



The great resignation: fake news?

What the data says about the real-world
trends behind the headlines

Listen better,
make meaning,
inform action

The great resignation: what does the data really say?

There has been a lot of commentary and speculation over whether companies are teetering on the brink of a mass talent walkout.

Much of this seems to be based on conventional wisdom (“surely people won’t be happy having to go back to the office?”) and anecdotal examples.

But the tide of conventional wisdom is starting to turn. Last December, an article from The Economist¹ pointed out that real evidence for this trend was lacking.

This view chimes with the findings of a Karian and Box report published in October 2021 analysing five years of data across almost half a million UK employees. We found that employee attrition rates had indeed risen, but the increase could be explained by a number of factors: some structural (different sectors fared differently during the pandemic); some cyclical (a return to more normal attrition rates after they had reduced during covid). The latter was also highlighted in The Economist piece as a more prosaic, but also more logical reason for the recent uptick in attrition.

We have now reviewed an even larger pool of data: over 2.5m responses from employees across the globe, covering organisations from FMCG, Financial Services, Retail, Oil and Gas, Aviation and Telecomms sectors.

So what new insights can we share with you?

In short: we can say, with greater certainty, that there is little to back up the headlines. Evidence of a mass resignation is thin on the ground and it seems like what we are really experiencing is a natural rebalancing as things get back to normal.



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Karian and Box, part of Ipsos, is an employee experience consultancy, specialising in employee listening and insights. Hear more about our insights on employee experience by heading to www.karianandbox.com or finding us on [LinkedIn](#).

¹Evidence for the “great resignation” is thin on the ground, The Economist, 6 December 2021



So far, it looks like a simple rebalancing rather than a 'great resignation'

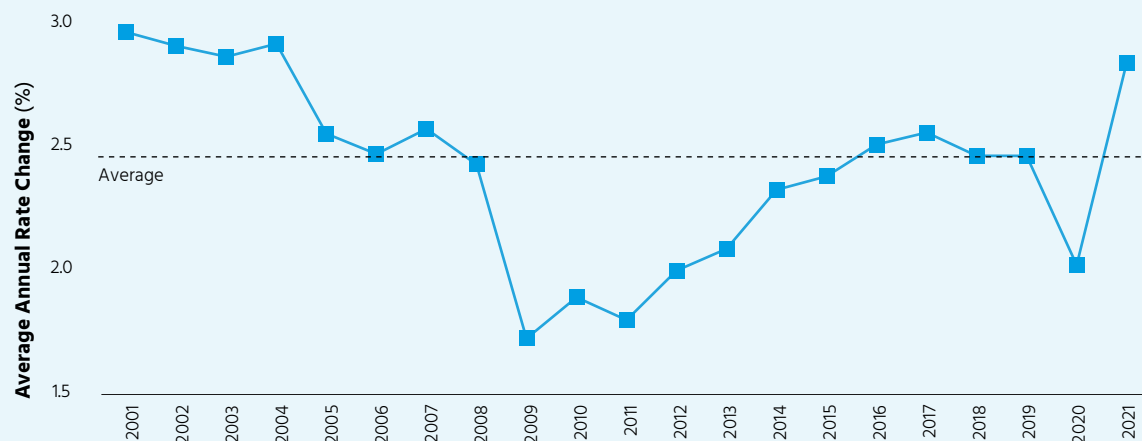
Our latest study captures over 2.5 million employee responses from 2018 to now (see chart on the right). It shows that intent to leave is starting to rise after three years at a comparative low, but the change is only recent and rates remain just below pre-pandemic levels.

After a peak in the second half of 2018, when 1 in 4 employees intended to leave in the next two years, the proportion of those considering imminent resignation has declined throughout the pandemic.

While we are seeing a rise in intent to leave from data collected so far in 2022, this is not back to pre-pandemic levels.

