

REIGNING IN THE GREAT RESIGNATION: What Managers Can Do to Retain Great Employees



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Dear Boss, I Quit!

Remember when we thought the pandemic would be contained within a few weeks? Nearly two years later, we are still identifying new variants of concern. Simultaneously, there's the emotional fallout of this time. Between worries over personal health, economic uncertainty, chronic stress and overwork, our employees have been coping with an unprecedented level of professional strain. Worse, some are coping with personal grief or prolonged illness. In the wake of all this collective trauma, we are seeing the greatest mass exodus of employees.

Many companies are struggling to retain talent, and positions are remaining vacant—even as demand grows. Yet, leaders must create a workplace that is positive, motivating, and consistent for employees to feel valued and appreciated, if they expect their employees to be engaged and work well together.

According to a recent Gallup poll, [nearly half](#) of U.S. workers are actively looking for a job now, and a [PwC US Pulse Survey](#) of more than 1,000 workers showed more than 65% are looking to change jobs in the next 12 months. Widely dubbed “The Great Resignation,” this phenomenon is one of the top challenges facing organizations in 2022.

Even more startling than the record-high turnover is that [more than half](#) of those who are voluntarily leaving say their manager could have done something to entice them to stay. That turnover is so high, when it appears to be within the manager's control, is extremely telling and reveals a gap between what managers *think* motivates employees, and what really *does*.

TRADITIONAL REWARDS ALONE WON'T WIN BACK EMPLOYEES

What's your first response when an employee says they want to leave? Be honest. If you're like most organizations, you probably put together a counteroffer. Organizations attempt to match the new salary, offer a bonus, or they may try to offer a flexible work schedule. This response is predicated on the assumption that these are the reasons why your employees are leaving: for money or added flexibility.

When faced with a staff shortage, employers make the same assumptions: They offer an enticing package including a sign-up bonus. It didn't take long to realize there are a few inherent problems with this type of response.

More than 580 HR and L&D professionals were asked in a recent poll by American Management Association (AMA):

What do you think is the most effective motivator of your staff?

Their responses indicated the following:

35%
said flexibility

33%
said bonuses and salary increases

23%
said compliments

8%
said promotions and titles

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FORGET PRICEY LURES: WHY SIGN-UP BONUSES BACKFIRE

The most obvious problem with financial rewards is that they aren’t sustainable. It may solve the problem short term, to get new employees in the door, but it won’t get them to stay. In fact, it can encourage a steady revolving door of people coming and going—which clearly doesn’t solve your labor shortage problem for long. For the same reasons, it can attract the wrong type of person to your organization: someone who is interested only in a transactional relationship instead of someone who feels passionate about working for you.

Sign-up bonuses can also have the side effect of demotivating the loyal employees who have worked long and hard during the shortage; they are feeling burnt out and a little overlooked that they didn’t get more of a reward. It can tip an otherwise loyal employee into someone who starts looking for a new job.

The less obvious reason that they backfire is that they are external motivators. Suppose they work to get the right person in the door, once that bonus is spent, it’s gone and no longer works as motivation. If that’s all you offer them—if it’s the sole reason they are with you—they won’t be engaged enough to reach their full potential.

WHAT REALLY SHIFTED DURING THE LOCKDOWN—AND WHAT MOTIVATES EMPLOYEES NOW

Have you noticed a difference in the motivation levels of your employees? More than one-third of respondents to an AMA poll feel that motivators at work have changed noticeably. This, say some news pundits, is why we are seeing such a mass exodus. People are re-evaluating the value of work against their financial compensation, burnout, and day-to-day exposure to increasingly unreasonable customers.

The Great Resignation is about more than that. If anything, it’s revealing that many employers rely too much on external motivators instead of internal motivators. We’ve long heard that people leave managers; they don’t leave jobs. Employees who aren’t intrinsically motivated to work and are not engaged in their jobs, are more likely to be tempted by external offers.

External motivators are essentially the carrot and stick model of motivation. “Carrots and sticks still have their place and are still useful,” says Erin Cox, expert trainer and facilitator for AMA. “Historically, and especially in difficult times such as The Great Depression, when people desperately needed work, they didn’t care about what the work was like, or what the manager was like. They only cared about whether and how much they got paid. Today, it’s different. The carrot and the stick will only get you so far. You also need to make sure you have a culture where the carrot and the stick aren’t the only reason people are hanging around.”

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Today, most people have moved beyond basic physiological needs and are looking to climb into the higher levels of Maslow’s Hierarchy of Needs. They’re looking for physical safety, a sense of belonging, and a level of self-actualization. This is why internal motivators are more effective than external motivators. Internal motivators get at deeply rooted psychological satisfaction—intrinsic motivation.

There are 3 psychological needs that people look for today in their work:

- 1. Competence** is the ability to do something successfully and efficiently. Employees want that satisfying feeling of a job well done. They want to feel they are good at what they do.
- 2. Relatedness** is a state of being connected, a feeling of belonging. We are tribal by nature. People want to feel like they’re part of something bigger than themselves, and that they belong to a team.
- 3. Autonomy** is self-directed freedom and the right to self-govern. Employees want to feel like they have some control over how work gets done. They don’t want to be micromanaged; they want to be self-sufficient, creative and innovative. Employees need to feel they have the authority to prioritize work and make decisions on issues that likely aren’t covered in the employee handbook.

