

# To Win the War for Talent, Employers Need to Fix What's Driving Employees Away

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For weary HR leaders and business managers, who have already had to guide their teams through the relentless challenges of the pandemic, retaining employees and rebuilding their workforce is becoming yet another insurmountable challenge.

Where should employers start? By listening to the employees who are leaving, offering support to those who stay, and following COVID-borne trends — like remote work — that have become a permanent part of work culture.

From higher salaries and better benefits, to opportunities to grow within their careers, employees are clear about what they want out of work. The most successful employers will respond — and then react, with more robust benefits and a supportive work culture that cultivates learning, mental health support, workplace flexibility and the values employees hold in high regard.

# Change Management During the Pandemic: How to Maintain Employee Well-being

Economic insecurity, changes to work and life patterns and isolation are taking a toll on employees. How can employers help?

The following study and original research from Arizent, parent company of Employee Benefit News, explores how the war for talent is playing out across these industries and what people leaders and HR professionals are doing to keep their businesses moving forward.

## Why are employees quitting? Opinions vary

There seems to be no clear-cut answer for why so many employees are heading for the door. Yet across industries, low compensation seemed to be the culprit, with 18% saying this was the top reason for attrition, and 37% agreeing it contributed to high turnover at their companies.

## HIGHER RATES OF ATTRITION AMONG THESE GROUPS

33%



Employees in front-line or front-office individual contributor roles

25%



Employees in technical or computing roles (digital transformation, IT, cybersecurity, developers, etc.)

25%



Employees with children younger than 18

24%



Employees with caregiving responsibilities

23%



Employees in back-office support roles

20%



Female employees

Employers have also noticed a variation in who is leaving the workforce, pointing to the unique stressors many employees have faced during this time. Working parents and caregivers, for example, left the workforce in droves and have yet to fully return to full-time employment; according to data from the Bureau of Labor Statistics, there are still two million fewer women in the workforce than pre-pandemic rates. The Arizent research noted that 25% of employers listed caregivers with children under 18 and employees with caregiving responsibilities as groups with higher attrition rates.

In order to address these issues, employers must boost their support for working parents and other staff. And while addressing compensation may be one way to bridge the gap, it's not always possible for employers to do so. However, the survey found that many of the reasons go beyond just a number on a pay stub: from a lack of advancement opportunities, to cultural challenges and issues with management, it seems employees are eager for new professional priorities that more closely align with the values they're prioritizing post-COVID.

**Why can't we hire? The great debate among HR leaders**

Ninety percent of employers admit to recruiting challenges, and once more, no one reason is clear. While salary and compensation is yet again the top reason 21% of employers give for their recruiting issues, employers also point to hiring challenges in finding employees with a highly-specific skill set. Many employers admit their organizations did not offer adequate advancement opportunities, adding to the challenge HR leaders face when looking to boost their ranks.

**WHY EMPLOYERS ARE STRUGGLING TO HIRE**



**It's time to embrace remote work, once and for all**

Research from Slack's Future Forum found that 95% of employees want flexible work hours,

and 78% want flexibility in their work location. The people leaders in this report acknowledge that flexible work is here to stay, and can serve as a powerful tool: 50% of organizations that offer flexible work say the approach is highly effective in bringing in new talent. Employers who have yet to embrace remote work may be left behind as applicants look elsewhere.

Several leaders shared their perspective on the impact their in-office policies are having on their retention and attraction strategies:

- “Our jobs do not offer flexible office locations compared to the same industry, making it difficult to recruit skilled employees. We are ready to increase the flexibility of our office location.”
- “I would allow 100% remote work for any position that could be conducted in such a manner. Right now we are forcing hybrid or fully in-office on our employees, and that just isn't going to work anymore. Companies that do not adapt to the new remote mentality will continually suffer higher than normal attrition rates as we lose employees to companies that allow for 100% remote work.”
- “Now that COVID is less of a concern, our employer is forcing people (even former remote employees) to come into an office location, even if it means relocating. This is a poor choice from senior leadership and is causing highly knowledgeable, quality talent to leave.”

### **What else can be done? A look at the benefits changing the game**

Throughout the pandemic, organizations have focused on benefits that improve employee health and well-being, support families and caregivers, and help employees feel financially secure. Employers feel confident the benefits they offer are meeting and even exceeding employees' needs.

As employees continue to look toward their employer for support, the relationship between the two has changed forever. Employers must stay ahead of the game and continue to offer competitive benefit offerings that go beyond basic health and wellness plans.

Managers and HR leaders must communicate and agree on the best way forward. Only in this collaboration can businesses move forward with a clear strategy for the challenges ahead — and provide a bright future for their employees and their businesses.