



predictive  success

START A


GREAT

~~RESIGNATION~~

RETENTION 

IN A HYBRID WORLD





By now, you've surely heard about the "Great Resignation," and maybe you've wondered whether the term is a little hyperbolic—catchy and cute at the cost of representing what's really happening in the employment world.

Unfortunately, as both the people and data can attest, the answer is definitively "no."

The Great Resignation is very real. Workers are quitting their jobs at record rates, for a range of reasons, across almost every industry.

If you're a business owner, an HR professional, or an employer of any sort, your concerns are valid. Your antennae should be all the way up.

BUT LET'S LET THE NUMBERS TELL IT:

- **73%** of companies surveyed in our 2021 People Management Report are hiring.
- **68%** of the same respondent pool plans to move forward with a hybrid workforce.
- And roughly **1 in 2** employees are considering changing careers right now.

That makes for a perfect storm. Opportunity abounds as the economy improves and more companies broaden their hiring searches by embracing remote work. Half of the workforce is ready to make moves. Many people already have.

A record four million Americans quit their jobs in April 2021, and that figure didn't exactly fall off in the months that followed. June saw 3.9 million people quit—and 5.6 million "separate" from their jobs in some form or another. In short, the sample size may still be small, but the rate of turnover has been startlingly consistent.

It all begs one very simple question: *Why?*

The answers are a lot more nuanced. But our [People Management Report](#) found some themes already surfacing—and nearly all the insights connect to people. So if you want to flip the script on The Great Resignation and start your own **Great Retention**, read on.

MANAGERS MATTER (A LOT).

The People Management Report focused on the people who often bear the brunt of turnover and attrition fallout: middle management.

When an employee leaves, it might not be on their manager to spearhead efforts to hire their replacement, but the manager is almost always left to pick up the day-to-day pieces. Rehires don't happen overnight.

Who takes on the extra work? Who figures out the team's adjusted resource capacity? Who's left to field questions and try to mitigate the morale hit?

The manager's job is extra difficult if the departing employee was an especially high performer, was well-liked by colleagues, managed ongoing projects... the list goes on.

But the data underscores another problematic trend: **Managers are struggling, too.**

- **More than one-third (36%)** of respondents said their manager "seems burned out at work."
- That figure only **increased** when asked whether they felt burned out themselves (**40%**), and if most of their team seemed burdened by burnout (**45%**).
- Meanwhile **73%** of employees with burned out managers say team members also feel burned out, versus just **22%** of those whose managers weren't stricken with burnout.

It's not too hard to connect these dots: **Burnout is highly contagious.**

The stages before resignation include disengagement, reevaluation, and exploration. The earlier you can take action, the better your odds. Employee retention is certainly possible—it happens all the time—so long as you identify the who, the what, and the why.

RETENTION STARTS WITH ATTENTION TO PEOPLE.

At PI, we too are focused on The Great Retention, and we're compiling tips to help answer some of the pressing questions everyone seems to have:

- [Dysfunctional teams: the 5 characteristics](#)
- [Building and maintaining culture with remote teams](#)
- [How to manage your hybrid team using PI Design](#)
- [10 employee engagement activities that work like magic](#)

As pioneers in [talent optimization](#), we're focused on what the people data tells us. And we're firm believers that, before you can address burnout or disengagement (let alone retention), you need to understand people's behavioral drives. With that foundation, you can dig into the "why?"

IT'S MORE COMPLICATED THAN JUST COVID.

