A **CareerAddict** Study

## **Employee Turnover**

# Why People Quit Their Jobs

Key findings from a survey conducted on careeraddict.com

January 2020



The job market is a competitive arena, not just for jobseekers but also employers looking to hire the right talent.

## Introduction

The need for a skilful workforce has grown significantly over the years, with industries constantly evolving to serve a diverse range of markets and creating a larger number of opportunities for jobseekers in the process.

Indeed, the job market is a competitive arena, not just for jobseekers but also employers looking to hire the right talent.

But hiring and *retaining* the right talent are two very different things – a concept that has been reiterated by HR experts time and time again.

Through our survey, which looked into the different factors that can put job satisfaction and employee morale in jeopardy, we found that the most likely reason for someone to leave their job was a lack of progression, followed by low pay. Meanwhile, a non-flexible schedule and weak cooperation with coworkers were least likely to cause employees to resign.

We believe that, when it comes to high employee turnover, it's important to address the problem at the source. And a good starting point would be to investigate what exactly it is that leads employees to decide to quit and move on.

The margin of error of the study is ±3% at a 95% confidence interval.

\*All data (n=824) were collected from a voluntary sample of respondents who clicked on relevant banners on the CareerAddict website. As such, the views presented throughout this report most likely represent the opinions of people who are directly interested in the development of their careers.

#### **KEY TAKEAWAYS**

# Our Findings in a Snapshot

- A lack of progression is the number one reason people would quit their jobs, followed by low pay
- 2 50% of respondents felt their boss took credit for their own work
- People feel HR teams
  up with management
  against them
- 3 1 in 2 respondents said they felt discriminated against by their boss or colleagues
- 7 Only 54% of respondents felt they received recognition from their boss

4 87% of respondents said they didn't regret leaving their jobs

against by their boss because of their gender

1 in 4 people felt

discriminated

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# 1

#### **RESIGNATION INSIGHTS**

# The Point of No Return

**37**% say:

I made the decision to leave my job on the spot

#### The Spontaneous

We found that 37% of our survey respondents made the decision to quit their jobs on the spur of the moment. This suggests that a significant number of employees who quit weren't actually planning to do so, or at least not at that particular moment.

Despite the spontaneity of their decision, though, it seems that, for many, their impromptu resignation was not the result of a single event but, rather, the ramification of long-term job dissatisfaction.

13% say:
I regret leaving my job

#### The Regretful

Of those who quit their jobs, only 13% – or about 1 in 8 people – actually regret doing so. Leaving behind a great company culture and good colleagues or making the decision to leave on a whim could all contribute to their regrets.

## Most People Will Have Quit Their First Job Before They Hit 25

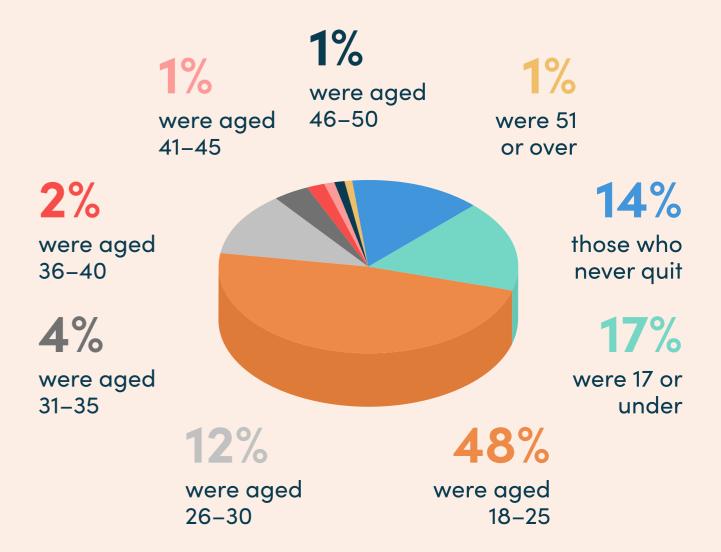
We found that a staggering 48% of all respondents were aged between 18 and 25 when they quit their first jobs, as shown in Figure 1 on the right. This is followed by those ages 17 or under and 26– to 30–year–olds at 17% and 12%, respectively.

These numbers should come as no real surprise when considering that job hopping is particularly common among younger workers.

When asked about what would make them quit their jobs, millennials and Gen Zers indicated that a lack of progression, followed by low pay and not getting a well-deserved raise, were the main reasons which influenced their decision to quit.

