CENGAGE GROUP

Where Are They Now? The Great Resigners, One Year Later



Introduction

In May 2021, Texas A&M University Professor Anthony Klotz coined the term "Great Resignation" to describe the phenomenon that began in the U.S. that spring. Over the course of 2021, more than 47 million people reportedly quit their jobs, representing 23% of the total U.S. workforce. According to the Bureau of Labor Statistics, the national guit rate peaked in November and December 2021 at about 3%, and slowly declined over the course of 2022, reaching 2.6% in October 2022. Calling it "The Big Quit" and the "Great Reshuffle," the media couldn't get enough of this unprecedented shift in worker mentality when just the year prior, unemployment had been at near-record highs. Why were all of these workers quitting? What were they doing and where were they going? How had the pandemic influenced this worker reassessment? How were employers adjusting to fill critical labor shortages?

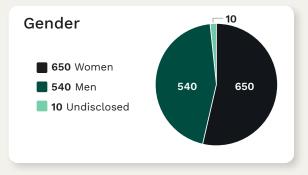
There was a shift in dynamics during the Great Resignation, with many employers changing decadeslong practices to expand their talent pools. They dropped degree requirements and added or expanded professional development and education opportunities to show new hires and current employees the potential for growth in their jobs. However, as 2022 began and high inflation persisted, recession fears set in. As perplexing as the Great Resignation is, the debate around a recession has perhaps been more so. According to some measures, the U.S. entered a recession over the summer of 2022, but consumer spending and other measures indicate that that hasn't happened. Crucially, there are still many more open jobs than people to fill them. More than 5.6 million jobs went unfilled in October 2022, according to the Bureau of Labor Statistics, and unemployment has hit a 50 year low, remaining between 3.5% and 3.7% for most of 2022. Debate about recession aside, this is still a strong job market for workers. But what is next?

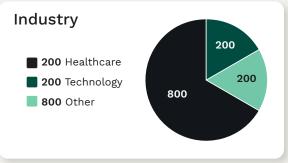
This was one question we set out to understand with our latest survey of the Great Resigners. Following up on the survey we did in November 2021, which looked at what was driving the Great Resignation and the role of training in worker mobility, we again surveyed Great Resigners one year later (November 2022) to better understand their current job satisfaction, whether they switched industries, upskilled or trained to start new roles, and more. With a recession on the horizon, we wanted to know what's next for the Great Resigners and the U.S. workforce?

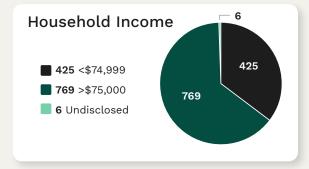
About our Survey

1,200 respondents ages 25 and up who quit their jobs and found a new one between May 2021 and May 2022.

<u>Note:</u> percentages indicating the number of respondents for each question are rounded throughout the report.







Key Takeaways

Takeaway 1:

From Resignation to Relief – Great Resigners Have Little Regret

Takeaway 2:

Upskilling Opportunities (or Lack Thereof) are a Key Factor in Talent Acquisition and Attrition

Takeaway 3:

The Great Resignation has led to the Great Re-Training

Takeaway 4:

A Recession Could Spark the Next Great Worker Shift





Takeaway 1:

From Resignation to Relief – Great Resigners Have Little Regret

A year later, the Great Resigners have moved on, and they're generally happy about it: the majority (81%) say they do not regret leaving their previous **job.** Not only do they not regret leaving, but 85% say they are satisfied with their new role. Only a small percentage (6%) are considering returning to their previous role.

Where did they go? The Great Resigners predicted their actions: in 2021, when asked if they would stay in the same industry or make a change, their responses were almost a perfect 50/50 split on what they planned to do. In 2022, we found that that scenario played out: half switched industries (50%) and half stayed in the same industry (50%).

When it comes to specific sectors, we found that technology is still a key industry for job seekers despite recent tech layoffs and talks of an upcoming (or quietly ongoing) recession. The greatest percentage of survey respondents (21%) said their new roles were in technology.



