

# The Great Resignation Part 2: The Journey to the Great Retention



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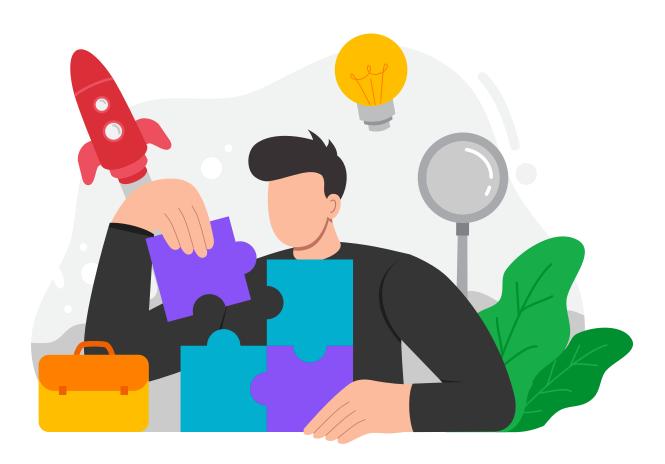
# Introduction

2021 was marked by a steady rise in employee departures, a phenomenon known as the "Great Resignation" or "Big Quit." It has mostly affected Western countries such as the United States, which recorded 47.8 million total resignations in the last year.<sup>1</sup>

Our research on the Great Resignation suggests that this phenomenon is also in full swing in the Philippines, as seen by the country's rising attrition rates. Our data revealed a 14% increase in average monthly attrition rates compared to the average rate in 2020.<sup>2</sup>

The wave of people quitting their jobs has been felt around the globe. A recent survey revealed that 20% of workers worldwide<sup>3</sup> are considering leaving their workplaces in 2022—making employee retention more crucial than ever.

Developing effective retention strategies starts with understanding why workers leave. This report will help contextualize the reasons behind the Great Resignation and provide actionable steps on how companies can retain top talent to begin the journey toward the Great Retention.



¹ https://www.bls.gov/opub/mlr/2022/article/job-openings-and-quits-reach-record-highs-in-2021.htm

 $<sup>^4</sup> https://www.shrm.org/resources and tools/tools- and-samples/toolkits/pages/managing for employee retention. as px, and the page of th$ 



<sup>&</sup>lt;sup>2</sup> https://sprout.ph/wp-content/uploads/2022/02/The-Great-Resignation\_-Philippines-1.pdf

<sup>&</sup>lt;sup>3</sup> https://www.pwc.com/gx/en/issues/workforce/hopes-and-fears-2022.html

# Methodology

Before we set out to understand how to retain talent, we need to recognize why employees leave in the first place. To understand the reasons behind employee resignations in the Philippines better, Sprout surveyed over 100 respondents across various industries.

The study includes quantitative and qualitative data, covering topics like how employees felt when they changed workplaces and their reasons for leaving.

# Our survey answered the following questions:

- How did respondents feel about their previous workplaces?
- What was their work setup like during the pandemic?
- Why did the respondents leave their former employers, and what were their next steps upon resigning?
- What would make the respondents stay in their organizations?
- How do these employees feel about their current workplaces?

#### **DEMOGRAPHICS**

Below, we've provided a snapshot of the demographics of our respondents.

# Age

**47.1%** are between 26-30 years old **40.2%** of the respondents are

between 20-25 years old

6.9% are between the ages 31-35

2.9% are 41-45 years old

2.9% are 46 years old and above

# **Headcount**

**50%** 501+ Employees

**15.7%** 51-100 Employees

10.8% 101-200 Employees

8.8% 21-50 Employees

**7.8%** 1-20 Employees

**6.9%** 200-500 Employees

## **Industry**

11.9%

are from the BPO industry

11.9%

are from the Financial Services industry 4.9%

are from the Manufacturing industry 4.9%

are from the Retail and Wholesale industry

2.9%

are from the Manpower industry

2%

are from the Healthcare industry

2%

are from the Construction industry

59.5%

are from other industries

The percentages of respondents by industry



# **Executive Summary**

The pandemic caused an uptick in resignations, cutting across various industries like IT, BPO, and manufacturing. The sudden change prompted employees to reflect on their priorities, with many asking themselves: do I deserve something better?

We've found that this phenomenon didn't just emerge out of nowhere. Employees had deep-seated reasons for parting ways with their employer, and it was often related to employee benefits and well-being.

For example, employees were more likely to stay with their employers if they had better compensation and benefits and a **career development program**.

Addressing these attrition-related issues is crucial to employee retention. A good first step is to assess the business and find out what triggers resignations. From there, you can devise and implement effective retention strategies, starting with improving employee engagement and leveraging HR technology to automate the entire HR cycle.

#### **KEY FINDINGS:**

# Employees observed an increase in resignations within their companies

- 85% reported more employee resignations in their organizations. The rise in attrition mainly affected the BPO, IT, and manufacturing industries.
- 42% quit their previous roles due to various factors, including inadequate compensation and lack of professional growth.

#### Compensation and benefits matter to employees

- 67% quit their previous jobs due to inadequate compensation.
- 80% would remain at their organizations if they received better salaries and benefits.

## Professional growth is also a vital factor in resignations

- 51% of employees changed workplaces to achieve career growth and development.
- 40% would apply for or take on a new role if it offered more learning opportunities.