Our data concludes that the vast majority of people would have most probably already quit their first job by the time they are 31–35 years old. Indeed, only 4% of respondents were between the ages of 31 and 35 when they quit their first job, and this significantly drops to 1% by the time they reached 41.

FIGURE 1 **Age at which people quit their first job** 



Resignation Insights

# Quitting at 18–25 Is the Norm across all Ages

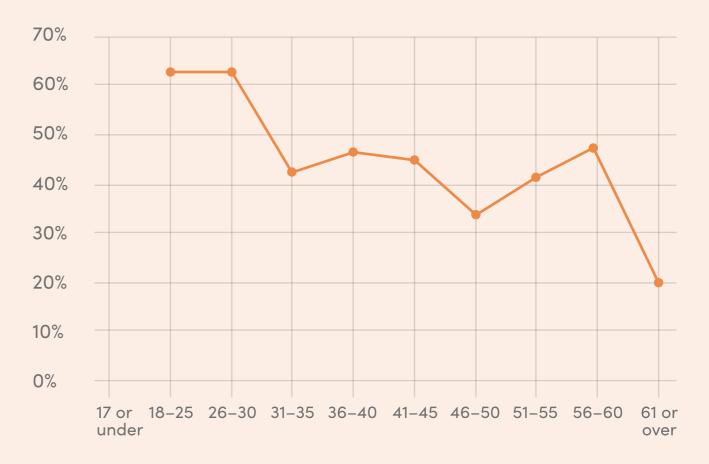
During our survey, we made an interesting discovery: people across all age groups were most likely to quit their first jobs when they're between the ages of 18 and 25 than any other age.

Indeed, 62% of respondents currently aged between 26 and 30 had left their first job between the ages of 18 and 25 (a tie with current 18– to 25–year olds).

## 3 in 5 employees

will have **quit their jobs** for the first time by the time they're **25 years old**.

Percentage of people who quit their first job at 18-25 years old



- 7

# 2

#### **RELATIONSHIP WITH MANAGEMENT**

# The Big Bad Boss

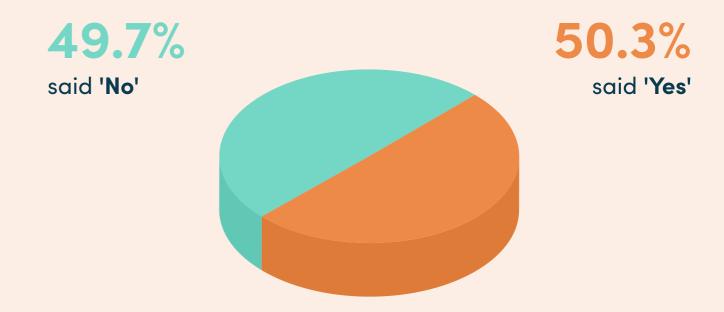
Shockingly, more than half of survey respondents revealed their boss had taken credit for the work they did. This, as a result, can negatively impact employee morale and overall job satisfaction.

Indeed, when companies lack sufficient reward systems and are incapable of giving their team credit for their work, they create a toxic workplace culture that can leave their employees feeling deeply dissatisfied and demotivated.

### Over 50% of respondents

said their boss has taken credit for their work.

# We asked: 'Has your boss ever taken credit for your work?'



When companies lack sufficient **reward systems** and are incapable of giving their team **credit** for their work, they create a toxic workplace culture that can leave their employees feeling **deeply dissatisfied** and **demotivated**.

#### Relationship with Management

A little over half of the people who completed our survey reported that their boss gave them recognition for their work. This is a relatively low number, which raises important questions about companies' treatment of staff.

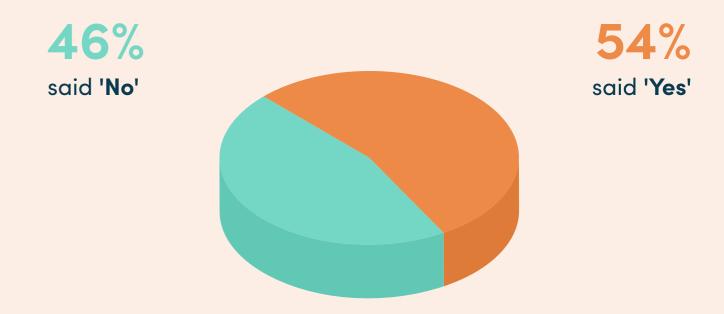
To truly understand what this number means, we need to consider that nearly 50% of working professionals feel they receive no recognition for their work, a huge factor in creating and maintaining employee engagement and job satisfaction.