Takeaway 2:

Upskilling Opportunities (or Lack Thereof) are a Key Factor in Talent **Acquisition and Attrition**

Access to training opportunities was key in Resigners' decisions to switch employers. Almost two-thirds (66%) of respondents said access to employer-paid online training and upskilling opportunities was an important factor in accepting their current job, and 56% said their previous employers did not offer this. Nearly all (89%) respondents whose new employers offer these opportunities said they plan to take advantage of them.

The top reason Great Resigners cited for leaving a previous employer, however, was a softer point: a lack of alignment around mission and values. An unclear path to career growth, which ties closely to training opportunities and upskilling, was the second most-cited reason for leaving.

The primary reasons why Resigners accepted their new jobs were because the company had "a clear path to growth and development" (30%), followed by the company's mission and values aligning with their own (27%). In our 2021 research, having "clear opportunities for professional development and growth" was one of the top attributes employees were looking for in their new employer. While compensation was important, it wasn't rated as highly as these other attributes.



employer-paid online training

and upskilling opportunities

in their job search

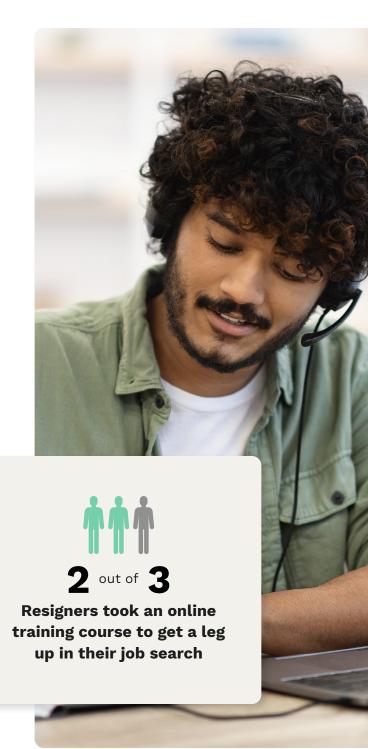
Takeaway 3:

The Great Resignation has led to the **Great Re-Training**

It's no wonder that the Great Resigners were looking for training opportunities in their new roles: two-thirds (67%) of respondents surveyed-and 77% of technology sector workers-said they took an online training course to give themselves a leg-up in their job search. They know the value of upskilling and are looking for it in their new roles. Most respondents who took an online course (89%) felt that it had a positive influence on them landing their new job.

Resigners are also opting for shorter bursts of learning. More than half of respondents who took an online training or class (62%) completed it in less than three months, while 31% enrolled in three- to six-month long programs.

It's clear after our two surveys that online training (upskilling and reskilling) plays an important role in worker mobility/movement across sectors today.





Takeaway 4:

A Recession Could Spark the Next **Great Worker Shift**

According to recent media reports, Americans' view on the economy is negative, with many believing we are on the verge of a recession. Our survey respondents seemingly align with this sentiment: most Resigners (71%) worry that a potential recession could impact their current employment status.

Despite recent high profile tech layoffs, technology workers' responses do not vary significantly from this, potentially because they believe in the value of their skills and training. Surprisingly, 84% of healthcare workers are worried about a recession, even though healthcare is commonly considered a recession-proof industry.

Not only is training seen as a ticket to a new job, it's also seen as a way to keep a job and avoid a layoff. Many Resigners (76%) plan to enroll in online training or certificate programs to broaden their skills and become more marketable, another indication that they see these courses as valuable career steps.

Just as the pandemic forces people to reassess what they wanted out of work, a recession might bring about another broad shift. Almost all Resigners (90%) said if their job is eliminated they would switch industries, with technology (17%), finance and insurance (14%) and business administration (13%) having the biggest draw.



Detailed Findings:

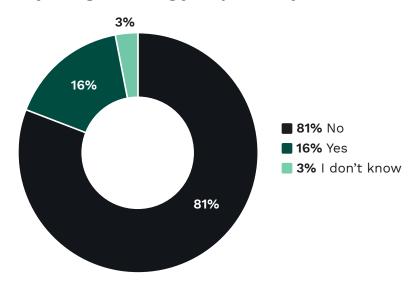
Perhaps the Grass is Greener on the Other Side. Most Great Resigners are Happy with their Transition.