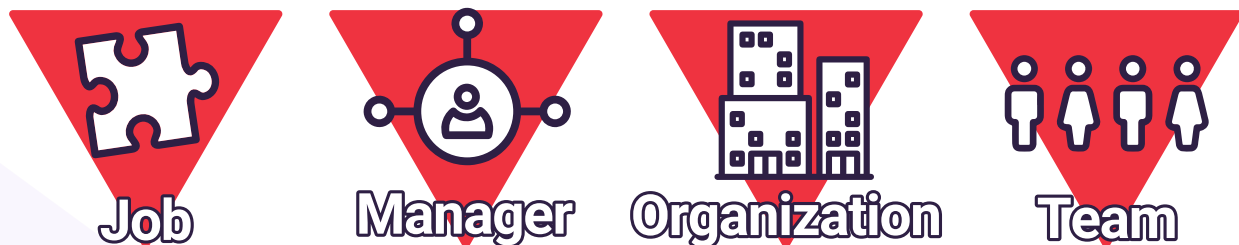
The same report data indicates people aren't necessarily quitting because of COVID's most obvious effects on the workplace. In fact, 79% of respondents said they "feel comfortable" working in-person at this stage of the pandemic. **So, public health concerns and social distancing protocols are not the chief drivers of the ongoing exodus.** Psychological safety is often just as important as physical safety.

But definitive answers as to what's driving the attrition are tough to nail down. We know that for the first time in the history of McKinsey's *Women in the Workplace* study, [women are leaving the workforce](#) at a significantly greater rate than men. Some of that is due to the fact that women still absorb a disproportionate share of the child care responsibilities, and too often are underpaid relative to their male counterparts.



Yet, exhaustion and burnout are hardly exclusive to women.

The People Management Report strongly suggests that managers are the catalysts for engagement and a positive workplace experience. We also know that the four primary **forces of employee disengagement** are related to fit—specifically, fit with:



Manager fit seems to be especially crucial in a post-pandemic workplace. Is that because it's a workplace that places a premium on traits like empathy, self-awareness, and other forms of emotional intelligence? Our findings lean that way:

- **Confidence (33%)** was the most valued trait in a manager.
- **Effective communication (30%)** ranked second; but it was also the most cited skill managers lack.
- Meanwhile, **leading by example** and **scheduling 1:1s** were the top choices for ways good managers address a lack of team morale.

The takeaway? Talking to your people is crucial. It always has been, but at a time when uncertainty has reigned, managers who are willing to have the tough discussions (and maybe admit what they don't know) are more often deemed "good."

And good managers improve a company's chances to retain its employees, in good times and bad.

HOW CAN COMPANIES EMPOWER MANAGERS TO AID RETENTION?

Good managers understand it's not as simple as just talking to your reports. You can't solely rely on gut and instincts as you navigate disengagement and burnout. Fortunately, there are tools rooted in behavioral science that can help managers know when, how, and with what level of urgency to communicate.

You can start with engagement. **Diagnose** where the problem is rooted—it's not always with the manager—and how it manifests with that individual. Do they stir up conflict? Do they check out entirely? If you understand their strongest behavioral drives, you can better recognize the signs of discontent.

LET'S CONSIDER SOME EXAMPLES:

If your manager is having trouble reaching an employee with a **low extraversion drive**, video calls might not be the most comfortable medium for this person to articulate concerns. By proposing an occasional phone call or in-person discussion, their manager is demonstrating emotional intelligence, and a recognition of that person's behavioral preferences. If the same employee has a **higher patience drive**, you can cater to their pace preferences by sending agenda points to review in advance. Little gestures can go a long way toward making employees feel understood, heard, and, engaged.

It's not just about people data, though. Managers also need clarity from the top. That confidence direct reports say they value most? It often stems from **transparency and alignment**. Managers who can articulate how on-the-ground tasks impact a company's stated goals and mission **are more likely to inspire discretionary effort from their team**.

Empower managers with the right tools and information, and you'll be amazed at how the trickle-down effect plays out positively.

WHAT IS LEADERSHIP FEELING (AND DOING ABOUT IT)?

There's a longstanding cliché that executives hole up in their corner office, or take off on their private jet, unattuned to what's happening on the ground. They don't understand the pains and motivations of their employees.

The Great Resignation is unique in that the supposed ivory-tower dynamic isn't really playing out. Industry-leading organizations like Apple and Google were quick to implement full-time remote-work policies in 2020, and in 2021, even organizations that require on-site personnel [are figuring out how to adapt](#).


There's a burgeoning sense of corporate understanding. To hear them tell it, many CEOs and COOs get why [roughly half of the American workforce is considering quitting](#).