Indeed, when companies acknowledge the efforts of their employees, they reinforce a positive workplace culture and are able to maintain staff morale. And when employees feel appreciated at work, they are more likely to find their work fulfilling as well as feel supported by their supervisors – as a direct result, employee turnover rates are decreased significantly.

### 54% of respondents

feel like **their boss** has **given them recognition** for their work

# We asked: 'Did you receive recognition for your work?'



When employees feel **appreciated** at work, they are more likely to **find their work** fulfilling as well as **feel supported** by their supervisors – as a direct result, employee turnover rates are decreased significantly.





In order to maintain a healthy, positive work environment, employers need to understand that people will work for money, but they will die for respect and recognition. The key is to understand what your employees need in order to drive productivity. Create a work space that allows employees to feel valued, appreciated and heard.

#### Jason Greer

Labor and Employee Relations Consultant

Greer Consulting Inc

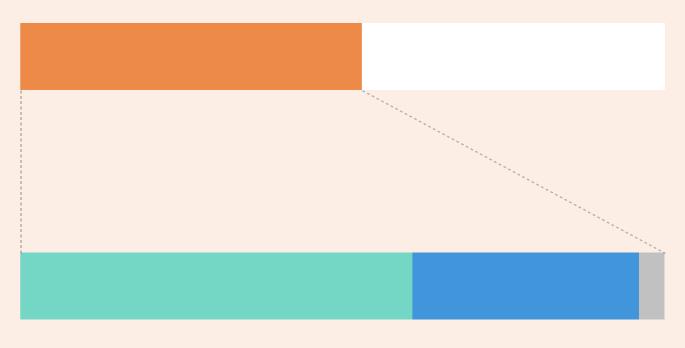
#### **WORKPLACE DISCRIMINATION**

# Still Alive and Kicking

While companies are increasingly taking measures to protect their employees' rights and shield workers from workplace discrimination (whether cultural, racial or otherwise), a whopping 53% of respondents said they felt discriminated against by their boss.

Women are more likely to feel they are discriminated against by their boss, our survey shows. In fact, they made up a massive 61% of those who said they felt discriminated against, compared to just 35% of men. **53**%

of respondents felt discriminated against by their superior.



61%

35% of which were women.

were men.

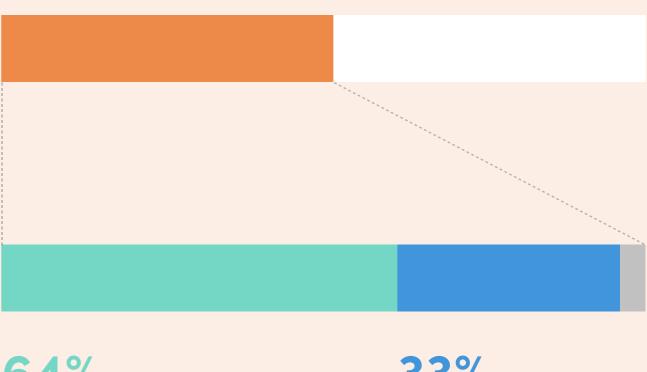
### **Not Just from Above**

Survey results also showed that one in two respondents felt discriminated against by their peers. Perhaps unsurprisingly, 64% of those who felt discriminated against by their colleagues were women and 33% were men.

This shows that discrimination is present on all levels and across all verticals within the workplace; indeed, employees don't just feel discriminated against by their superiors but also by their colleagues.

51%

of respondents felt discriminated against by their colleagues.



64% 33%

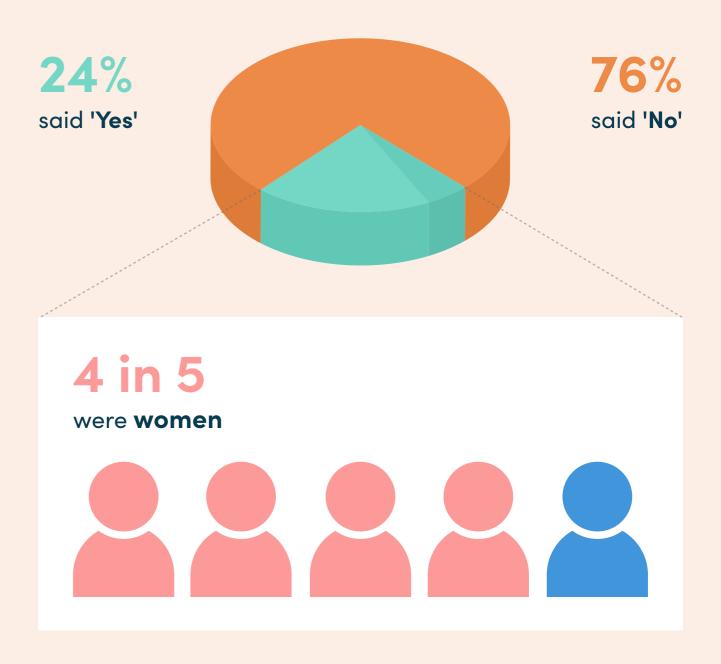
of which were **women**. were **men**.