The Great Resigners we surveyed took a chance in 2021-22, quitting jobs that made them feel burnt out, underpaid and lacking in growth opportunities. They accepted new roles to better meet their needs and their gamble seems to have paid off.

A majority of Resigners are still glad they quit...



Do you regret leaving your previous job?



Confident in their past decisions to quit, resigners are also satisfied with their new roles.

Which of the following statements best describes how you feel about your new role?







Among those surveyed who work in technology, slightly more-86%-said they were satisfied in their new role, while only 69% of Resigners in healthcare are satisfied with their new role.

We'll dive deeper into these differences on pages 17-19.



Women we surveyed were more likely to be in new finance/insurance industry roles than men, while men were more likely to be in technology:

What industry is your new, current iob in?

	Overall	Men	Women
Finance/Insurance	17%	11%	22%
Technology	21%	29%	14%
Transportation	7%	6%	7%
Manufacturing	10%	8%	11%
Building Trades/ Construction	5%	6%	5%
Food & Hospitality	9%	8%	9%
Healthcare	7%	4%	9%
Business Administration	5%	4%	6%
Design/Creative	4%	5%	4%
Other	16%	19%	13%

Of the small percentage of Resigners who are dissatisfied with their new roles, many (70%) are already searching for new job opportunities, and another 16% are considering starting their job search. This indicates a motivation to keep trying until they find the position that they're happy with, which may be a change from prepandemic job expectations. Just 6% are considering going back to their previous employer, signaling a potential pause in "boomerang employees."

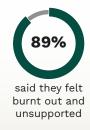
The Why:

Drivers of Job
Satisfaction Lie
in Clear Paths to
Professional Growth



In our 2021 survey, the Great Resigners told us they had left their jobs for very clear reasons:







said they felt they were no longer growing in their position



said the pandemic made them reconsider their priorities and/or professional goals



said they had other passions or career paths they wanted to pursue.

In 2022, we asked them to select a primary reason for leaving their previous job and surprisingly compensation wasn't their top priority, and some of the softer elements of employment actually mattered more than pay.

What was the primary reason for leaving your previous job/employer?

The company's mission no longer aligned with my values	31%
I felt "stuck" in the role/industry with no growth opportunities	25%
My total compensation was not adequate for the amount of work I was doing	23%
I didn't feel challenged by the work I was doing	21%

While "mission" and "values" came out on top, they are subjective and might mean different things to different employees. The flexibility to work from home might be considered a value to some, while other people might consider a company's culture to be part of its values. What we can see is that resignations were driven heavily by salary/compensation earlier in the pandemic, and that employees are now looking for a company that feels like a good match to their values, and offers opportunity for growth and development.

What was the primary reason you accepted your new, current role?

The company had a clear path to growth and development	29%
The company's mission aligned with my values	27%
The work seemed challenging	23%
The salary, bonuses and total compensation was too good to turn down	21%

3 in 10 resigners said the primary reason they accepted their new role was that their new employer had a clear path to growth and development for them

He Said, She Said

Men and women responded slightly differently when asked about their reasons for leaving and taking new jobs. Women were more likely to leave a job for mission-related reasons.

What was the primary reason for leaving your previous job?

	Men	Women
The company's mission no longer aligned with my values	31%	36%
I didn't feel challenged by the work I was doing	21%	19%
I felt "stuck" in the role/ industry with no growth opportunities	25%	23%
My total compensation was not adequate for the amount of work I was doing	23%	22%

Women were more likely to accept a new position because they felt like the mission and values aligned with their own and more likely to have found a job with compensation they couldn't turn down. Men were more likely to be focused on the challenge of the job and growth opportunities.

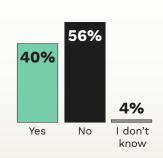
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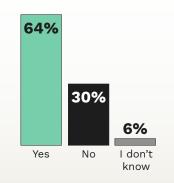
The top reason Great Resigners accepted their new role was a clear path to growth and development, and one of the key ways employers can offer this is through online training or upskilling courses.

Two-thirds (64%) of respondents' new employers offer online training courses paid for by their employers while only 40% of their previous employers did. Resigners went looking for this benefit and are happy to have found it.

