

The Great Resignation and its effects on traditional workplace culture

By Dena Wake

Liberty University
Helms School of Government
A Nation Divided Conference 2022

Abstract

When COVID-19 hit the US in 2020, the US workplace culture and traditions were turned on their head. The commute went from a roughly 30 minute drive to a five minute walk. The people that no one really valued, suddenly became the only reason the nation continued to run. The tradition of working a nine to five job, with an hour commute and having to deal with unmanageable management is out the window. “The Great Resignation” of 2021 has proven that current working generations are willing to put their mental and physical health in front of work. This paper will go over the various reasons why traditional workplace environments are failing, and theorize about where our nation will end up if companies and businesses don’t change with the times.

Key words: Great Resignation, economy, workplace, change, traditional

The Great Resignation and its effects on traditional workplace culture

By Dena Wake

COVID-19 has changed the world and society forever, there is no denying that. Whether we are talking about politics, travel, economy or work, life as we knew it before COVID-19 will never be the same. The year 2020 and 2021 have shown us that there are many people who prioritize their comfort levels over other people's safety, that there are many people who are believed to be the bottom of the barrel who we, as a society, can't run without. It has shown us who really runs this country, and it's not politicians or white collar workers. COVID has not only forced people to look at how the world works, it has also forced people to reorganize their priorities. This paper will be reviewing the causes and potential effects of what is known as the "Great Resignation" of 2021. Focusing on the work sectors most affected by the resignations, and on the reasons that people are resigning from their jobs, this paper theorizes that unless businesses begin to really invest in their workers, they will not survive a post-pandemic world.

It can be easy to forget that there is an entire world out there that is being affected by COVID just like the US. The great resignation didn't just affect the US it also affected the UK.

Of course, it is not a new phenomenon, but surveys have found a growing number of NHS doctors experienced high levels of burnout during the pandemic. Respondents to staff surveys pointed to workload and the inability to rest as key factors behind their contemplating leaving the NHS. Eighteen unbroken months of responding to a pandemic have taken a toll. Inadequate personal protective equipment (PPE), moral distress, challenging ethical decisions, colleagues debilitated and dying - all while striving to provide the best patient care - have left many disillusioned and wounded.¹

Julian Sheather covered the rising resignations of health care providers within the UK. While the US is also dealing with health care providers resigning, the UK has a higher rate of resignations and lower rates in other work sectors. Sheather states "how should we respond? Good leadership involves anticipating problems. We need to develop and implement a robust organisational framework that supports medical professionals to improve staff wellbeing and patient centred care."² While it may take years to get a good system in place, the pandemic has proven that the system was flawed from the start and needs to be changed, at least some people in the UK are beginning to realize this.

For decades there has been a mentality in the US that someone needs to get a college degree in order to get a 9 to 5 job with a 30 minute commute, where they sit at a desk and fill out forms, make some phone calls and then pack up, go home and do it all over again tomorrow. Then the COVID-19 pandemic hit. The commute went from 30 minutes to 30 seconds, people realized they could get the same amount of work done from the comforts of their home, saving

¹ Sheather, J. "The great resignation - how do we support and retain staff already stretched to their limit?" [bmj.com](https://www.bmj.com/content/375/bmj.n2533.long), <https://www.bmj.com/content/375/bmj.n2533.long>

² Ibid.

money on gas and travel expenses. No more working in a potentially uncomfortable office, next to the one coworker that talks way too loud for an office. Now people could work in sweats with a blanket and no one was there to tell them that was “too unprofessional for work.” COVID-19 and quarantine opened up a whole new way of working, a way that many workers would like to stay permanent or semi-permanent. “In a recent survey of over 17,000 workers, only 23.9% said they would ‘Rarely’ or ‘Never’ would want to work from home post-COVID, while 27.3% said they’d like to work from 5 days a week. The remaining 48.9% said they’d like to work from home 1-4 days a week.”³ COVID-19 and quarantine also showed everyone who runs the country. Grocery store workers, food service workers, hospital and first-responders. The people who went out and risked their life in the middle of a pandemic so that they could pay rent, are the ones who run the country. COVID-19 saw a rise in food service apps like “the top four food delivery companies in the U.S. - DoorDash, Grubhub, Uber Eats, and Postmates - brought in roughly \$5.5 billion combined in revenue from April to September 2020, more than twice as much as their combined \$2.5 billion in revenue during the same period in 2019”⁴. People could make more money by driving food to other people than most minimum wage jobs, “most doordash drivers’ average earnings are between \$15 and \$25 per hour. Drivers are paid by a set delivery fee, but the hourly wage can be calculated from the total of the fees and the time period that is worked.”⁵. The minimum wage in the state of Virginia is currently at \$11, this means that people can make more money working hours that they want, using a delivery service app than a standard food service job that pays state mandated minimum wage.