### Gender is Still a Discriminatory Factor

Though many countries have introduced laws and companies have put policies in place against gender discrimination, it is still a widely reported phenomenon. In fact, 24% of respondents in our survey said they felt they had been discriminated against by their boss because of their gender.

Perhaps unsurprisingly, this sentiment was felt strongest among women, at a ratio of 4 to 1.

# We asked: 'Have you ever felt discriminated against by your boss because of your gender?'







A positive company culture should be committed to professional values, which supports all employees, of all backgrounds, genders, ethnicity, sexuality, and allow them to work with leaders of the organization, versus feeling like they are simply working for them.

Forbes, 2019, Four Steps To Create A Truly Inclusive Culture

#### **Sheree Atcheson**

Head of Diversity and Inclusion

Monzo Bank

# 4

#### **REASONS FOR QUITTING**

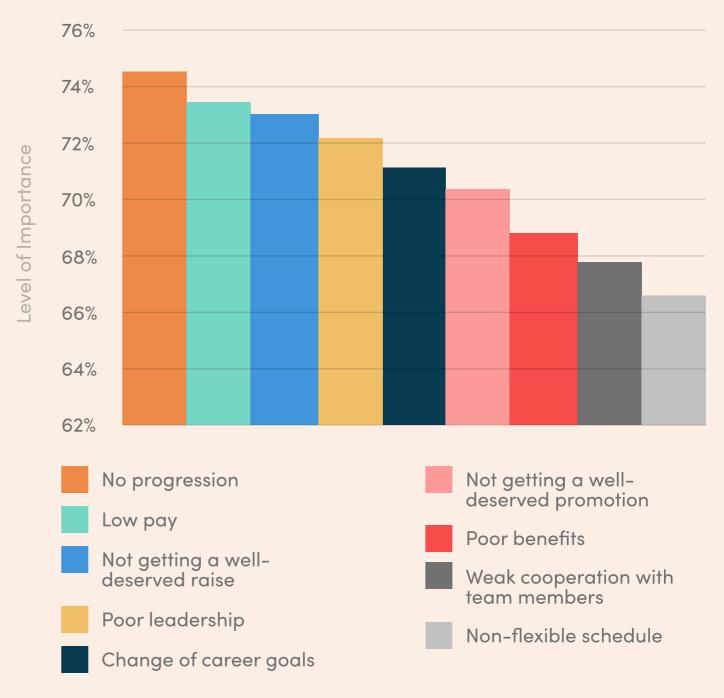
# The Quitting Game

During the survey, respondents were asked to rate the level of importance of nine factors that would influence their decision to quit.

Perhaps surprisingly, respondents valued progression more than pay or getting a well-deserved raise.

As shown in Figure 3, a lack of progression had the strongest impact on their decision. Indeed, when there is little room to develop professionally, employees are most likely to feel dissatisfied and, as a result, seek employment elsewhere.

FIGURE 3
Reasons people are more likely to quit



<sup>\*</sup> The percentages above represent the mean score of each item. The order presented was determined taking into consideration the mean score only, from highest to lowest.