# Employees would consider staying longer if offered better pay, benefits, and career growth

- 8% would remain for one to five months more.
- 23% would set their maximum tenure between six to 12 months.
- 22% claimed they would stay at their previous workplace for up to two years.
- 33% would stay for up to three years.
- 12% would increase their tenure for up to five years.



# A Day in the Life of an Employee:

# **Before and After the Pandemic**

Before the pandemic, employees worked at physical offices. They braved long commutes and traffic to get to their workplaces, a routine that ate up a chunk of their time. One employee described their situation:

"Before pandemic, parang most of the time nasa labas ka na kasi yung travelling time mo mas marami pa syang nako-consume kasi sobrang traffic. So you need to go out na mas maaga."

("Before [the] pandemic, we spent most of our time outside because travelling time took longer due to heavy traffic. We needed to leave much earlier.")

Employees had difficulty maintaining work-life integration as their energy was drained from traveling to work, leaving them with less time to spend with family. A lack of time for rest also hampered productivity.

Meanwhile, weekends were often reserved for sleep, extracurricular activities, and time spent with loved ones. This was how most Filipino employees lived until the pandemic hit and lockdowns disrupted how everyone worked.

One of the biggest changes was that businesses adopted more flexible work arrangements<sup>5</sup>, allowing employees to work from home. Without needing to travel to a physical office, employees had more time for themselves and their families.

In terms of work during the pandemic, research from 2021 suggested that 52% prefer more flexible work arrangements. Moreover, 4% of Asian workers would find another employer if their organization reinstated on-site work.<sup>6</sup>

The change in routine made everyone think, "What will happen from now on? Will my employer help me meet my needs? Should I look for better opportunities?" Filipino employees reconsidered their working conditions and personal needs moving forward, resulting in the Great Resignation.



 $<sup>5 \</sup>quad \text{https://www.mckinsey.com/business-functions/people-and-organizational-performance/our-insights/what-employees-are-saying-about-the-future-of-remote-work-new performance for the following performance of the follo$ 

 $<sup>^{6}\ \</sup> https://www.mckinsey.com/business-functions/people-and-organizational-performance/our-insights/what-employees-are-saying-about-the-future-of-remote-work and the same of the performance of the p$ 



# A Closer Look at Employee Resignations During the Pandemic

Our research covered three key areas: workers' roles, current working arrangements, and employee resignations during the pandemic. We explore each area in more depth below.

# How do employees feel about their previous and current work?

First, we looked at employees' feelings toward their previous and current work. We found that:

# Most employees feel satisfied with their jobs but seek career growth & financial incentives

## "I am satisfied with my job"

**FEELINGS ABOUT WORK** 

61%

Of respondents say that they were satisfied to greatly satisfied with their jobs in their previous company. 25%

Of respondents were neutral regarding job satisfaction in their previous company.

14%

Of respondents say that they were not satisfied to extremely unsatisfied with their jobs in their previous company.

Our survey notes high job satisfaction across employees before and after they changed roles. 61% of employees felt satisfied with their jobs as they enjoy flexible work arrangements and good compensation and benefits.

Despite feeling satisfied with their current role, employees revealed that they seek other benefits such as:

- Career growth and development
- Transportation allowance
- Better compensation and job security

Others feel dissatisfied with their roles because of unreasonable workloads and negative working relationships.

# **Employees understand their roles and responsibilities**

#### "My responsibilities are clearly defined"

**FEELINGS ABOUT WORK** 

60%

Of respondents say that they had clear to very clear defined responsibilities in their previous work.

20%

Of respondents say that they were neutral about clear responsibilities in their previous work.

20%

Of respondents say that they had unclear to very unclearly defined responsibilities in their previous work.



60% of employees claimed to clearly understand their scope of work because their roles and responsibilities had been defined by their previous and current employers.

But 20% asserted that they had "vague" and "unclearly defined" roles and responsibilities. This ambiguity caused stress, created conflict, and affected communication. In turn it led to diminished performance.

# Employees are able to fully apply soft and hard skills

"I get to utilize my skills and my abilities while performing my job"

**FEELINGS ABOUT WORK** 

73%

Of respondents say that they were able to utilize their skills and abilities in their previous work.

16%

Of respondents say that they were neutral about being able to utilize their skills and abilities in their previous work. 11%

Of respondents say that they were not able to utilize their skills and abilities in their previous work.

73% of survey participants said they could fully put their hard and soft skills to use at work.

Hard skills refer to abilities directly related to an employee's role. Examples of these skills include coding using Java and Python, search engine optimization (SEO), and bookkeeping.

Meanwhile, soft skills are what enable people to work more harmoniously with others. People skills, communication skills, and time management are some soft skills that people develop and apply at work.

Workers cited particular skills they use and how they're applied at work. In particular, the time management, organizational, and adaptability skills they picked up pre-pandemic in the office served them well throughout the global crisis, allowing them to quickly adjust to working from home or hybrid set-ups.

For example, one employee noted their people skills helped them communicate effectively with other departments and even their affiliated companies based in America. They said:

I think people skills ang number 1 na nagagamit ko and also communication is very important sa trabaho ko, especially with other departments and US counterparts. And yung time management and multi-tasking, yun ang skills na gamit na gamit ko."

("I think people skills are the number 1 [skill] that I use since communication is very important in my job, especially with other departments and US counterparts. Time management and multi-tasking are also skills I use often.)

Another employee learned a new skill through vocational training after leaving their previous workplace, which helped them easily transition and adapt to their new role as an electrician.



# Opinions varied about what was considered a reasonable workload

While most employees may have been content with their roles, they expressed mixed feelings about their workload.