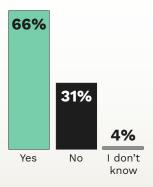
Did your previous employer offer employer-paid online training or upskilling opportunities?



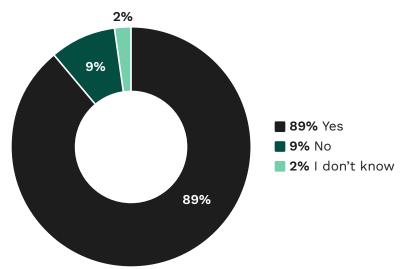
Does your current [new] employer offer employer-paid online training or upskilling opportunities?



Was access to employer-paid online training and upskilling opportunities an important factor in accepting your current job?



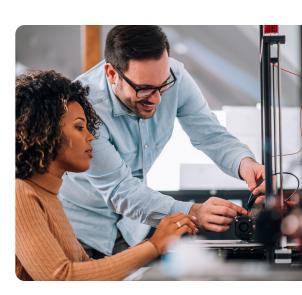
Do you plan to take advantage of employer-paid online training or upskilling opportunities?





For Great Resigners whose <u>current employer</u> does not offer employer-paid online training (or those who don't know if their employer does), nearly three in four (73%) say they would take an online training course or certificate program if their current employer offered to pay for it.

Those in the technology (74%) and healthcare (70%) industries were more likely to say access to employer-paid online training and upskilling opportunities was an important factor in accepting their new job, and technology workers (77%) and healthcare workers (72%) were more likely to say their current employer offers paid upskilling/training. See pages 17-23 for more information on these industries.



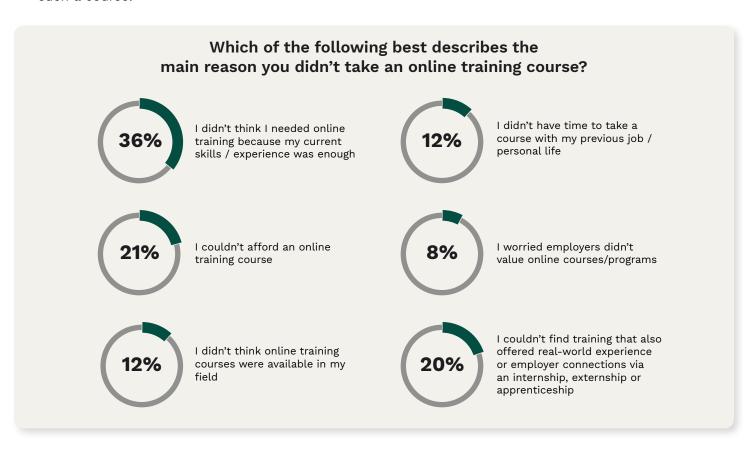
The How:
Upskilling and
Training to Move Up



Two-thirds of the Great Resigners surveyed (67%) said they took an online training course specifically to improve their standing in the job search, and 89% believed it positively influenced their landing a new job. This isn't a surprise to us, given that in 2021, we found that 78% of Great Resigners had either already completed an online training class or were enrolled in one at the time of the survey. For our current respondents, these courses were relatively brief, indicating that the Resigners could have completed some or part of them before quitting their jobs:



Of those who did not take a course to improve their standing, 36% say it was because they didn't think they needed the training because their current skills/experience was enough. Another 21% couldn't afford an online training course. Only 8% worried primarily that employers wouldn't value such a course:



The Great Resigners Face Recession Fears

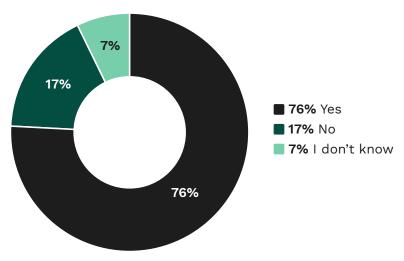
Now that they have new jobs, the Great Resigners continue to see the value of online upskilling, even if many of them are concerned about their futures in the face of a potential recession. And despite being happy with their new jobs, they aren't denying the reality—

most Resigners 71% are concerned about a coming recession, which is on par with the general public. With an eye toward an uncertain future, many Resigners are already making plans to improve their standing at their current employer in the event of a recession.