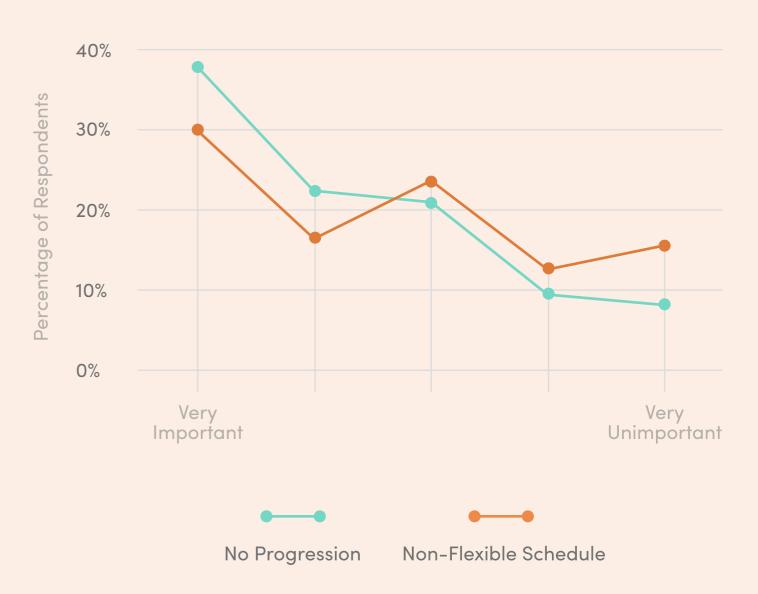
### **Priorities Vary Among Employees**

Figure 4 shows how even though in comparison with non-flexible schedule, a greater number of people would rate no progression as an important or very important reason to quit, the range of ratings for a non-flexible schedule was more balanced. In other words, the two items scored differently in terms of standard deviation which tells us that priorities are bound to vary among your workforce.

In fact, 39% of respondents who rated non-flexible schedule as 'very important' did not do the same for lack of progression. Indeed, while a lack of progression remains the primary reason to cause employees to quit, all these factors are essential in creating a positive work environment for everyone.

FIGURE 4

Comparison of importance between 'No progression' and 'Non-flexible schedule'

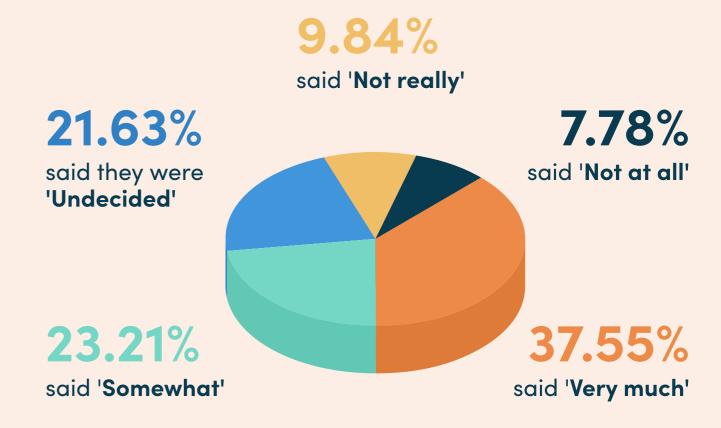


## Career Progression Is Important for Employee Retention

When participants were asked about how the opportunity to progress within their company would affect their decision to leave, 37.55% said it would 'very much'.

This was followed by 23.21% of respondents who said it would 'somewhat' influence their decision to quit their job. Only 7.78% responded 'not at all' when asked if a lack of progression would cause them to quit.

# We asked: 'Would a lack of opportunities for progression lead you to quit your job?'



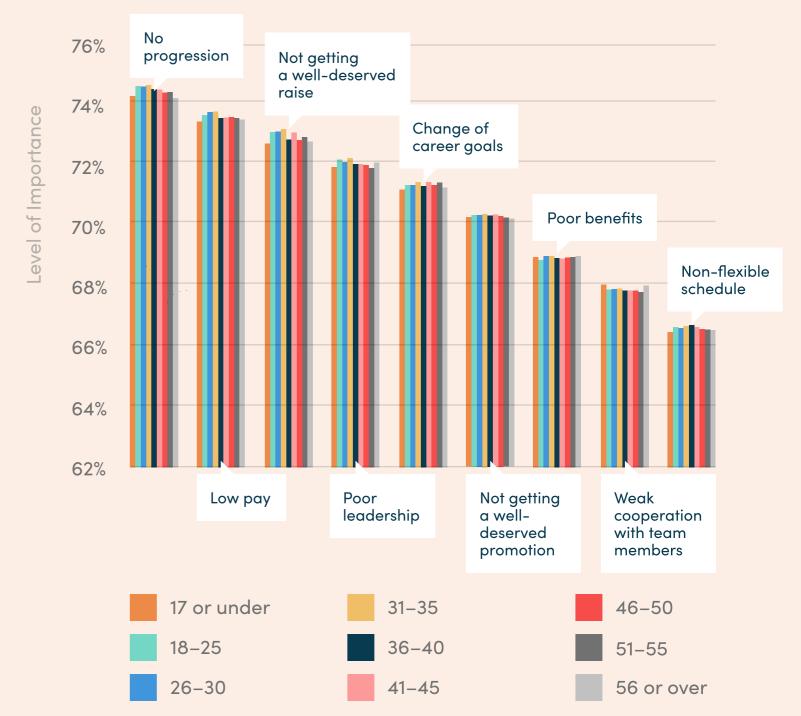
### Homogeneity Across Age Groups

Another noteworthy finding from our survey was the steady transgenerational pattern across the various deciding factors to quit a job between all participating age groups.