#### "I find my workload to be reasonable"

**FEELINGS ABOUT WORK** 

59%

Of respondents say that they found their workload reasonable in their previous work.

14%

Of respondents say that they were neutral about their workload being reasonable in their previous work. 27%

Of respondents say that they found their workload unreasonable in their previous work.

59% of employees claimed to have a reasonable workload in their previous and current roles. Employers typically establish what a "reasonable workload" is by assessing:

- How many tasks an employee can perform
- What the worker needs to complete their tasks
- What their current work environment is like
- How long an employee would take to finish their work

However, not all employees have a reasonable workload. 27% of employees said their former supervisors gave them more work due to schedule conflicts, mismanagement of tasks, or a lack of manpower. These issues were also observed in their current workplaces.

# **Employees feel valued at work**

Employees still feel valued despite seeking more benefits and facing multiple challenges at work. Our initial survey noted that 59% felt this way with their previous employer.

#### "I feel valued at work"

**FEELINGS ABOUT WORK** 

59%

Of respondents say that they felt valued in their previous work.

21%

Of respondents say that they were neutral about feeling valued in their previous work. 20%

Of respondents say that they felt undervalued in their previous work.

As these employees settled into their new companies, their employers saw them as valuable assets to the organization. Management demonstrated this appreciation in various ways, including:

- Career growth and development opportunities
- Team building activities
- Employee recognition awards

- Paid lunches
- Extra vacation leaves
- Health and wellness opportunities

One employee had this to say about these tokens of appreciation:

"From time to time naman they give us certificate of recognition, GCs for incentives. Nakakatuwa din yung mga ganoong bagay."

("From time to time, they give us certificate of recognition, GCs for incentives. Such things are rewarding.")

# Employees achieved professional growth through different learning opportunities

## "I am growing professionally"

**FEELINGS ABOUT WORK** 

55%

Of respondents say that they were growing professionally in their previous work.

21%

Of respondents say that they were neutral about growing professionally in their previous work.

24%

Of respondents say that they were not growing professionally in their previous work.

Workers also reported significant career growth while performing their roles. 55% of employees said they grew professionally in their previous work through training, hands-on experience, and online classes. These opportunities allowed them to enhance their skills and boost their profile, which, in turn, justified their request for a raise.

Yet, others decided to resign because they felt stagnant, and their organization failed to establish a strong development program.

Employees also feel the same in their current roles. Some employees shared how they achieve career growth in their respective fields:

"Since I'm surrounded by people sa field nga na gusto ko, professionally, 'yung mga skills nila, siyempre na-aabsorb ko rin. 'Yung ways kung paano nila ginagawa 'yung trabaho, ganyan, na-aabsorb ko rin naman. So I think, professionally, moving forward as well, marami akong magagamit kumbaga."

("Because I'm surrounded by people in my chosen field, professionally, I'm absorbing their skills. I'm learning how they work. So I think, professionally, moving forward as well, I can use plenty of skills.")

"Yes. Kasi... Nung nag-abroad ako, barista ako di ba, tapos napunta ako sa position na gusto ko naman. And then, nung umuwi ako, parang nagamit ko yung cross-training na tinatawag. Napunta ako sa kitchen, [...] Parang masaya naman po kasi may nararating. Nagiging worth it 'yung pagtatrabaho."

("Yes. Because... When I went abroad, I worked as a barista, then I got the position I wanted. And then, when I returned home, I think I used what they call cross-training. I worked in the kitchen, [...] I think I feel happy because I can go far. The work I do is worth it.")

# Gaining relevant knowledge instills a sense of fulfillment in employees

# "I feel a sense of accomplishment in what I do"

**FEELINGS ABOUT WORK** 

**59%** 

Of respondents say that they felt a sense of accomplishment in their previous work.

26%

Of respondents say that they were neutral about feeling a sense of accomplishment in their previous work.

15%

Of respondents say that they didn't feel a sense of accomplishment in their previous work.



Besides professional growth, employees feel a sense of accomplishment in their work. 59% of workers felt this way in their previous roles.

For example, one employee's work became fulfilling as it provided knowledge that applied to their personal life. Another employee found fulfillment in interacting with people as part of their role and learning life-long lessons from them.

Others said they felt a surge of confidence when they meet their quota, close a deal, or simply accomplish their daily tasks, no matter how small.

# What were employees' work setups like during the pandemic?

We also asked about work setups during the pandemic. Our data uncovered these insights about current work arrangements in local companies.

# Remote work became the norm during the pandemic

As the COVID-19 pandemic disrupted daily life across the globe, businesses had to rethink how they operate. With lockdowns, quarantines, and stay-at-home orders implemented, companies began working remotely. Filipino businesses were no exception, with around 72% of firms adopting work-from-home setups in 2020.<sup>7</sup>

#### "The pandemic affected my working arrangements."

PANDEMIC WORK SETUP

# 63%

Of respondents say that they agree to strongly agree that the pandemic affected their working arrangements.

# **17**%

Of respondents were neutral about how the pandemic affected their working arrangements.

# 20%

Of respondents say that they disagree to strongly disagree that the pandemic affected their working arrangements.

Most workers agreed that the pandemic affected their work arrangements. Some employees found shifting to remote work challenging, but the pandemic gave them more ownership over their time.

Employees in healthcare, manufacturing, and food service struggled with this change the most because of the "no work, no pay" policy in place at the height of the pandemic.

