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## FOR IMMEDIATE RELEASE

### Is Now a Bad Time for RTO?

## BAN ON RUSSIAN OIL, ENERGY WILL INCREASE COMMUTING COSTS AMID RECORD RESIGNATIONS

**CHICAGO, March 8, 2022** – President Biden announced today that the U.S. will ban Russian energy imports as Russia continues an unwarranted invasion of sovereign Ukraine. Americans are already seeing record prices at gas pumps across the country, right as a dip in COVID cases is prompting employers to bring workers back to the office. It might serve companies well to allow work-from-home (WFH) and hybrid work options to offset this cost, particularly as workers consistently leave for new opportunities, according to one workplace authority.

“While sanctions are an important move as this war continues, it will no doubt have an impact on gas prices in the short term. Luckily, many American companies have already created infrastructure to allow their workers to work from home, at least part of the time,” said Andrew Challenger, Senior Vice President for global outplacement and executive coaching firm Challenger, Gray & Christmas, Inc.

In a new survey conducted online in January and February among 150 companies nationwide, 82% of employers said they were worried about an exodus of talent, up from 68% of employers who said this when Challenger surveyed companies in July 2021.

“Workers are going to other companies for a variety of reasons, but wages and flexibility are consistent factors. With commuting costs high and requirements to work in-person, companies may see more of their talent leave and have a more difficult time recruiting,” said Challenger.

Challenger found a significant increase in employers who reported workers were leaving their companies for “perceived low wages.” In February, 59% of companies reported workers are leaving due to wages, up from 41% who reported this in July.

“Burnout” was most cited as the reason for resignations in February’s survey, with 67% compared to 59% last summer. The top reason employers thought workers were leaving in July was for “a desire for more flexibility (74%); 63% of employers blame this reason for resignations in February.

“It’s important for leaders to remember that many of their workers are likely experiencing burnout, not just from the lingering pandemic and myriad tangential issues that come with it, but also from the growing conflict in Ukraine. Meanwhile, inflation is stretching paychecks thinner. Those who negotiated or received bumps in wages may feel they are taking two steps forward and one step back. If employers can offer benefits that offset these costs, it will go a long way toward retaining their talent,” said Challenger.

A quarter of companies reported they were allowing workers to primarily WFH due to Omicron, with 18% saying they kept the majority of their workers home prior to the latest wave. Another 29% are offering a hybrid option: limiting the number of people in the office, but expecting workers to come in part of the week. The remaining 46% have all workers back in their offices. That is compared to 29.7% of companies who reported all their workers were in-person at the end of 2021.

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Are you concerned about an exodus of talent at your company?	Feb-22	Jul-21
Yes	82.14%	68.00%
No	17.86%	32.00%
Other (please specify)	0.00%	0.00%

Source: Challenger, Gray & Christmas, Inc. ©

What do you think is fueling workers' desire to leave their current positions?	Feb-22	Jul-21
Burnout	66.67%	58.82%
Desire for More Flexibility	62.96%	73.53%
Perceived Low Wages	59.26%	41.18%
COVID Concerns	37.04%	23.53%
Mental Health Concerns	22.22%	8.82%
Leadership	6.26%	N/A
Childcare	3.70%	29.41%
Expanded Unemployment Benefits	0.00%	8.82%
All of the Above	0.00%	5.88%
Other	3.70%	26.47%
Relocated During Pandemic	0.00%	N/A

Source: Challenger, Gray & Christmas, Inc. ©

<b>What are you offering to retain and attract talent?</b> <i>(Please select all that apply)</i>	<b>Feb-22</b>	<b>Jul-21</b>
Remote Work Options	73.33%	62%
Hybrid Work Arrangements	73.33%	54%
Higher Pay/Bonuses	66.67%	46%
Flexible Work Hours	60.00%	65%
Tuition Reimbursement	53.33%	31%
Signing Bonuses	46.67%	39%
Leadership Development	33.33%	35%
Retention Bonuses	33.33%	N/A
Mentorship Programs	33.33%	27%
Student Loan Assistance	26.67%	12%
Childcare Options	0.00%	8%
All of the Above	0.00%	4%

Source: Challenger, Gray & Christmas, Inc. ©

<b>Are you rethinking getting people back into the office in light of Omicron?</b>	<b>Feb-22</b>
Yes, we are closing the office and returning to WFH plans for those positions that can be remote.	7.44%
Yes, we are limiting the number of workers in the office, but are expecting workers to come into the office at least part of the time.	28.57%
We have kept the majority of our workers WFH prior the latest wave.	17.86%
No, everyone is in the office with masks.	21.43%
No, everyone is in the office without masks.	17.86%
Other (please specify)	6.84%

Source: Challenger, Gray & Christmas, Inc. ©

Have you brought back workers into a physical office?	2021	2020
All our employees are back in the office.	26.49%	8.22%
We have essential functions in-person, but are keeping the majority of our staff working from home.	15.65%	54.79%
We have reopened offices and given our workers a choice to return.	35.94%	15.07%
We have a certain percentage back in the office.	N/A	9.59%
We are an essential business, and all our workers must be in-person.	3.13%	6.85%
All our workers are still working from home.	6.18%	5.48%
Other (please specify)	12.72%	1.37%

Source: Challenger, Gray & Christmas, Inc. ©