In fact, a lack of progression was the main reason to leave a job for all age groups involved, with only marginal differences between them. This was followed by low pay and not getting a well-deserved raise, while a non-flexible work schedule was least likely to influence their decision to quit.

FIGURE 5

Reasons for quitting a job across all age groups

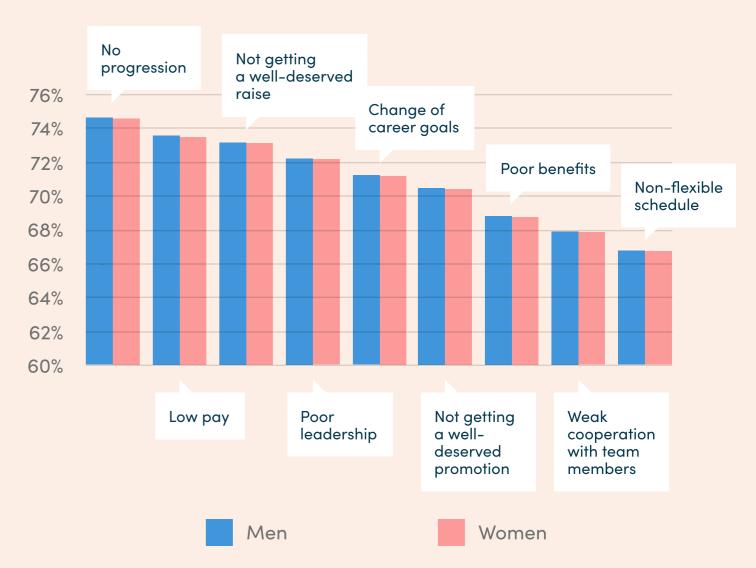


### **Homogeneity Across Genders**

Homogeneity was not just present across the various age groups we surveyed. It was also evident across gender.

In fact, a lack of progression, low pay and not getting a well-deserved raise made up the top 3 reasons for both men and women leaving a job.

FIGURE 6
Reasons for quitting a job across all age groups



19





There are many reasons people leave companies, but the biggest is the belief that 'this job is not taking me where I want to go'. One of the most important factors in selecting a position (and for managers to consider in hiring and leading people) is making sure the job is going to help you learn and fulfil your own career goals. For some people, this means rapid advancement and challenge; for others, it means a reasonable workload and supportive work environment. When these expectations are clear and aligned, people love their work and stay for many years.

### **Josh Bersin**

Global Industry Analyst www.joshbersin.com

# 5

#### WHAT IT WOULD TAKE TO RETURN

**35**% say:

I would return for more money or a higher position

#### **The Negotiators**

Thirty-five per cent of respondents revealed they would consider returning to their former job if they were offered better pay or a better position. This shows how low pay, no salary raises, and a lack of progression can affect an employee's decision to leave. In fact, our findings show that these are the three main reasons that would cause people to quit.

Whether it's monetary rewards or more job responsibilities, it's important for employees to feel like their career is moving forward.

**43**% say:

# I would return if my boss was replaced

#### The Ones with the Bad Boss

Forty-three per cent of respondents said they would return if their boss boss was replaced.

The success of a business depends on that business's leadership and their ability to effectively guide a team.

Indeed, a lack of effective leadership can result in severe miscommunication, loss of morale and a significantly higher turnover rate. It, therefore, comes as no surprise that many employees would choose to leave.

#### What it Would Take to Return

In the case of the study, a mere 18% of participants would 'likely' or 'very likely' recommend their previous employer to a friend.

This shows that had the participants experienced a positive company culture and felt they had the opportunity to progress within the company, then the probability of referrals would have been much higher.

In conclusion, companies that mistreat employees or that don't offer employees a purposeful role won't only struggle to retain existing employees but also recruit new ones. Only 1 in 5 would recommend their previous employer to a friend who is looking for a job

# THE ROLE OF HR

# What Do Employees Want?

The qualitative data that was collected through our survey was analysed and coded. After careful consideration of our findings, two distinct topics regarding HR in the workplace were observed: the responsibilities that HR is expected to undertake and HR's relationship with employees and management, shedding light on these complex workplace dynamics.

### The Responsibilities of HR

From orchestrating the recruitment process to handling payroll and dealing with employee complaints and management demands, the duties of the HR department can vary across companies. Indeed, while the role of HR is quite versatile in some companies, it's non-existent in others.