The policy affected their job security and stability as it was implemented when the country was under strict lockdown orders that limited mobility. It was difficult for them to get to work, but they had to; otherwise, they would risk losing their jobs.

# **Employers started embracing flexible working arrangements**

During the pandemic, 51% of respondents worked remotely as the Philippines controlled the spread of COVID-19 by imposing lockdowns, quarantines, and mobility restrictions. 37% shifted to hybrid work, while 12% continued to work at the office full-time.

<sup>7</sup> https://kmcmaggroup.com/research-insights/2020/working-from-home-in-the-philippines-why-remote-working-is-not-a-long-term-business-solution/



# "What type of working arrangement did your company implement when the pandemic hit?"

PANDEMIC WORK SETUP

**37%** 

Of respondents say that they had a hybrid (mix of office and remote) working arrangement. 12%

Of respondents say that they had on-site working arrangement.

51%

Of respondents say they had a remote working arrangement.

But as restrictions began to ease, many employees started embracing hybrid work, such as those in the arts and entertainment, real estate, and manufacturing industries.

On the other hand, some employees reported for on-site work, like those from the food services, healthcare, and retail sectors.

# Employees prefer remote work over other working arrangements

#### "What type of working environment do you prefer?"

**PANDEMIC WORK SETUP** 

44%

Of respondents say that they prefer a hybrid (mix of office and remote) working arrangement.

5%

Of respondents say that they prefer an on-site working arrangement.

51%

Of respondents say they prefer a remote working arrangement.

While hybrid work has become the norm, 51% still prefer remote work. Employees may have expressed this sentiment because it provides better work-life integration, well-being, and productivity.<sup>8</sup>

Hybrid work came in second, preferred by 44% of employees. Only 5% said they'd work at the office instead of adopting a different work setup.

"Purely remote kami ngayon and okay naman. Actually mas prefer ko ito, I'm kind of introvert person. Sa mga ka-work, okay naman. Hindi naman sya hadlang sa relationship mo with your workmates even though sa screen lang kayo nag-uusap."

("We're purely remote now and it's okay. Actually, I prefer this, I'm kind of [an] introvert[ed] person. I'm okay with my workmates. It's not really an obstacle to your relationship with your workmates even though you only speak through the screen."

<sup>8</sup> https://www.wework.com/ideas/professional-development/management-leadership/benefits-of-working-remotely



# **Employees are satisfied with their current work setup**

#### "How happy are you with your current work arrangement?"

PANDEMIC WORK SETUP

77%

Of respondents say that they are happy to very happy about their current work arrangement.

11%

Of respondents were neutral about their current work arrangement.

**12%** 

Of respondents say they are unhappy to very unhappy about their current work arrangement.

Moreover, 77% of our survey respondents are satisfied with their current work setups, whether in a hybrid, remote, or on-site arrangement. For instance, remote workers love their setup as it enables them to stay home and exercise, read, and perform household chores.

Some hybrid workers also feel optimistic about their current work arrangements. Their satisfaction comes from the benefits accompanying hybrid and office-based work. Hybrid workers noticed an improvement in their work-life integration.

However, 12% of employees aren't satisfied with their current working arrangements. Their issues include a need for flexible schedules and better collaboration with peers. One hybrid employee wants to choose when to work on-site, and an office-based worker prefers to work remotely in adverse weather conditions.

# Most workers engage with their colleagues

"Given the current work arrangement that you have, how engaged are you with your teammates?"

**PANDEMIC WORK SETUP** 

81%

Of respondents say that they are engaged to very engaged with their teammates.

**14**%

Of respondents were neutral about engagement with their teammates.

5%

Of respondents say they are disengaged to very disengaged with their teammates.

Our data also reveals high employee engagement with co-workers, mostly among on-site employees. Remote and hybrid workers stated that working in physical offices and having face-to-face interactions with colleagues make them more engaged.

One employee explained this sentiment:

"Pag online kasi, very impersonal ang dating. Kung ano lang 'yung sinasabi nila, 'yun 'yung makukuha mo. Unlike 'pag kaharap mo, kausap mo, iba 'yung dating. I think 'yun lang ang disadvantage [of working online]. Hindi s'ya kasing-engaged."

"It feels very impersonal when it's online. You'll only get a gist of what they're saying, unlike when you're in person, it feels different. I think that's the disadvantage [of working online]. It's not as engaging."



Office work has allowed employees to collaborate better and connect more with their co-workers. For example, participating in company events such as training and team-building activities helps engage and energize employees.

# Employees want to work in a hybrid setup post-pandemic

"When the pandemic is over, what work arrangement will you prefer?"

PANDEMIC WORK SETUP

# 53%

Of respondents say that they prefer a hybrid (mix of office and remote) working arrangement.

# 8%

Of respondents say that they prefer an office working arrangement.

# **39%**

Of respondents say that they prefer a remote working arrangement.

The findings show that 53% of employees prefer to remain in a hybrid setup after the pandemic since it has greater flexibility, work-life integration, and proactive engagement.

Meanwhile, 39% prefer working remotely because it allows them to manage their time better and maximize productivity. Additionally, working from home helps employees save money and protect their health since it limits their exposure to the virus and allows them to spend more time with loved ones instead of commuting to work.

While many workers chose to remain in more flexible work arrangements, a few prefer working in physical offices. But some want their employers to provide benefits such as transportation and car allowance.

# Both remote and hybrid work enables a happier, more productive workforce

#### "In what work arrangement are you the happiest?"

PANDEMIC WORK SETUP

# 45%

Of respondents say that they are happiest in a hybrid (mix of on-site and remote) working arrangement.