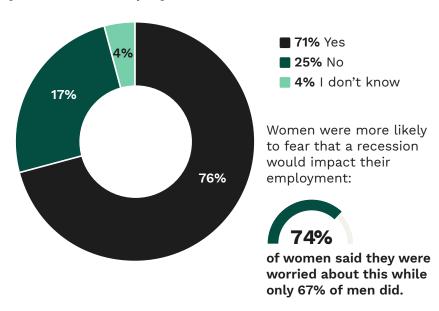
The Great Resigners Face Recession Fears

Do you plan to take online training courses or certificate programs to broaden your skills and make you more marketable to your current employer in order to avoid a potential layoff?



Of those who don't plan to take a course to make themselves more marketable, 47% believe that taking a course wouldn't prevent them from being laid off. Nearly a quarter (24%) don't feel they have the time to do so, while 23% don't feel they can afford an online course right now.

Do you worry that a potential recession could impact your current employment status?



The Great Resigners we surveyed indicated overwhelmingly (90%) that they would switch industries if their job was eliminated in a recession, quite different from our 2021 survey, in which only half of resigners planned to switch industries. This might signify that Great Resigners believe other industries won't be as affected by a recession and that their skills have good transferability. If not, we may expect to see an even stronger demand for reskilling and retraining opportunities.

What industry would you move to?

	Overall	Men	Women
Finance/Insurance	14%	19%	11%
Technology	17%	14%	19%
Transportation	6%	6%	5%
Manufacturing	8%	10%	6%
Building Trades/ Construction	8%	8%	8%
Food & Hospitality	12%	9%	15%
Healthcare	9%	9%	8%
Business Administration	13%	11%	14%
Design/Creative	11%	10%	12%
Other	3%	4%	2%

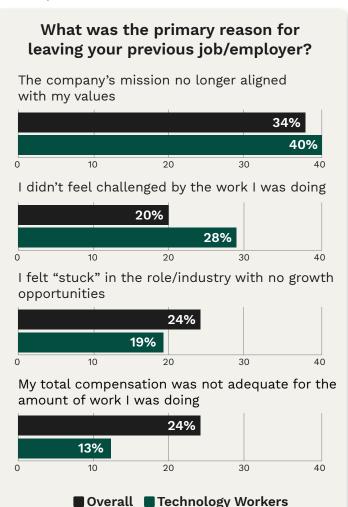
Industry Highlight: Technology



Industry Highlight: Technology

Tech Workers Want to be Challenged

While Great Resigners in the technology sector, like all respondents, prioritized aligning with a company's mission and values when it came to leaving and taking new jobs, tech workers are also motivated by a challenge. Twenty-eight percent said they left their prior roles because they didn't feel challenged by their work (versus 20% for all respondents). They were much more likely (33% versus 20%) to accept a new job primarily because the work seemed challenging, and less likely to focus on compensation.





Tech Workers Believe in Online Training

As noted earlier, access to online training was an important factor for 66% of those surveyed in accepting their new role. When we filter the data to focus on those in technology, it was even more important:



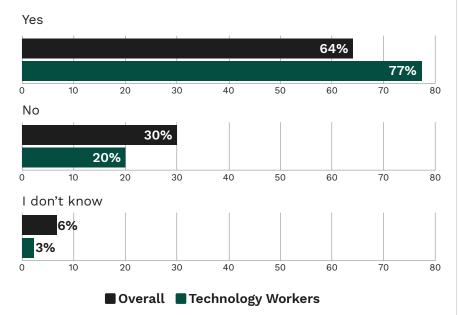
said access to employer-paid training was an important factor in accepting their new job.



Industry Highlight: Technology

Resigners in tech were the most likely among our respondents (77% compared to 67% overall) to have taken an online training course to get a leg up in job search, and they are more likely to be at an employer that offers upskilling opportunities than resigners in other industries (77% versus 64% overall).

Does your current [new] employer offer employerpaid online training or upskilling opportunities?