Our There was no HR respondents said: Respect confidentiality **Ensure** work-life balance Address harassment Create employee satisfaction **Run development** surveys Communicate trainings policies better Offer better Compensate **Support progression** benefits based on merit **Conduct exit interviews Ensure supervisors act ethically** Ensure employees are happy Use data to make decisions Offer career guidance **Promote internally** Make decisions fast Motivate employees Put safety policies in place Pay on time Provide clear schedules Address discrimination Be proactive

The absence of a liaison between management and personnel can cause serious communication issues that, in turn, can result in higher turnover as well as dissatisfied managers who are unable to positively engage their employees.

Many respondents said they would feel more supported if HR acted fairly towards them. Specifically, they stated that HR should avoid trusting or spreading gossip, respect confidentiality, address workplace discrimination and ensure that supervisors act ethically and care about their employees.

One participant said:

'In the country I live in, even large organisations are run by families. **Confidentiality** is something **HR** has never heard of.'

Respondents also said they want HR to conduct employee satisfaction surveys, professional development trainings and exit interviews, as well as provide constructive feedback and communicate company policies effectively.

They also expressed that HR should accommodate a better work-life balance, offer better employee benefits, compensate employees based on merit and performance, ensure the timeliness of payments, and encourage internal promotions.

Another participant said:

'Work-life balance is very important to me, as I am a single mother.'

These findings suggest that the role of HR has evolved into a more authoritative one. In other words, HR managers seem to have a lot more corporate power than before. This, in turn, could signify HR's shift away from its initial purpose: coordinating administrative functions.

# HR's Relationship with Employees and Management

The qualitative data collected suggest that HR is expected to be transparent and, to some extent, act as a mediator between employees and management.

However, respondents also revealed that, in most cases, HR doesn't protect employees' interests and often teams up with management against them. In the survey, participants indicated problematic areas that need to be addressed within the workplace, highlighting the importance of an approachable HR department that will support employees without bias.

Here are some comments we received:

'Now I understand that HR is there to assist management more.'

'I wouldn't go to HR, because whatever I said would have been **used against me** and I would end up **being fired**.'

'Whenever HR is involved, your career is in jeopardy.'

'HR should **listen** to employees and **be** supportive.'

While HR is regarded as an impartial mediator within every company, it appears that the respondents' expectations of HR are yet to be met. Indeed, through the results gathered from the survey, it appears that HR has evolved from its position as the unbiased middleman into a counterpart of management.

### Our respondents said:

#### HR should:

Have employees' best interests at heart

Listen to employees

Care about employees

**Support employees** 

**Educate management** 

Be approachable

**Support management** 

Be honest

Be humar

Motivate employees

#### HR should not:

Team up with management

Discriminate against certain employees

Initiate problems

Be scared of management

Trust gossip





For the future workplace, diversity is not a choice but a necessity, for the inclusion of all minds is instrumental in not only making organisations profitable but also in contributing to the welfare of society as a whole.

#### Anna Mamalaki

Organisational & People Development Consultant

BizHumanAspect

# CONCLUSION

# Questions Raised and Lessons Learned

Based on our findings, the order in which people have rated the reasons that would affect their decision to quit their jobs were homogenous, regardless of gender or age.

These results were collected from a sample of respondents who are visitors of careeraddict.com and, as such, invested in their career development. Consequently, while a high salary is an important factor for our survey's participants, career progression is invaluable to them. A lack of flexibility and poor benefits were the least important factors to affect people's decision to leave their jobs.

Our advice to managers and HR personnel who are determined to retain their top talent is to place more emphasis on accommodating their staff's professional growth. Creating more opportunities for career advancement and recognising and adequately compensating employees' efforts are just a few actionable initiatives that can significantly improve employee engagement and retention.

Employees quit primarily due to a lack of progression, followed by low pay.

The profile of an engaged professional is characterised by individuality and self-efficiency rather than collectivism.

As such, managers should consider adopting a start-up culture where employees are given the freedom to work independently while still being part of a wider team. Adopting a flat hierarchy structure, or even holocratic principles, can also act as a means to enrich their company's culture. Meanwhile, endorsing transparency across the organisation will result in the creation of an open channel of communication with employees.

Workplace discrimination remains prevalent, with more than half of employees surveyed feeling discriminated against by their boss and colleagues.

**4 out of 5** of those who felt discriminated by their boss because of their gender were women.

Safe workplace environments are an elemental aspect of job fulfilment and employee satisfaction. With approximately half of our respondents having revealed that they felt discriminated against by their boss and colleagues it's evident that companies and organisations still have a long way ahead of them.