# 11%

Of respondents say that they are happiest in an on-site working arrangement.

# 44%

Of respondents say that they are happiest in a remote working arrangement.

Despite limited interaction with peers for work-from-home employees and prolonged travel time for on-site workers, employees still feel happy and productive in their current work setups.



### "In what work arrangement would you say you are most productive?"

PANDEMIC WORK SETUP

45%

Of respondents say that they are most productive in a hybrid (mix of on-site and remote) working arrangement. 15%

Of respondents say that they are most productive in an on-site working arrangement.

40%

Of respondents say that they are most productive in a remote working arrangement.

45% of employees are happiest and most productive in a hybrid setup. Hybrid and remote workers enjoy work-life integration and get sufficient time to rest, which boosts productivity.

Meanwhile, 15% of employees claim to be happiest and most productive on-site becase it boosts engagement and collaboration.

# Many employees observed more resignations across local industries

"An increase in resignations in the Philippines was observed in the past year, did you observe an increase in your previous comapny?"

**RESIGNATION** 

85%

Of respondents say that they observed an increase in resignations in their previous work.

**15**%

Of respondents say that they did not observe an increase in resignations in their previous work.

85% of employees reported an increase in departures in their previous workplaces, particularly those from IT, BPO, and manufacturing.

## "Hearing about resignations influenced my decision to resign."

RESIGNATION

33%

Of respondents say that hearing about resignations influenced their decision to resign.

25%

Of respondents say that they were neutral about being influenced to resign when they heard about resignations. 42%

Of respondents say that hearing about resignations did not influence their decision to resign.

Some employees clarified that they didn't just ride the wave of resignations. They had deeper reasons for quitting their roles, including:

#### • Companies requiring employees to work on-site (19%)

Amidst increasing COVID-19 cases in 2021, some businesses returned to the office-based work model. An employee from the IT industry stated:



"[Pinabalik kami] Mga end of 2021, October and September siguro. [Pero] Pili lang, hindi naman ako maka-no kasi once na mapili ka, wala ka nang magagawa. Kaya nag-resign na lang ako."

"[Management asked us to work on-site near the] end of 2021, I think in October and September.
[But they] only chose a few employees [for office-based work], and I couldn't say no because once you're picked, you can't do anything about it. So, I filed my resignation."

#### Unhealthy work environments (24%)

An employee's work environment can affect well-being, working relationships, collaboration, efficiency, and health.9

Several respondents saw the pandemic as an opportunity to find better work environments, including a healthcare worker who previously dealt with unsatisfactory management and unreliable colleagues.

An employee in the education sector cited a toxic work environment as one of the reasons that led them to resign from their previous job. They said:

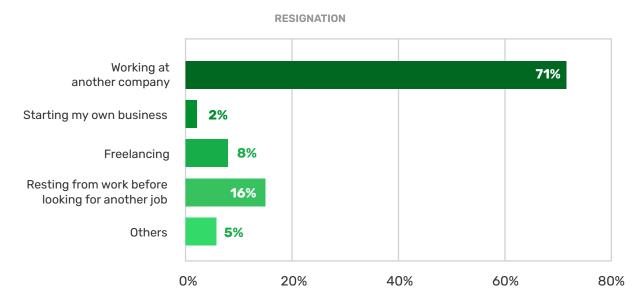
"Malalim ang toxicity ng kumpanya. Kung gusto nilang baguhin ito, kailangan nilang tanggalin ang 75% ng mga tauhan. Nagsisimula ang problema sa top management."

"The toxicity of the company runs deep. If they wanted to change it, they'd have to fire 75% of the personnel. The problem starts at the top management."

#### • Little to no job security (38%)

Job security became an issue for several workers during the pandemic. Some worked without a legal contract that secured their position and benefits, while others faced the "no work, no pay" policy. Both situations affected individual job security, stability, and income, resulting in departures.

# What did employees do after leaving their previous organization?



<sup>9</sup> https://www.indeed.com/career-advice/finding-a-job/types-of-work-environments

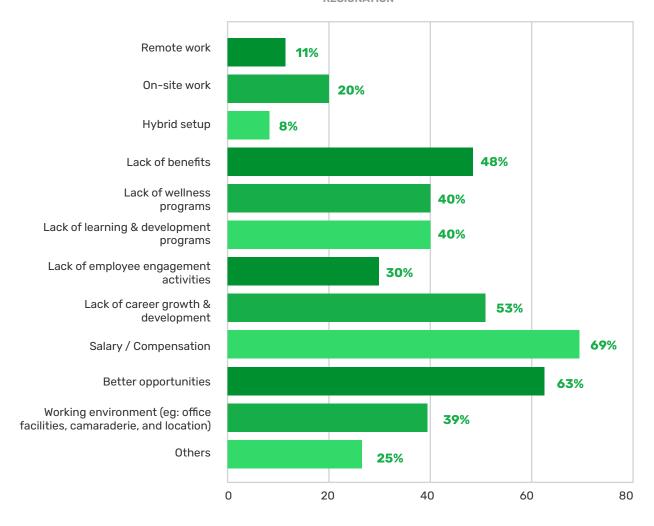


Respondents took different steps post-resignation, but almost three-fourths (71%) decided to work for a new employer that offered growth opportunities, competitive pay, job security, and other needs. Another 16% decided to take a break to mentally recharge before diving into job applications once more.