The Great Resignation is a popular phrase that “refers to the roughly 33 million Americans who have now quit their jobs since the spring of 2021.”⁶ While the mass groups of people quitting their jobs has been coined “the Great Resignation”, the main question is how do experts know this is an actual problem for businesses and not just a post-COVID trend that will pass? “According to the U.S. Bureau of Labor Statistics, 4 million Americans quit their jobs in July 2021. Resignations peaked in April and have remained abnormally high for the last several months, with a record-breaking 10.9 million open jobs at the end of July.”⁷ It is interesting to note which job sectors are losing the most amount of workers. “While the rise of quitting across the labor market ‘is remarkable...the concentration among a few sectors is eye-popping,’ said Nick Bunker, an economist at the Indeed Hiring Lab in Washington D.C. ‘Quits are up the most

³ Sullivan, E. and Baird, J. “COVID surprise: Many people love working from home. Can employers live with that?” usatoday.com, <https://www.usatoday.com/story/opinion/2021/02/28/covid-reality-how-coordinate-working-home-and-office-column/6770635002/>

⁴ Wetzler, T. “Food delivery app boom continues following lockdown-driven growth”, adjust.com.<https://www.adjust.com/blog/food-delivery-apps-thrive-following-covid-growth/>

⁵ Price, L. “How Much Money Can You Make with DoorDash?” smallbiztrends.com, <https://smallbiztrends.com/2021/12/how-much-money-can-you-make-with-doordash.html>

⁶ Rosalsky, G. “The Great Resignation? More Like the Great Renegotiation”, npr.org. <https://www.npr.org/sections/money/2022/01/25/1075115539/the-great-resignation-more-like-the-great-renegotiation>

⁷ Cook, I. “Who is Driving the Great Resignation”, Harvard Business Review, <https://hbr.org/2021/09/who-is-driving-the-great-resignation>

in sectors where most work is in person or relatively low paying.”⁸ These include, for the most part, food service jobs and entry level labor jobs. “Nela Richardson, chief economist at ADP, described the trend in quits by sector not as a sea of change, but as ‘an amplification of quits where there were already high quit rates before the pandemic.’”⁹ For decades people have been working in person for jobs but the pandemic showed the world that most jobs can be done from home so jobs that force workers to come into the office simply for the sake of coming into the office are suffering from the great resignation. Remote options are now a necessity for jobs that can offer them.

[M]any in the professional services sector who have been allowed to work remotely do not want to return to the office and are seeking more-flexible jobs, whereas those in logistics, health care and hospitality have been burned out working longer hours over the last 20 months and are rethinking what they want to do. Workers across industries are interested in more flexibility and investment in their professional development and career growth, Wahlquist said.¹⁰

For decades people have worked in food service which is both in person and has some of the lowest wages in the country. This pandemic has proven that food service jobs are a necessity, so jobs that are unwilling to begin paying a livable wage are going to suffer as people move to jobs that are willing to provide the pay and benefits needed to work there.

‘More opportunities are out there, especially for lower-wage workers,’ Richardson said. ‘If there is little investment in workers, meaning low pay and not a lot of career development, it is easy to walk across the street and get another job. This is a moment where employers will have to rethink what loyalty means and how to retain workers beyond merely a paycheck.’¹¹

COVID-19 has helped people realize what matters most to them, and for most low-wage workers, their job is not at the top of their list. There are two groups of people that are currently resigning, at least according to experts.

Maznevski says there are likely two broad categories of people participating in the Great Resignation: ‘One is people who are professionals, who are making a choice between ‘good’ and ‘better’. The other category is people who are making a choice between

⁸ Maurer, R. “Will Workers Continue to Leave Their Jobs in Record Numbers?”, shrm.org. <https://www.shrm.org/ResourcesAndTools/hr-topics/talent-acquisition/Pages/BLS-Quits-JOLTS-Great-Resignation-Record-Numbers.aspx>

⁹ Ibid.

¹⁰ Ibid.

¹¹ Ibid.

something that is really terrible, unhealthy and toxic, and survival. Those are two very different dynamics.’¹²

Why are people deciding to leave now? COVID-19 is affecting the country, masks are still required in most states, and vaccines are still being distributed, so why are people making the decision to leave their jobs now? Some reasons are: “Pandemic experiences caused workers to reevaluate life priorities”¹³, toxic workplace environments, more opportunities are available within the low-wage sector including some places with equal pay but better management.¹⁴ In the UK doctors and health care workers are leaving because there are been little to no rest for them throughout the pandemic, the US is not exempt from that. The US has been dealing with COVID-19 for just as long and there are still several safety issues that some employers are not handling properly.

