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colleenmadden@challengergray.com**FOR IMMEDIATE RELEASE****SURVEY: 68% OF COMPANIES WORRYING ABOUT EXODUS OF TALENT
85% EXPERIENCING TALENT SHORTAGE
81% FACING PUSHBACK ON RETURN TO IN-PERSON**

CHICAGO, July 29, 2021 – U.S. employers are worried about and planning for The Great Resignation: 68% of companies report a concern about an exodus of talent. As to what is fueling workers' desire to leave, 75% of companies cite a desire for more flexibility and 59% cite worker burnout.

These findings are according to survey results released Thursday by global outplacement and business and executive coaching firm Challenger, Gray & Christmas, Inc. The survey was conducted online among 172 Human Resources and Business Leaders from companies of various sizes and industries nationwide July 7th through July 20th.

“For many Americans, after 18 months of lockdowns and precautions, doing their work every day is like trying to light a used match. Add to that mounting pressure to work in-person, any child care or health care issues, and now rising COVID cases nationwide, it’s no wonder workers increasingly are leaving jobs,” said Andrew Challenger, Senior Vice President of Challenger, Gray & Christmas, Inc.

“Simone Biles is like so many American workers: dedicated, talented, and instrumental team members making the difficult decision to do what they think is best in the face of unprecedented pressures,” he added.

In fact, women are pushing back more than any other group, according to Challenger findings. Over 81% of companies are facing pushback to the return to the office, primarily coming from mothers and women.

Women are leaving the workplace at higher levels than their male counterparts. According to the latest non-seasonally adjusted data from the Bureau of Labor Statistics, there were 4,060,000 fewer employed women aged 20 years or older in June 2021, down 5.6%, than in

February 2020. For men the same age, employment fell 2,614,000, or 3.2%, from February 2020.

In Challenger's survey, 29% of employers cited childcare as an issue fueling workers' desire to leave their jobs. Another 9% cited mental health concerns. Nearly 6% said all issues listed were fueling resignations.

The Great Reentry: HR Issues in the Battle for Talent

What do you think is fueling workers' desire to leave their current positions?

Desire for More Flexibility	73.53%
Burnout	58.82%
Perceived Low Wages	41.18%
Childcare	29.41%
Other (please specify)	26.47%
COVID Concerns	23.53%
Relocated During Pandemic	17.65%
Mental Health Concerns	8.82%
Expanded Unemployment Benefits	8.82%
All of the Above	5.88%

Source: Challenger, Gray & Christmas, Inc.

In the Challenger survey, 56% of respondents saw a gender divide among those pushing back on reentering the office, with 69% coming from mothers and women. Respondents indicated the remaining 31% were parents pushing back. None of the respondents indicated men or fathers alone were among those pushing back on returning to the office.

Meanwhile, 52% of respondents saw a generational divide among those pushing back, with 55% occurring among younger colleagues. Another 18% said the older workforce was pushing back, and the remaining respondents indicated the generational divide aligned with other factors, such as a long commute or young children.

When asked if respondents were offering new incentives to keep talent, 63% said they were, with 15% offering it to the entire workforce.

The Great Reentry: HR Issues in the Battle for Talent

Are you offering new incentives to entice talent to stay?

Answer Choices	Responses
Yes, for the entire workforce.	14.63%
No	36.59%
Yes, we are taking it on a person-by-person basis.	19.51%
Yes, we are offering new incentives to certain levels/positions.	29.27%

Source: Challenger, Gray & Christmas, Inc.

Companies are primarily offering incentives that address the desire for flexibility and burnout they believe are driving the high quit levels and difficulty attracting talent. When asked what new incentives they were offering, 65% reported offering flexible work hours, while 62% are offering remote work options. Another 53% are offering hybrid work arrangements. While 41% of companies responded workers are leaving due to low wages, 46% are offering higher pay and cash bonuses.