Meanwhile, 8% ventured into freelancing because it offered the flexibility of time without the need to commit to a regular, eight-hour schedule.<sup>10</sup>

# Why did employees leave their former employer?





69% of workers identified inadequate compensation as the top driver of resignations during the pandemic. Better opportunities came in second at 63%, and 53% stated they quit their previous roles to pursue career development elsewhere.

Other contributing factors to employee resignations include:



#### Issues with returning to the office and job security (38%)

Our IT-based worker quit his role after his company mandated on-site work during the pandemic. He shared:

"Actually, almost same kami ng mga situation with the BPO [industry]. Kasi may times na companies are asking [employees] na mag-onsite during the height of the pandemic noong nag-resign ako. So parang 'di pa'ko... 'di pa'ko [handang] pumasok or lumabas, kasi nga siyempre 'yung vaccine 'ko lang nun is parang, ano pa lang, 'yung pinaka-una[ng dose] pa lang, so hindi pa 'ko sure kung safe bang lumabas."

"Actually, we almost share the same situation with the BPO [industry], because companies are asking [employees] to work on-site during the height of the pandemic when I resigned. So, I didn't feel like returning to work or leaving the house, because I only got my first dose of the vaccine at the time. I wasn't sure if it's safe to go out."

Another employee explained why job security prompted them to leave their previous workplace.

"Nagalit ka nang kaunti na parang grabe naman yung kumpanya, we can work kahit na anong ipa-work nila basta may sahod kami or kahit kalahati. Basta anything na wag ka lang ma-zero out. Two months kaming walang pay. Ang lala talaga nung time na 'yun."

"You'd be a little angry thinking that the company is too harsh. We can work [on] any task that it assigns to us, as long as we get paid or receive half of our salary. [You'll do] anything just to sustain your finances.

"We received zero compensation for two months. It was a tough situation."

#### • Lack of health benefits for office workers (47%)

One employee explained the lack of health benefits at their previous job, especially when they needed it most during the height of the pandemic:

"May sweldo naman, kaya lang ang habol ko doon wala kaming healthcare kasi iba-ibang tao ang na-e-encounter namin doon. What if kami naman ang magka-COVID, anong benefits [ang] makukuha namin. 'Yun din ang hinabol ko and nakahanap naman ako ng much better."

"[My previous company] offers compensation, but we don't have healthcare. We meet different people [at the office]. What if we contracted COVID? What benefits would we get? I looked for [companies offering] health benefits and fortunately, I found a much better [employer]."

# • Finding a role aligned with their passion (24%)

We also talked to an employee who shifted roles during the pandemic. They shared:

"Nag-a-apply din ako before, siguro a month before resignation. May mga BPO din and VA (virtual assistant) position na nakapila pero ito 'yung pinakainaabangan ko.

"Very different ang salary. In terms of [the] health card, tagilid siya. Self-funded 'yung HMO mo. Perks nito is the experience, I guess, the connections and where you can go, and hanggang saan ka aabot."



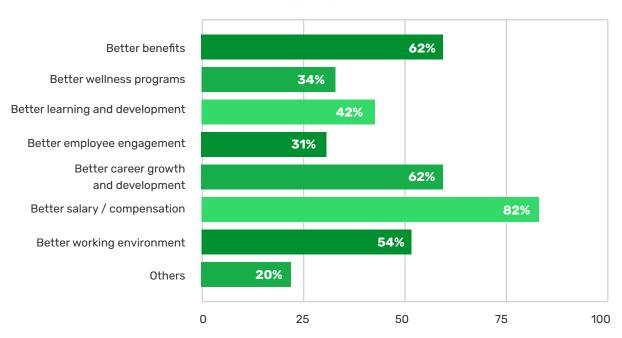
("I also applied for jobs, I think, a month before resignation. [Employers] offered me jobs in BPO companies and VA positions, but I really waited for this role.

"The salary is very different. [And] in terms of [the] health card, you have to fund your health insurance. [The] perks of this job are the experience, I guess, the connections and where you can go, and how far you can go.")

# What would make employees stay?

# What could your company have done better in order to prevent you from resigning? Check all that apply.

RESIGNATION



82% said they'd stay if their previous employers offered them better compensation, while 62% said they would stay if their previous employer offered better benefits. A competitive salary package would have helped these employees meet their financial needs with their previous company.

According to one of our respondents a 20-30% increase in their current salary would make them stay. Another employee stated that other benefits like car allowance would be their deciding factor. They shared:

"Siguro kung bibigyan nila ako ng car subsidy, kaso wala eh. Wala talaga silang ganung benefit,"

("[I'd stay] if my employer would give me car subsidy, but they don't offer that benefit.")

Other employees wanted their previous employers to provide better career growth and development opportunities and a conducive working environment. Meanwhile, 62% would remain with their organizations if they had more ways to advance their careers.



Meanwhile, 54% said better working conditions would have won them over. For instance, our IT-based worker shared:

"Siguro, 'yun, mag-stay sa work from home, kasi 'yun lang talaga 'yung pinaka-main 'kong trigger point."

("I think [I'II] stay if [the company] would still allow me to work from home. It's my main trigger point.")

# How long would employees stay if their needs were met?

If the company provided the things that you checked in the previous question, how long do you think you'd stay?