“These three needs, I always compare them to oxygen,” says Cox. “You don’t notice them until they’re gone. As a leader, what I can and should do is create an environment where these three things thrive. If I want to attract and retain people, I need to create a culture where people who really want to take pride in an organization can grab onto the competence, relatedness, and autonomy that I helped foster and be truly happy.”

While these three motivators have been around for quite some time, all were disrupted by COVID. Our sense of competence was challenged when we were faced with completely uncharted waters and unprecedented changes in the marketplace. All the rules about safety protocols and where we conducted work were shifted, challenging our sense of autonomy.

COVID particularly strained our sense of connection. We couldn’t just walk down the hallway and smile at someone, shake someone’s hand, or bump into each other at the water cooler. Even when sitting at a desk, we used to be able to hear one another on phone calls, laughing or chatting. We knew there were other people with us at all times. That’s harder to achieve in a virtual environment, and many of us were feeling isolated.

“What is really a revelation for some leaders is that all of these things are under leadership’s control,” says KC Blonski, Vice President, Corporate Learning Solutions at AMA. “Leaders can absolutely influence all three and ignite an employee’s passion. That’s what our corporate training is often about: developing a cadre of managers and executive leadership within an organization to foster a culture where employees thrive. You really can’t unlock the full potential of your organization without competent leadership and ongoing coaching.”



CREATE A CULTURE THAT MAKES EMPLOYEES WANT TO STAY: TAP INTO INTERNAL MOTIVATORS

Connecting to your employees requires having an authentic conversation with them about their wellbeing, development goals, passions, career goals and values. Because these conversations involve two people, they are organic and fluid... and the manager needs to feel absolutely confident they can communicate effectively. This is especially true when the conversation has to cover more treacherous territory, such as shortfalls in work, job expectations, or what employees feel they need to get the job done.

Giving specific employee feedback, though, is critical, even when the feedback is constructive criticism. A meaningful conversation conveys much more than rewards and perks. It demonstrates that management cares about their work and is paying attention to the details.

Here are 5 steps to having more impactful conversations with your people:

1. Schedule a time to talk with the employee and be sure to let them know in advance what you'll be talking about. Set aside time where you're 100% paying attention to the conversation. No texting, no looking at your screens, and if you're meeting in person, close the door. Demonstrate that this conversation is important to you by giving it your full attention.
2. Start the meeting by stating what you'd like to talk about: the specific behaviors you noticed, and what you hope to achieve by having the conversation. Recognize a specific thing they did that really embodied the behavior and attitude you're looking for and celebrate it. Celebrating their competence starts the meeting off on the right note.
3. Emphasize the impact of that behavior. This is often the missing component of feedback, but is crucial to making them feel connected to the rest of the organization. Employees are often so stuck in the weeds they don't realize how their behaviors affect the bottom line or the customer. The more specific you can be here, the better. This step reinforces their sense of competence and connects them back to something bigger than themselves.
4. Ask a question to get them reflecting on their behavior and why it worked. Get them thinking about their role—how they relate to the team—and the biggest value they bring to the organization. Self-reflection helps the employee become engaged and fully accountable for their own success. It can also lead to insights into what motivates them, and what might get them to repeat that same behavior on a regular basis.
5. Ask them what stops them from exhibiting the right behaviors more often. Encourage them to not only identify procedural obstacles, but how they can overcome them. What prevents them from achieving higher productivity? What's an emotional drain? Then, give them some options from which to choose to make that work better for them. This gives them a voice and makes them feel more autonomous.



Managers can also re-engage employees by learning more about them, their passions and career goals, what they value, and what they need to be more successful.

Here are 3 ways to help employees envision staying with you:

- 1.** Talk about their goals and what they want to learn, or start doing, in the next 6, 12 or 18 months. Employees often get stuck on trying to plan out their career years in advance, but should be able to identify skills and competencies they want to learn in the near future. Determine their unique strengths and value to the organization, and what they enjoy doing.
- 2.** Get a sense of their aspirations and expectations. Leaders often avoid conversations like this because it can be a difficult area to control. What if the employee wants too much too soon or asks for things they aren't qualified for? Leaders who aren't skilled communicators would rather avoid awkward conversations. Employees, however, want bosses who care about their future. These conversations make them feel valued, even when you're not able to meet all their expectations. They know how rare it is to have a boss who is sincerely interested in them, and one they feel they can talk to.
- 3.** Finally, solicit ideas on what would make it a better place to work. Again, you may not be able to meet all their requests, but their answers may reveal emotional triggers you need to monitor, and it can help you address problems.

Having meaningful conversations with employees requires skill and some planning. But having them regularly establishes a consistent, sustainable climate where employees develop inherent motivation and an authentic connection to their work.

"Satisfying psychological needs, in addition to basic needs, is how you really connect with people and get them to stay," says Blonski. "Focusing on internal motivators leads to a more fulfilled staff, lower turnover rates, and even more satisfied customers. It comes from the inherent satisfaction of doing a good job instead of trying to gain a reward."

In other words, it improves not only turnover, but your productivity and your bottom line.

Re-engage your people today by increasing their sense of competence, relatedness and autonomy.

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