These employees also believe more strongly (93% compared to 89% overall) that the online course they took before applying for their new job positively affected their landing it. They are also more likely (82% versus 76% overall) to broaden their skills through online courses to make themselves more marketable in the event of a recession.



Recession Fear is not Higher **Among Tech Workers**

Despite recent headlines and bigname tech layoffs, recession fear is relatively the same among tech workers and the workforce overall (72% versus 71% overall). This might be because technology workers know the value of their specialized skills, or because this group of respondents isn't composed of lifelong tech workers-54% were new to the industry at the time of the survey, having left a different field as a Resigner. The technology sector has a clear draw for workers as demand for technology skills grows.



Overall, nearly

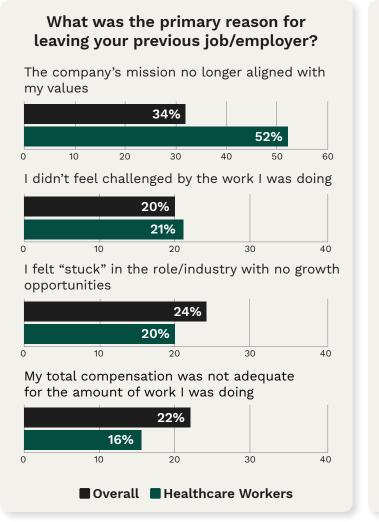
2 in 10

in resigners indicated they would look to move into a technology job if their current role was eliminated.



Healthcare Workers Motivated by Mission

Though the largest portion of Great Resigners across industries selected a company's mission and values as the primary reason for leaving their old jobs (34%) and taking new ones (27%), these numbers were significantly higher among healthcare workers: 52% felt their former employer's mission no longer aligned with their values, and 40% said their new employers' mission and values did align with theirs.





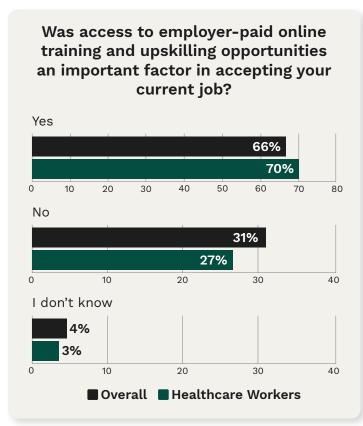
Healthcare resigners were also more likely to have stayed in the healthcare industry.

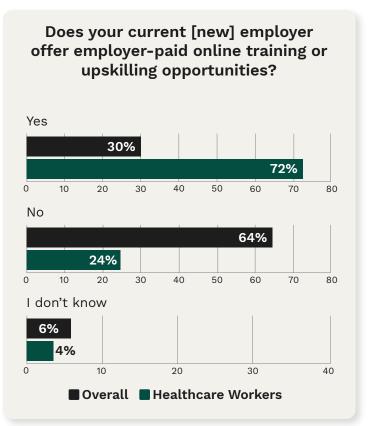
Online Training Plays an Important Role for Healthcare Workers

Healthcare Resigners were more likely to enroll in shorter courses of one to three months to get a leg up in job search (68%) compared to other Resigners (47%).



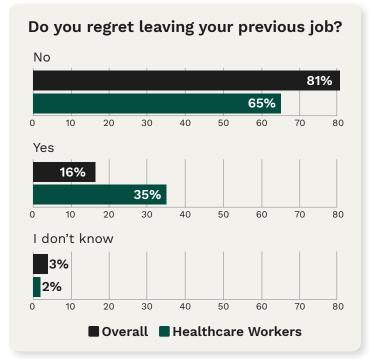
And while access to online training was an important factor for all resigners in accepting their new roles, it was even more so for healthcare workers. Like technology workers, healthcare workers are more likely to have a new employer that offers paid online training opportunities than the average respondent.





Healthcare Workers Have Less Job Satisfaction and Fear a Recession More

Unfortunately, healthcare Resigners seem to be not as happy with their professional changes overall.