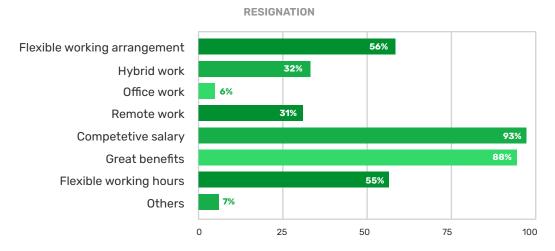
Based on survey results, most employees would have stayed longer at their previous organization if their priorities were more aligned with their needs.

In fact, 33% would have stayed for up to three years, while 12% claimed they would have been there for longer. Respondents set their maximum tenure with their former employer at five years.

But as companies struggled to operate during the pandemic, they were unaware of workforce demands. Businesses realized the need to "virtualize" their office-centric workplaces, which required their full attention. The time employers took to adjust to this change in working arrangements prompted employees to leave.

# What do employees look for in a new job?

What are your non-negotioables when seeking a new job? Check all that apply.





When seeking a new job, resigned employees considered several factors. The top non-negotiables our respondents wanted from their new roles include:

- Competitive salary (93%)
- Great benefits (88%)
- Flexible working arrangements (55%) and hours (54%)
- Hybrid (32%) and remote work (31%)

Overall, reasonable compensation and benefits are extremely important to resigned employees seeking better opportunities. For them, better pay meant financial stability and recognition for their contributions.

Flexible working arrangements also determined whether an employee should apply for another job, especially those who preferred freedom and control over their time.

These setups may have captured their interest due to better work-life integration, and efficient time management. In turn, hybrid and remote work are a priority for jobseekers.

# What changed after the respondents found new employers?

Finally, we asked employees how they felt about working at a new company. Our discussions noted the following insights:

# Employers have clearly defined employee roles and responsibilities

According to some employees, their employers ensured clear and straightforward job responsibilities during the application process and before employees signed their contracts. One of the employees explained:

"Bago ka ma-onboard... normally naman meron kang contract, may i-sa-sign kang contract before ka [mag-start] sa isang company. So from there, clear naman na 'yung responsibility mo."

"Before onboarding, you normally have a contract that you sign before [starting] at a company. So from there, your responsibilit[ies] are clear."

These employees reported that everyone in their current workplace understands their responsibilities and the management's expectations from them. Armed with that knowledge, employees believe they can deliver their best work.



# New workplaces allow employees to perform their roles better

Changing workplaces also allowed workers to assume their desired roles, learn new essential skills, and fully utilize their abilities.

Some gave specific skills they use on the job. One employee explained how they fulfill a managerial role at their current workplace:

"Basically, napa-practice mo ['yung] skills and knowledge mo sa current work ko. Sa Avida kasi ang work ko since manager, sa sales and nagha-handle din ako ng tao."

"Basically, my current work lets you practice your skills and knowledge. I work as a manager at Avida, [working] in sales, and I also handle people."

These insights show that new workplaces can help employees achieve their full potential.

# Employees are divided on whether they have a reasonable workload

Employees who claimed to have a manageable workload said they weren't micromanaged and were allowed to work at their own pace.

One employee working in sales shared that despite their quotas, collaborating with team members enabled them to work more efficiently.

Meanwhile, those who claimed to receive an unreasonable workload had a broader scope of work. Some workers had busy schedules because they had to accommodate sudden requests, resulting in dissatisfaction and burnout.

Other employees also shared how working from home resulted in longer working hours because their managers expected them to be available at a moment's notice.

# Employers show how much they value everyone's efforts

When we asked our interviewees how their current employers show appreciation, they gave the following examples:

- Company events and team-building activities
- Performance recognitions and incentives (e.g. awards, gift certificates, extra paid leaves)
- Training and development sessions
- Health and wellness benefits

In turn, these simple actions help boost employee motivation and satisfaction.

"Every time na nagagawa ko ng maayos 'yung work [ko], nararamdaman ko na I'm being valued. Sinasabi nila na "Thank you for what you do." And nagbibigay sila ng budget for food."

"Every time I do [my] job well, I feel that [my employers] value me. They say, "Thank you for what you do," and they give [us] budget for food."



# New workplaces encourage career growth

Employees felt that they achieved professional growth with their new employer thanks to the following opportunities:

#### Upskilling and reskilling

Workers shared how their current workplaces offered strong programs for career development, including in-person training and paid online courses.

"Meron ding programs 'yung company namin na... There are open courses that I'm currently enrolled [in]. Actually, I'm enrolled now sa data analytics namin [na course]. So additional skill na pwede kong idagdag sa skill set ko, so that I can use that [skill] just in case na mag-change ako ng career or somewhat ma-bored na'ko nang pagiging IT and all. Pwede pa'kong magshift sa other career path, so meron akong backup na skill set na pinag-aaralan."

"Our company offers programs that... There are open courses that I'm currently enrolled [in]. Actually, I'm already enrolled in [a] data analytics [course]. So, it's a skill that I can add to my skill set, so that I can use that [skill] just in case I change my career or feel somewhat bored being an IT professional. I can shift career paths, so I have another skill set to learn."

#### • Hands-on experience

The company is conducive to seamless knowledge transfer and onboarding. The workplace culture is conducive to collaboration, letting tenured employees train new hires.

#### Performance reviews

Performance reviews allow managers to assess employees and identify areas of improvement. Workers acknowledged the value of these evaluations, and shared that performance appraisals allowed them excel and achieve their career goals.