‘People are still worried about COVID,’ said Richard Wahlquist, president and CEO of the American Staffing Association in Alexandria, Va. ‘There are those who are hesitant to return to a workplace that is not 100 percent vaccinated. And we’re hearing reports of 30 percent to 40 percent unvaccinated in some sectors. These concerns are amplified going into the holiday season.’¹⁵

While there is a lot of political turmoil where vaccinations are concerned, it is still a personal issue at its core. People are concerned for their personal safety, whether they are concerned about working with unvaccinated people or concerned about being forced to get a vaccine that they don’t want. “Wahlquist noted that vaccine hesitancy may also be adding to the high quits numbers. People who don’t want to receive the vaccine are being confronted with vaccine mandates and may be quitting, and if that’s so, quits are likely to remain at sustained levels as more workers are required to be vaccinated, he said.”¹⁶ On top of safety concerns, people are deciding to put their mental health first and are leaving places that have toxic management. Employers have begun demanding employees return to in person work without an exceptions for remote work despite proof that remote work has no effect on the amount or quality work an employee puts in.¹⁷ People have the experience of working remotely so requiring only in-person work when it is not necessary is something that people are no longer dealing with. On top of that

¹² Lufkin, B. “What we’re getting wrong about the ‘Great Resignation’”. Bbc.com,

<https://www.bbc.com/worklife/article/20211028-what-were-getting-wrong-about-the-great-resignation>

¹³ Fontinelle, A. “The Great Resignation”, investopedia.com, <https://www.investopedia.com/the-great-resignation-5199074>

¹⁴ Ibid

¹⁵ Maurer, R. “Will Workers Continue to Leave Their Jobs in Record Numbers?”, shrm.org. <https://www.shrm.org/ResourcesAndTools/hr-topics/talent-acquisition/Pages/BLS-Quits-JOLTS-Great-Resignation-Record-Numbers.aspx>

¹⁶ Ibid.

¹⁷ Fontinelle, A. “The Great Resignation”, investopedia.com, <https://www.investopedia.com/the-great-resignation-5199074>

“employer, customer, or client mistreatment during the pandemic pushed workers to leave at the first opportunity.”¹⁸ Videos of “Karens” yelling at employees over something ridiculous go viral all the time, what people forget is that there is someone being berated over something ridiculous that they can not change.

‘I do believe there are thousands of individuals who are just fed up. They are overworked, they feel underappreciated,’ says Jay Zagorsky, senior lecturer in markets, public policy and law at Questrom School of Business, Boston University, US. ‘Because many workers are in high-wage industries and are working incredibly long hours, there is significant number of people who are just quitting.’¹⁹

On top of being underpaid for the work they are doing, throughout the pandemic many people were being pushed to overwork themselves so that way grocery stores were open, hospitals were running, food places were open, all so that way the rest of the country was able to get what they needed. There were some safety measures in place, plexiglass separating employee from customer, screen protectors, masks, gloves, etc, but they were still expected to put their personal safety at risk while dealing with horrible management, customers and fellow employees, and also the same pay as when they were coming to work without risking their personal safety. People that work in low-wage jobs are constantly on the search for a better job, whether it is offering higher pay, closer to home (requiring less gas usage), offering better benefits, etc. There is an entire network of low-wage workers letting others know what the management is like, how customers tend to be, basically whether it is worth it to work there or not. Employers can no longer expect that the “newbie” is coming in blind, the new employee probably knows more about the job than the employer does.

All of those are reasons why people leave, what can employers do to get people to stay? In order to understand what employers need to do to get people to stay, they must first understand what makes an employee stay. “Studies have suggested that employees become embedded in their jobs and their communities and as they participate in their professional and community life, they develop a web of connections and relationships, both and off the job. Leaving a job would require severing or rearranging these social and value networks.”²⁰ When they are considering leaving a job they factor in reasons to stay along with reasons to leave. The more connected they are with the job, with co-workers, customers and management, the harder it is to leave.

Employers need to start working harder to make sure they have a retention plan in place to make sure that employees make the necessary connections to make them want to stay.

¹⁸ Fontinelle, A. “The Great Resignation”, investopedia.com, <https://www.investopedia.com/the-great-resignation-5199074>

¹⁹ Lufkin, B. “What we’re getting wrong about the ‘Great Resignation’”. Bbc.com, <https://www.bbc.com/worklife/article/20211028-what-were-getting-wrong-about-the-great-resignation>

²⁰ “Managing for Employee Retention”, shrm.org. <https://www.shrm.org/resourcesandtools/tools-and-samples/toolkits/pages/managingforemployeeretention.aspx>

A comprehensive employee retention program can play a vital role in both attracting and retaining key employees, as well as in reducing turnover and its related costs. All of these contribute to an organization's productivity and overall business performance. It is more efficient to retain a quality employee than recruit, train and orient a replacement employee of the same quality.²¹

Increasing pay is a good way to get prospective employees to look into employers, but there are many things that can make a current employee stay, so employers do not need to go through the process of hiring and training a new employee.

