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# Four Strategies to Win and Retain Talent Amid the Great Resignation

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*Potent workforce trends are shaping recovery for organizations as the Great Resignation goes on. We unravel these trends and share talent strategies for companies responding to disruption.*

In 2021, during the coronavirus (COVID-19) pandemic, millions of employees left their jobs over a short period of time described as the Great Resignation, which severely disrupted the world of work.

Although the Great Resignation is a byproduct of the ongoing pandemic, disruption affecting the world of work can be drawn to trends taking place prior to the emergence of COVID-19. For example, technological advancements and regulatory enforcement routinely impacted a company's business strategy and the need to update workforce capabilities. Social movements of the past gave way to the newly found focus on diversity in the workplace that many companies continue to make progress on.

While these trends might impact a company, the widespread disruption to people brought about by high turnover, remote work and other pandemic-related disruptions has changed the framework and operation of organizations.

Results from Aon's Eighth Global HR Pulse Survey of more than 800 companies worldwide indicate talent shortage and high turnover make attraction and retention of employees the top concern for organizations.

Work-life balance and accommodating arrangements are highly valued and sought out by employees and prospective talent these days. Indeed, 78 percent of surveyed organizations took steps to implement or improve flexible hours and hybrid working, and 42 percent considered increased flexibility to be "extremely effective" for attracting and retaining talent.

Health and wellbeing programs, employee benefits and greater training and career development are also highly valued. More than two-thirds of surveyed organizations added wellbeing benefits to their budgets and 59 percent are evaluating their diversity, equity and inclusion (DE&I) strategies.

Employers should focus on pay and total rewards, the people proposition, DE&I and career reskilling, training and upskilling to enhance their talent attraction and retention efforts in response to evolving labor market and pandemic-related challenges. Let's explore changes underway on each of these issues.

## 1. Go beyond pay to attract and retain talent.

Better pay remains a top driver of turnover, but it is not the only area of total rewards that employees list as a reason for leaving an organization.

As companies [reprioritize their total rewards](#) offerings to meet the needs of a changing workforce, they must ensure rewards reflect the current needs and desires of their current employees and prospective talent. For example, if your organization is looking to hire more digital talent that may historically be hired by technology firms, it's important to benchmark and understand the types of rewards this talent pool is used to receiving and finds value in. Once you have rebalanced total rewards, make sure to promote benefits to employees so they understand the value they are receiving.

If your first instinct is to reset salary levels, ensure pay increases are sustainable in the long term and account for expenses that may have been on pause, such as travel and entertainment, to resume. Counteroffers have become a more frequent measure used to retain talent, with 40 percent of surveyed organizations saying they used them in response to the current talent market. While a lot of companies are focused on counteroffers to keep people on board right now, be aware that this can cause internal pay inequities.

In addition to compensation, companies are adjusting benefits, including wellbeing and mental health, to better attract and retain talent. Wellbeing is a high priority coming out of the pandemic, with 64 percent of surveyed organizations saying it will be a top focus in 2022.

## **2. Articulate the people proposition.**

Now is the time to review your people proposition (sometimes referred to as employee value proposition) ahead of sharing with employees and job candidates.

The high employee turnover we are experiencing today can indicate a possible disconnect in messaging between employer and employee. Messaging is critical for employees, especially among younger generations and experienced professional workers who make up the highest turnover rates in our survey.

A good place to start is by explaining your organization's return-to-work strategy and being honest about any missteps and lessons learned during the pandemic to employees and potential hires. If your strategy includes a combination of in-office, remote and hybrid workers be careful not to create a tiered system among team members who choose not to be in the office. And set expectations about how to conduct meetings when they include a variety of in-office and remote workers on any given day.

Overall, research has shown a well-executed people proposition can improve the retention of new hires by up to 29 percent<sup>1</sup>. Other areas that influence a firm's people proposition include talent acquisition and onboarding processes. What adjustments are you considering in order to address hiring challenges? Research shows using talent assessments can lead to better hiring decisions (see our related article, ["Four Reasons to Use Talent Assessments in a Candidate-Driven Market"](#)).

## **3. Create and deliver on clear DE&I objectives and commitments.**

Employees and prospective talent are looking for companies whose values align with their own, and more companies are developing their DE&I objectives and commitments in thoughtful and clear ways. Two-thirds of surveyed companies say they are communicating clear DE&I objectives and commitments to address talent acquisition challenges and 63 percent are specifically targeting diverse talent.

Make sure your organization is taking specific action related to culture and diversity that advances your talent needs and organizational goals. For example, does your recruitment process involve targeting diverse talent or are you still filling roles with people who resemble existing employees? Are you asking the right questions to job candidates with the skills and traits that will offer diverse perspectives and innovation to your organization?

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<sup>1</sup> Corporate Executive Board, 2020

#### **4. Embrace career reskilling, training and upskilling.**

Better career opportunities, higher pay and lack of career progression are the main causes for turnover, according to surveyed organizations, at 78, 77 and 42 percent, respectively. Many companies stand to lose key digital and technology skills as a result of turnover.

Help your workforce prepare for the future of work through encouraging learning and development, providing career pathways, and upskilling and reskilling programs. Appreciate that while not everyone wants to be the boss everyone needs to feel engaged in their work. Employees may want to try different roles across your organization without taking on extra responsibilities, so treat this career approach as valid.

Employers should also help people grow by giving them insight into their strengths and weaknesses so they develop into the kind of self-aware leaders that will be critical for the future workplace. Assessing talent at every stage of the employee lifecycle enables organizations to not only engage and retain, but also build a diverse and agile workforce capable of withstanding and adapting to sudden disruption and rapid change.

#### **How Aon can help**

A business cannot develop without the right people. Business and labor market challenges will persist as the Great Resignation, high inflation, supply chain issues and other pandemic-related disruptions linger. But organizations can manage the impact from these events by focusing on their people and what is within their control.

Aon provides companies with a powerful mix of data, analytics and advice to help them make better workforce decisions. For information about our compensation and workforce benchmarking data and tools and talent assessment solutions, please write to [humancapital@aon.com](mailto:humancapital@aon.com).

## **About Human Capital Solutions**

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