"Employees have more choice than ever," Lattice co-founder and CEO [Jack Altman told CNBC](#). He and others view hybrid models as more than just a competitive advantage.

"That hybrid model is here to stay," [acknowledged David Niu](#), founder and CEO of TinyPulse. "Almost every large company will have to have some hybrid option to maintain and staff their teams."

EMPLOYEE CHOICE IS ONE THEME, AND EMPATHY IS ANOTHER.

Leaders are seeing that they need to meet people on their level. That's made easier by the fact that everyone—from the CEO on down to the rookie individual contributor—experienced COVID's toll on the workplace. It created unique challenges for every employee, sure, but we all faced a common struggle that altered the way we view "work" for good.



“People spent the past year-and-a-half trying to work while stuck in their homes during a pandemic, with no clear end in sight,” said Mike Zani, CEO of The Predictive Index. “And that made many of us reevaluate what really matters. It shouldn’t be a shock that so many people decided they don’t want to stay in jobs that don’t engage or inspire them.”

And as hiring ramps back up, compensation is just one of many factors for job seekers to weigh. It matters, of course, but more people are willing to rethink salary alongside priorities such as time off, the ability to live and work wherever they want, and, perhaps most crucially, who they work with. **Job satisfaction has an entirely new definition now.**

Not every organization can implement a remote work policy. Teachers, doctors, nurses, and manufacturers, to name just a few, need to be on-site to do their best work. But every industry can assess employee engagement, and use that data to inform the choices they offer their employees.

Any company can benefit from an understanding of their people’s behavioral drives, and **how those drives play out within a team** of like-minded (or contrasting) behaviors. In doing so, you can uncover gaps and amplify strengths, while also signaling to each employee that their perspective matters.

“As the nature of work evolves, so does the nature of engagement, motivation, and productivity. Key to everything is flexibility,” noted Jackie Dube, VP of People Operations at The Predictive Index.

If business leaders carry one lesson forward from the COVID work era, let it be this:

PEOPLE DRIVE YOUR BUSINESS, AND UNHAPPY PEOPLE CAN JUST AS EASILY GRIND IT TO A HALT.

WHEN DOES THE GREAT RESIGNATION **END?**


That's the multi-million dollar question, and while we don't know for sure, all signs point to "not anytime soon."

Consider the top related Google search queries that follow that exact question:

🔍 When does the great resignation end?

People also ask ⋮

- What is the great resignation of 2021? ▼
- What is the time period for resignation? ▼
- What day of the month is best to resign? ▼
- What is great resignation? ▼
- Is a 2 week notice 10 or 14 days? ▼
- How do I resign gracefully? ▼



There's a budding sense of ownership among workers. The rank and file have endured the worst of the COVID-19 pandemic, and many people fortunate enough to avoid layoffs were often asked to do much more in their roles, without immediate payoff.

That's led to a revolution of sorts. **Employees increasingly view themselves as the CEOs of their own careers.** They are agents of change and choice.

Employers that fail to recognize this will flail in their retention efforts. Employees are telling companies what they value most, and that includes (but is not limited to):

- **FLEXIBLE WORK SCHEDULES**
- **REMOTE WORK OPTIONS**
- **ACCESS TO MENTAL HEALTH RESOURCES**
- **INVESTMENT IN THEIR PROFESSIONAL DEVELOPMENT**
- **COMPANY CULTURES THAN REFLECT THEIR OWN VALUES**

Many employers are listening. They're figuring out what hybrid models look like. They're implementing flexible health care and time-off policies. And increasingly, they're prioritizing people strategy right alongside business strategy.

[**The 2021 State of Talent Optimization Report**](#) found that the number of respondents who intentionally align their business and people strategies increased by more than 10% year-over-year. That's not a coincidence.

People are your greatest asset. They keep the train on the tracks, they drive the processes and systems that refine your operations, they drive revenue, and they build what amounts to your company culture.

If you're looking to start a Great Retention, **you must understand what's driving your people**—not only to inspire great work every day, but to give them a reason to stay when they're looking for the exit.