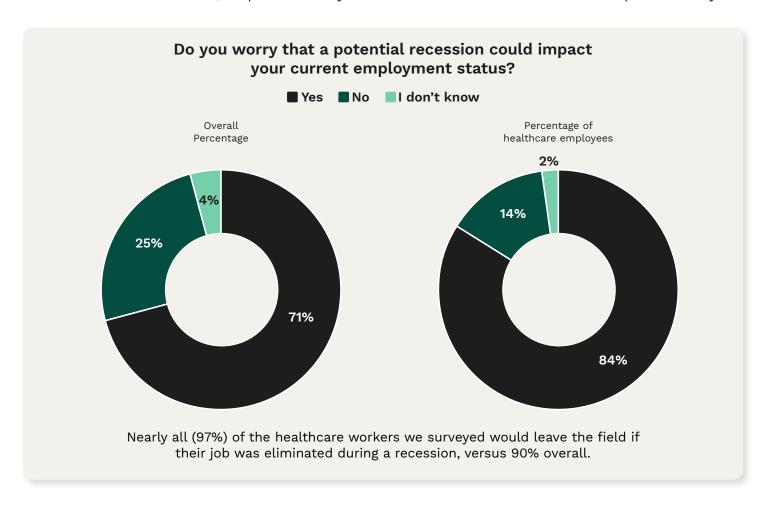






of healthcare resigners are less satisfied with their current jobs compared to all resigners (85%).

When it comes to looking at the potential for a recession, healthcare workers are among the most worried about a recession, despite the widely-held belief that healthcare is a recession-proof industry.



Looking Forward

What do these findings mean for the future? What can employers, workers and policy makers do to retain and attract talent while also preparing for a potential recession?

Employers Should Continue to Invest in Upskilling and Training Opportunities

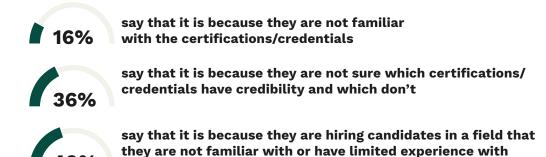
Upskilling and reskilling opportunities are no longer a nice-to-have-for employees-increasingly, they are essential benefits. To retain and attract talent, employers need to offer paid upskilling, reskilling and learning and development for employees, and those that don't will struggle to find and keep quality talent. Employees want to gain new skills, and with the growing number of skills options, there are a number of modalities, durations and focus areas available that can offer employees great opportunity without having to take time away from their current role.





Given the growing offerings of online training and upskilling opportunities, employers should partner with outside education providers that can serve as a source of talent and offer talent development opportunities. Education providers can also help companies match their employees to the courses that are most relevant to their career paths, ensure that employees are ready for next steps in their careers and help employers recruit trained employees who excelled in their classes.

Our 2022 Employability Report found that nearly half of employers report that it is difficult for them to measure the meaningfulness of a non-degree certification course for three key reasons:



By partnering with an education provider, employers can have a role in the training themselves, know the certifications are credible, and don't have to guess what skills a candidate has. Plus, recent McKinsey research has shown that developing talent among current employees is more cost effective than recruiting new talent.

Invest in Mission and Values

Across all industries, employers should invest time and resources to ensure they have a clear mission and values that resonate with their employee base. As we've seen in our research, in some industries, this soft metric might be more important for potential and current employees than their compensation. Finding out what matters to employees-flexibility to work from home, paid family leave, online upskilling opportunities, specific benefits-can change how employees view their company and may inspire them to stay.

Once these key values are identified, the real work of building a strong culture defined by those values begins. Having a strong mission is more than a marketing tagline on a poster, it needs to be an important regular part of how employees approach work and continually reinforced through clear, effective and regular communication across the organization.

Policy Changes

Just as we concluded in our report from 2021, Congress should expand short-term online training opportunities for learners, especially in in-demand and growing industries. Federal funding should look beyond the traditional 2- and 4-year degree programs, allowing more people to upskill and train quickly and to develop much needed competencies employers require. As we noted last year, expanding Pell Grants to include short-term and online programs that prepare learners for in-demand jobs would allow many more Americans to access valuable training programs, providing them with more flexible, affordable, and job-relevant education that's aligned to the labor market. Given the potential for a recession, the need to reskill so people can move to jobs and industries that are in high-demand will only accelerate.