



# TOPICS IN THE NEWS:

## Now Hiring: The Great Resignation

(November 2021)

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### INTRODUCTION

Locally, this fall has been rife with anecdotal evidence suggesting a widespread labor shortage, ranging from the inconvenient to the dire: [shortened hours at fast-food restaurants](#); [a dearth of school bus drivers, staff and faculty being asked to volunteer in campus dining halls](#), and [an overburdened nursing staff teetering on the brink of burnout](#). It turns out that the local experience is [a reflection of the country at large](#). According to the [Job Openings and Labor Turnover Survey \(JOLTS\)](#) report released by the U.S. Bureau of Labor Statistics, a record-high 4.3 million workers in the United States quit their jobs in August 2021, representing the highest monthly total since the data series began in December 2000. Coincident with that are an equally startling 10.4 million job openings, the majority of which have been left unfilled. In some cases, workers are leaving their current position for what they hope to be better opportunities, but in many instances employees left employment without having another job lined up. With April's figures being nearly as high, the trend has caught the attention of researchers. Dubbed "The Great Resignation", the phenomenon has filled the newswires and air waves as pundits work to decipher the who, what, and why behind the [trend]. Here are some of the early findings.

**If you need assistance accessing any of these items or need more information, please contact us at [librarian@michigan.gov](mailto:librarian@michigan.gov) or by phone at 517-335-1477.**

### WHY?

Why are people quitting in droves, and why now? Motivation has been attributed to several factors:

- [Burnout](#). Among the reasons given for leaving employment, burnout ranks high on the list.
- COVID. As the delta variant keeps COVID rates spiking, workers continue to be wary of returning to the workplace, especially in front line heavy industries such as the hospitality sector.
- Early Retirements. Older employees, feeling a greater vulnerability to COVID, are opting to start retirement earlier than they might have. It is possible that some of these employees will rejoin the workforce if conditions seem safer.
- Savings. One result of being sequestered at home during the pandemic was fewer opportunities for discretionary spending. Along with federal stimulus checks, this allowed households from all income levels to accrue savings at greater levels than pre-pandemic. This cushion may embolden some to leave their jobs before securing new ones.
- Caregiving responsibilities. Numerous workers, particularly those who cannot work from home, are finding their care giving responsibilities a barrier to returning to work. Schools have predominantly

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returned to classroom learning, easing childcare concerns, but the unpredictability of unplanned school closures and quarantines makes it hard to commit to a work schedule. Others are kept at home as they care for family sick with COVID or tending to the needs of elderly relatives.

- Changed perspective on work-life balance. The extended time spent working from home profoundly changed the way workers think about their relationship to their jobs. More opportunities for family time, more flexibility within their days, a greater sense of productivity, and other similar factors have led to people reconsidering their priorities in life. As a result, employees are dragging their feet at going back to the pre-pandemic norm.

## WHO?

There probably is not a sector nor demographic that has been spared by the Great Resignation, but these are particularly notable:

- Front line industries with few options for remote work have been especially impacted, such as hospitality, restaurant, and retail businesses. [One study](#) reported that half of the workforce would not return to the industry.
- A [study published by the Harvard Business Review](#) reported that high tech and health care industries have been hit hard, with as much as a 4.5% increase in resignations over the previous year.
- Even [executive level positions are feeling the impact](#), with executive search firms reporting double their caseloads over their norm.
- Workers age 30 to 45 had the highest resignation rates with an average increase of 20 percent over 2021, followed by those 45 years and older.
- [Women are leaving the workforce at a greater rate than men](#); in August 5.5% of women quit their jobs compared to 4.4% of men.
- Resignation rates actually decreased somewhat in the 20-25 age range, a group that typically ranks among the highest in resignations.
- [42 of the 50 states have more job openings than job seekers](#). Georgia Kentucky, and Idaho were the [states with the highest quit rates](#), Georgia leading the pack with 35,000 people leaving their jobs in August alone.

## WHAT?

What can employers do to lure workers back? The labor trend of the past several months has definitely generated a workers' market. Employers who view the current state of affairs as a flash in the pan are likely to be those who struggle to replenish their ranks. Research indicates that just like there is no single factor driving workers to quit, it is a composite of factors that will lure them back to employment, but one thing that seems certain is that employers who expect to return to pre-pandemic norms will be hard pressed to recruit employees. Here are several conditions workers will be expecting from their workplaces:

- Flexibility. After proving themselves to be effective, productive employees as they worked from home, employees will not willingly abandon the enhanced work-life balance a remote or hybrid workplace allows.
- Cultivating a workplace culture that makes employees feel happy, valued, respected, empowered, and encouraged.
- Addressing the hurdles that keep women out of the workforce.
- Higher wages and better benefits.

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## LEARN MORE

The media is teeming with stories related to The Great Resignation, coming from all angles. Here are sources that informed this *Timely Topics*.

- ["Anthony Klotz on Defining the Great Resignation"](#), *The Verse*, 8/19/21
- ["Career Change - Will COVID-19's impact on work-life balance endure?"](#), *CQ Researcher*, 9/17/21
- ["The 'Great Resignation' Is A Workers' Revolution: Here's What Real Leaders Must Do Right Now"](#), *Forbes*, 10/8/21
- ["The pandemic pushed millions of U.S. workers to join the 'Great Resignation.' Here's why"](#), *PBS News Hour*, 10/8/21
- ["To find enough workers, widen the funnel a bit"](#), *Automotive News*, 10/11/21
- ["6 reasons why Americans aren't returning to work"](#) *CNBC*, 10/21/21
- ["How employers can win workers back \(and keep them\) after the 'Great Resignation'"](#), *NPR*, 10-26-21
- ["The Great Resignation Letter': Five Ways Employers Can Help Prevent Turnover"](#), *Forbes Communications Council Post*, 10/26/21
- ["Snow, snow everywhere — but not enough plow crews"](#), *Monroe News*, 11-4-21
- ["Michigan schools are closing because of staff shortages. Get used to it."](#), *Bridge Michigan*, 11-16-21
- [The Great Resignation Update: Limeade Employee Care Report](#)