Managers and workers gather insights from employee evaluations to improve current job descriptions and align expectations with company goals. Respondents recalled moments when they achieved something remarkable at work, including:

- Finishing daily tasks
- Learning and utilizing a new skill or ability
- Sharing knowledge and experience

#### Working relationships with managers and colleagues

When describing their working relationships with their managers, the respondents said that their superiors respect their time, space, and boundaries. They also said that they leave themselves open to constructive criticism and ideas.



Managers also trust employees to perform their responsibilities well, and maintain a healthy balance as a mentor and colleague.

Employees loved connecting and working with their colleagues. Maintaining a positive working relationship made collaboration and learning new things easier. One employee shared:

"Sa amin naman, tulungan kapag may kailangang i-resolve. Masaya, mas mag-eenjoy ka sa work mo, 'di ka matotoxic, 'di ka magreresign. Kasi wala kang nararamdaman na negative sa work mo, kung meron man siguro minimal lang. Good vibes lang."

"For us, [we] should help [each other] whenever [we] need to resolve an issue. [It makes work] fun, you won't feel toxic and consider resigning, [and] because you won't feel negative toward your work. I think you may feel a little negativity sometimes, [but when you and your colleagues work together, there will be] good vibes [in the workplace]."

# **Combating Attrition**

Organizations need to address employee attrition and implement retention strategies to win the war for talent. We've listed some best practices below.

# **Assess Your Company's Needs**

Understanding why employees leave and their deep-seated needs can help inform your retention strategy.

If you need a starting point for addressing employee needs, our findings can serve as your guide. Based on this data, lack of compensation, benefits, and learning opportunities mainly drove attrition, and employees expect organizations to provide these benefits.

Does company policy ensure that everyone receives adequate pay? Are employees gaining crucial knowledge from the career opportunities you offer? Otherwise, you may need to improve your current policies and programs or implement other strategies.

# Improve Employee Engagement

Developing your retention strategy starts with obtaining employee feedback. Roll out satisfaction surveys and encourage your employees to be forthright and candid about the problems they encounter at work.

Give your employees a voice and involve them in decisions that directly impact their work and the organization as a whole. Once you've collected feedback, analyze, take action, and improve your engagement strategies as needed.



# **Devise an Effective Career Development Plan**

Instead of conducting annual performance reviews, companies should schedule regular one-on-one meetings with employees. Take time to discuss your team members' professional goals and map out their career paths.

Then, propose helpful ways to advance employee careers and plan how they can reach their goals.

# **Support Professional Development with More Growth Opportunities**

You have several options for learning and development. These strategies range from in-house training to investing in continuing education, certifications, and industry events.

If employees are interested in another area of expertise, you can encourage managers to assign side projects where they can apply relevant skills.

# **Improve Your Onboarding Experience**

Onboarding helps employees adapt to your organization's culture and operations, which works wonders for retention. You can create a better onboarding experience by:

- Providing new hires with clear guidelines on your HR programs, policies, processes, and benefits
- Encouraging managers to engage with new hires through lunch-outs and one-on-ones
- Providing mentorship programs to help new hires understand their scope of work and the organization's key processes
- Being inclusive during recruitment by not discriminating a candidate's age, gender, religion, race, ethnicity, and sexual orientation

# **Reward Performance and Loyalty**

Offering competitive pay shows how much you value and appreciate your employees. It'll also help everyone achieve financial wellness and security. Consider taking another look at your current salaries and see whether adjustments are necessary.

Social recognition is also a great way to acknowledge high-performing employees and boost engagement. Cultivating a culture of appreciation ensures that every employee feels respected.

## **Revitalize Your Work Culture**

A healthy work culture encourages team members to forge meaningful connections and align with the company's core values. Rewarding people who demonstrate these core values will benefit your organization in the long run, so it's best to establish your core values from the onset.

Ensure that organizational goals align with your products and services, and expound on how your mission helps employees work with stakeholders and clients.



# **Encourage Retention with the Right Tools**

Apart from implementing effective retention strategies, leveraging HR tools can help combat attrition. These include:

- Digital recruitment tools Advanced hiring tools can help you retain team members through faster, more streamlined recruitment.
- Performance evaluation and management tools Using these tools ensure that everyone grows, also empowering you to communicate better and track workforce goals.
- Survey tools that measure employee engagement Give your employees a voice and gather insights to learn how to attract, engage, and retain top-performing employees.
- Learning management systems Learning management systems let you create, manage, and deliver digital learning courses tailored to each employee's needs and level of expertise.

With Sprout, businesses can become more employee-centric, thereby paving the way towards the Great Retention.

# **Learnings from the Study**

The Great Resignation is still in full swing but as our findings reveal, there is hope for organizations that want to mitigate the worst of its effects and retain top talent.

Successful retention starts with understanding employee needs. Some takeaways from our survey are as follows:

- Most employees seek good compensation and benefits to support their finances and current living conditions. Companies should recognize these needs, assess the competitiveness of their current compensation strategy, and adjust as needed.
- Workers prefer more flexible arrangements over on-site work. Embracing these models will allow businesses to retain employees looking for flexibility.
- Professional growth is also important to employees. Thus, organizations must define their people's career goals and help them achieve these objectives with suitable learning and development opportunities.
- Companies should address employee needs and other drivers of resignations with informed strategies. They can start by using HR technology to automate and streamline the employee life cycle.

Paving the way to the Great Retention entails understanding why employees resign and properly implementing a retention strategy. It all starts by being employee-centric and investing scalable and robust HR solutions that ensure employees are both happy and engaged. With a high-performing, motivated workforce, companies can focus on staying growth-ready for a future where the Great Resignation will be nothing more than an event of the past.