One key for managers looking to retain top talent is to listen better. 'Get direct input from employees in terms of what is working and what is not,' said Gia Ganesh, vice president of people and culture at Florence Health Care, an Atlanta-based health care software company. 'Address concerns with a plan of action based on the input, share the plan, and start acting on it.'²²

Listening is extremely important for a cohesive work environment. Management that makes decisions and doesn't listen to their employees are showing the employees how much they value them. While there are sometimes that management needs to come in and make an executive decision on something, most of the time that decision should be backed by employee support. There are many reasons for this. One, employees are more likely to uphold and value policies and decisions that they had a say in. Two, if there are enough concerns from employees about a particular policy or decision, then management will have the chance to fix the policy or decision before it goes into effect. Another way that management can help employees stay is by showing them that there is room for growth and opportunity within the company. "When companies ensure that an employee feels valued and sees growth possibilities at an organization, there's little incentive for them to look elsewhere. 'When they find everything they want and need at Company X, they won't have time or the need to look or entertain other opportunities,' Ivanova said."²³ Ivanova is the head of HR at FISPAN in Vancouver, British Columbia, Canada.²⁴ If a company is unable to pay employees more than their competitors at the start, then they need to find alternative options for employees. By offering career advancing opportunities and making them well-known, they are showing that loyalty does actually reward employees over time.

²¹ "Managing for Employee Retention", shrm.org. <https://www.shrm.org/resourcesandtools/tools-and-samples/toolkits/pages/managingforemployeeretention.aspx>

²² O'Connell, B. "How to Retain Employees During the Great Resignation", shrm.org. <https://www.shrm.org/resourcesandtools/hr-topics/people-managers/pages/great-resignation-and-retention-.aspx>

²³ Ibid.

²⁴ Ibid.

After months of being in isolation, quarantine and dealing with a deadly virus attacking the country, people are doing what is necessary to stay mentally healthy. This means reorganizing their life according to their new found priorities. “The Great Resignation” is a trend of people leaving their current jobs in search of better employment. While there are many factors that can play into this trend, many of them are not due to lack of pay. Burnouts, unmanageable management, and toxic work environments, are some of the top reasons why people are leaving. Now more than ever, businesses need to start making changes that address the needs of their employees, or they may not survive the “Great Resignation”. This can mean allowing remote work opportunities, having management engage with employees and get their inputs, and offering growth and new career opportunities for employees. These are just some of the proposed ideas to help businesses grow and adapt in the coming new age.

Bibliography

- Cook, I. “Who is Driving the Great Resignation”, Harvard Business Review, <https://hbr.org/2021/09/who-is-driving-the-great-resignation>
- Fontinelle, A. “The Great Resignation”, investopedia.com, <https://www.investopedia.com/the-great-resignation-5199074>
- Lufkin, B. “What we’re getting wrong about the ‘Great Resignation’”. Bbc.com, <https://www.bbc.com/worklife/article/20211028-what-were-getting-wrong-about-the-great-resignation>
- Maurer, R. “Will Workers Continue to Leave Their Jobs in Record Numbers?”, shrm.org. <https://www.shrm.org/ResourcesAndTools/hr-topics/talent-acquisition/Pages/BLS-Quits-JOLTS-Great-Resignation-Record-Numbers.aspx>
- Price, L. “How Much Money Can You Make with DoorDash?” smallbiztrends.com, <https://smallbiztrends.com/2021/12/how-much-money-can-you-make-with-doordash.html>
- Rosalsky, G. “The Great Resignation? More Like the Great Renegotiation”, npr.org. <https://www.npr.org/sections/money/2022/01/25/1075115539/the-great-resignation-more-like-the-great-renegotiation>
- Sheather, J. “The great resignation - how do we support and retain staff already stretched to their limit?” bmj.com, <https://www.bmj.com/content/375/bmj.n2533.long>
- “Managing for Employee Retention”, shrm.org. <https://www.shrm.org/resourcesandtools/tools-and-samples/toolkits/pages/managingforemployeeretention.aspx>
- Sullivan, E. and Baird, J. “COVID surprise: Many people love working from home. Can employers live with that?” usatoday.com, <https://www.usatoday.com/story/opinion/2021/02/28/covid-reality-how-coordinate-working-home-and-office-column/6770635002/>
- Wetzler, T. “Food delivery app boom continues following lockdown-driven growth”, adjust.com. <https://www.adjust.com/blog/food-delivery-apps-thrive-following-covid-growth/>