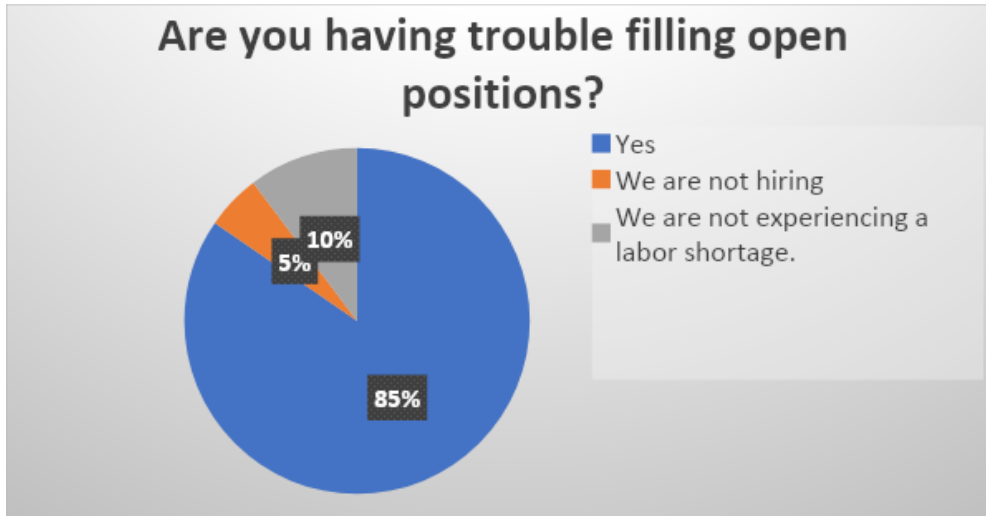
What are you offering? (Please select all that apply)

Answer Choices	Responses
Flexible Work Hours	65.38%
Remote Work Options	61.54%
Hybrid Work Arrangements	53.85%
Higher Pay/Bonuses	46.45%
Signing Bonuses	38.46%
Leadership Development	34.62%
Tuition Reimbursement	30.77%
Mentorship Programs	26.92%
Student Loan Assistance	11.54%
Childcare Options	7.69%
All of the Above	3.85%

Source: Challenger, Gray & Christmas, Inc.

“Many workers have used the pandemic to reprioritize what is most important in their lives, and reassess what they want to do in their careers. Money is just a piece of that. Workers also want to be able to walk their dogs during the day and know they have opportunities for advancement,” said Challenger.

Companies are indeed having trouble filling their open positions. Of respondents, 10.3% reported they were not experiencing a labor shortage, and another 5.1% were not hiring. That leaves nearly 85% of companies having trouble filling positions.



The Great Reentry: HR Issues in the Battle for Talent

Are you having trouble filling open positions? (Check all that apply)

Answer Choices	Responses
Yes, we are having trouble filling in-person roles.	38.64%
Yes, we are having trouble filling remote roles.	5.13%
Yes, we are having trouble filling all roles.	30.77%
Yes, we are having trouble filling our lower-wage positions.	41.03%
Yes, we are having trouble filling our skilled labor positions.	31.36%

Source: Challenger, Gray & Christmas, Inc.

“We’ve long known that workers tend to leave managers, not jobs. The last year was an extraordinary test of leadership. It has not been easy on the country’s business leaders,” he added.

As cases around the country rise, and as New York City workers, California state government workers, and Veterans’ Affairs mandate the vaccine to get a handle on the pandemic, companies surveyed by Challenger are not going the route of mandating vaccines. Fewer companies are mandating the vaccine in July compared to March, when Challenger surveyed 201 companies.

The Great Reentry: HR Issues in the Battle for Talent

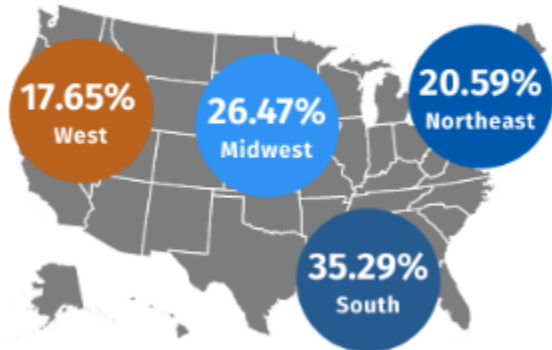
Are you mandating the vaccine?

	July	March
Yes	2.63%	3.08%
No	44.74%	33.85%
We are strongly encouraging team members to get vaccinated.	52.63%	59.62%

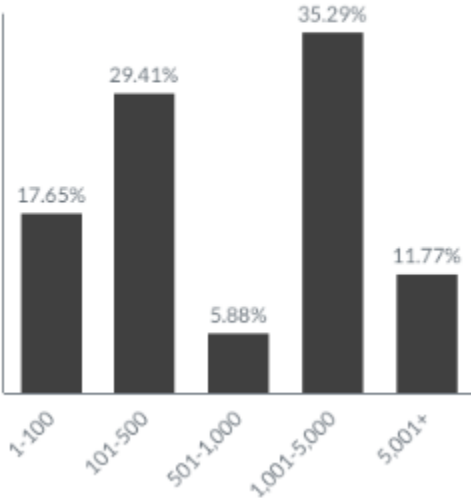
Source: Challenger, Gray & Christmas, Inc.

RESPONDENT DEMOGRAPHICS

Respondent Location



Respondent Organization Size



Source: Challenger, Gray & Christmas, Inc. ©