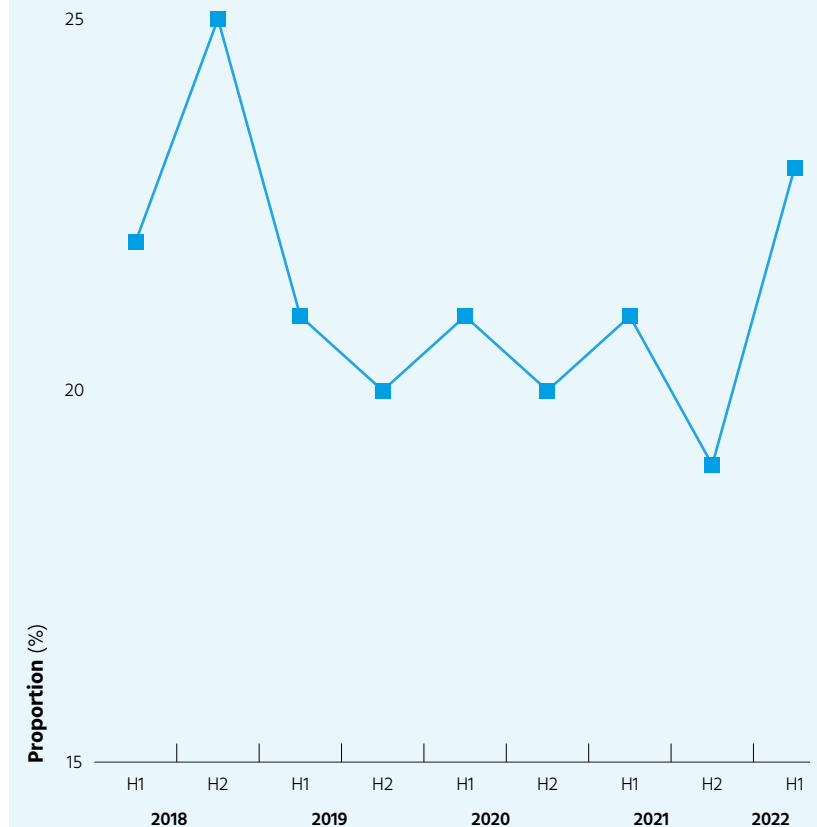
Our findings chime with those from the ONS (see chart below), which show that the employee 'churn rate' in the UK (the proportion of colleagues who move from job to job) did increase in 2021, but the increase only balanced out the dip seen at the peak of the pandemic in 2020.

Labour market data shows a return to pre-pandemic attrition levels – with pent-up demand making it slightly higher.



Source: Labour Market Survey data from the ONS.

The proportion of employees who intend to leave their employer in the next 2 years has remained broadly stable



Source: 2.5 million survey responses collected by Karian and Box from employees of FMCG, Financial Services, Retail, Oil and Gas, Aviation and Telecomms organisations. Responses are from across the globe, but with a high proportion of UK-based employees. Data for H1 2022 was taken in February and may change as results come in.

Fundamentals of pay and career development are key factors

Equally interesting is what sits below this simple headline. Some of the coverage of the great resignation highlights a common desire among employees for a change of lifestyle.

Again, the data does not back this up.

When asked for their reasons, employees regularly cited lack of confidence in the business and fears over job security — especially in sectors hit hardest by the pandemic or trying to enhance commercial performance in a low-growth market.

However, career progression and pay (those hardy perennials) are the two most common reasons, with the latter rising in significance over the last 6 months — reflecting current concerns over the cost of living.

All this suggests that what we are seeing is not a new phenomenon (however snappy it may sound).

Instead, it's a correction to the pandemic market shock, following the same path we saw after the financial crash of 2008-09 — albeit more rapidly.

Follow the science

What should we make of all this?

First, don't just look at the data headline; look beneath for the underlying reasons. They may tell you a different story.

Second, avoid conjecture. As with debates on vaccine efficacy, it is important that we use hard data and evidence.

So, when the next person raises 'the great resignation' with you, challenge the assumptions and make sure there are facts at the heart of your decision-making. Follow the (data) science.

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