Forward: What the Great Resignation Means to Job-Seeking Talent

The ongoing worker shortage has led to a temporary shift in the balance of the employer-employee hiring relationship. Alongside this, the Great Resignation will likely present highly skilled talent with favorable job-seeking opportunities. Higher availability of jobs means that talent can more easily find roles at companies that align with their values, fulfill career aspirations, and offer flexible work and benefits.

For employers, the landscape of the Great Resignation will require new hiring strategies and processes to ensure that you're retaining the ideal talent for your roles. Partnering with a staffing solutions provider like AllStem will better enable innovation within your organization. Your business should also reassess talent outreach to ensure you're finding the best fit for your roles; this will help you take advantage of a fluctuating job market.

Although there's an ongoing worker shortage, current job market trends indicate an influx of applications and hiring towards the end of the third quarter. Strengthening your talent acquisition processes and implementing new standards for remote and on-site work can help your company aptly prepare for the new landscape.

Additionally, employers looking to return to on-site work should identify the best workforce model for both their organization and employees. Offering hybrid options can help to increase brand awareness, is frequently cited as a key factor in talent's decision to join a company, and effectively keeps employee morale high.

 www.allstemconnections.com



Citations

1. <https://www.gartner.com/smarterwithgartner/6-ways-to-support-on-site-employees/>
2. <https://www.bbc.com/worklife/article/20210629-the-great-resignation-how-employers-drove-workers-to-quit>
3. <https://www.businessinsider.com/workers-would-quit-asked-to-return-to-office>
4. <https://www.microsoft.com/en-us/worklab/work-trend-index/hybrid-work>
5. <https://www.forbes.com/sites/adunolaadeshola/2021/06/17/how-to-be-a-part-of-the-great-resignation/?sh=29d73d1571d7>
6. <https://news.gallup.com/poll/241649/employee-engagement-rise.aspx>
7. <https://www.visier.com/clarity/trends-in-employee-resignation-rates-watch-out-for-summer-2021/>
8. <https://www.hrexchangenetwork.com/hr-talent-management/articles/the-great-resignation-is-it-real-and-whats-next>
9. <https://www.hiringlab.org/2021/06/09/job-postings-through-june-4-2021/>
10. <https://www.hiringlab.org/2021/06/09/job-postings-through-june-4-2021/>
11. <https://www.forbes.com/sites/jackkelly/2021/06/24/the-war-for-talent-and-great-resignation-puts-human-resource-professionals-and-chief-remote-work-officers-in-high-demand/?sh=22b69a275fb9>
12. <https://www.hiringlab.org/2021/06/22/job-postings-through-june-18-2021/>
13. <https://www.npr.org/2021/06/04/1003035263/hiring-picked-up-last-month-a-relief-for-an-economy-desperate-for-workers>