

The Great Resignation: An Update on Causes, Evolution & Solutions

Hear from Anthony Klotz, Associate Professor of Organizational Behavior at UCL School of Management in London, who predicted and coined the Great Resignation phrase in 2021. He'll walk through the causes of resignation in 2020, the evolution into the present labor market, and some ideas to solve this new(ish) issue we are facing in the post-pandemic era.



Anthony Klotz

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at UCL School of Management in London

Topics Addressed in the Episode

- Why did he call it the Great Resignation and what research supported it?
- Practices organizations can implement to prevent increased turnover, such as job crafting conversation.

Key Highlights

Research Behind the Great Resignation

- “When I said, ‘The Great Resignation is coming,’ it was an off-the-cuff comment to a reporter. But the main reason that I said it's the great resignation is because I study resignation. So my little niche in the world of organizational psychology is that I understand not only why people resigned, but I'm really interested in what happens after employees make the decision to quit.”
- “So the four causes that I saw what led me to sort of say there's this great resignation coming. The first is pretty basic. And then the next three are unique to what we went through in 2020. The first is just that there was a backlog of resignations.”
- “The second cause or issue that I was seeing in late 2020 was burnout, And it's gotten a lot of coverage over the last year. But burnout was around in 2019, right? What really struck me was how widespread the burnout was in 2020.”
- “A Gartner survey showed that almost 70% of employees said the pandemic and 2020 ‘changed my view of what work should be in my life.’ The pandemic was one big turnover shock that caused millions of people to reflect on where they were at where they're at in their lives.”
- “And then, finally, there's remote work. There are pros and cons to remote work. A lot of it depends when it comes to remote and hybrid work, but what I was observing was just thinking about our fundamental human needs — and one of our fundamental human needs is autonomy or personal freedom. When we get freedom, we like that it fulfills something within us that wants to be sort of free.”

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Key Highlights

Practices Organizations can Implement to Reduce Turnover

- “So the backlog of resignations is all about just dealing with turnover in this moment. You may be seeing elevated turnover, and part of this is about getting ahead of that turnover. I would argue this is a perfect time for what we call job-crafting conversations.”
- “What job-crafting conversations are all about is sitting down and just talking to the employee and saying, ‘how much of what elements of your job do you love that give you energy that give you life? What elements of your job drain you?’”
- “What if you're facing high turnover? What do you do when an individual leaves? Well, exit interviews are quite important. But what about the folks who are still there? I think it's important when someone leaves not to just pretend it didn't happen, but talk to the people closest to that individual who left and see how they're doing. Have the job-crafting conversation.”
- “It pays to really treat employees well on the way out. And when it comes to your high performers, really making it clear to them, the door is always open for you to come back. Over half of employees, after they quit a job experience regret at some point in the next year.”
- “In terms of these other benefits you provide — and healthcare is definitely one of them — show employees that we care about them long-term. Make it explicit. ‘This is about a long-term relationship here, which is why we have these other benefits that we’re extending to you in this situation, and then exchanging beyond the work domain.’”
- “We're entering into a golden age of business experimentation. Nobody has the right answer for the work arrangement for your workforce, you have to talk to your employees and then say, ‘we'll experiment with this solution.’”
- “It's going to take increased communication between managers and their direct reports between leaders and followers. When you have these conversations, you're connecting with employees, but you're also collecting qualitative data. How are they feeling? What are they going through? What programs or benefits can we provide that will take care of some of the issues that they're experiencing? Your relationship with work is an exchange relationship. We have lots of evidence that when companies go above and beyond for employees, employees reciprocate and go above and beyond for the organization.”