What's even more eye-opening about these statistics is that the majority of those who felt discriminated against by their boss were women.

Beyond employee retention rates, there are several legal considerations intertwined with this issue. Without concrete measures in place, this phenomenon will remain prevalent in the modern workplace. So, the question remains: what are companies doing to combat this issue?

People feel that **HR** is primarily there to serve management or that its presence and impact is minimal.

Another interesting observation is that people have mixed perceptions on what the role of HR entails. While their duties and responsibilities vary across most organisations, there are also instances where HR is non-existent. Moreover, even where there is a HR department in place, their influence and impact remain minimal.

Meanwhile, an overwhelming majority of respondents seem to share the common view that HR exists to assist management rather than to ensure employee welfare. This reveals a concerning dichotomy within the modern workplace, placing employees in opposition with HR and their superiors and creating a hostile work environment. To tackle these issues, companies must first clarify the role and responsibility of their HR department. It's essential that staff is made aware of these duties and responsibilities, and that there's a structure in place that will make HR more approachable and accessible to employees. It's also important for HR to redefine its place within the company and resume its role as an unbiased intermediary between employees and management.

### **Overall Sentiment**

In today's ever-evolving job market, companies must go above and beyond to retain their top talent. Indeed, with job opportunities becoming more accessible in the internet age, employee turnover rates are likely to increase further as companies continue to compete for the acquisition of the best and brightest professionals on the market.

While our survey addressed some of the most likely reasons that cause employees to quit their jobs, other factors must be taken into consideration as well. For example, ease of travel and the desire to move abroad could play a part in someone's decision to take a new position elsewhere. Other circumstantial factors such as change of familial status and health issues could also affect workers' decisions to resign.

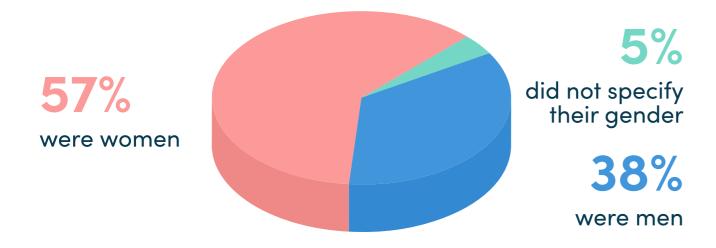
Additionally, and especially in the case of younger generations, company culture plays an increasingly important role in their career decisions. Consequently, younger workers are not only interested in a good salary but also fun and welcoming working environments that foster meaningful and innovative work.

# 8

#### **AUDIENCE**

The CareerAddict Employee Turnover Survey was conducted on careeraddict.com between November and December 2019. The data collected (n=824) reflects the opinion's of CareerAddict's global audience.

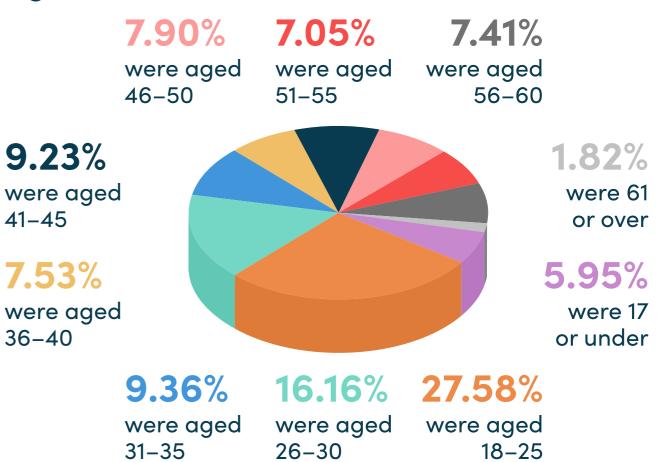
#### Gender



Since high employee turnover is a global phenomenon and not restricted to a particular geographical location, and because employee retention is a top priority for modern organisations worldwide, we decided to allow access to this survey to demographics across all geographical locations.

\* 5% of respondents chose not to disclose their gender, which is why totals across the whole report may not equal 100%.

### Age





#### **ABOUT CAREERADDICT**

# We Help You Kickstart and Advance Your Career

CareerAddict is an award-winning online career resource which, since launching in 2013, is focused on improving the career and employment prospects of 12 million annual readers.

We do this by providing jobseekers, students, workers and employers all over the world with all the necessary tools, information and resources they need to achieve all their professional aspirations.

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