

What made 50.5 million people quit their jobs in 2022???



The lyrics of Beyoncé's track, 'I Quit My Job' did not inspire the spate of 50.5 million resignations in America, in 2022, although there was quite a storm on Social Media about people handing in their papers, soon after the song was released. All the same, the song was quite indicative of the times.

2022 witnessed a historic wave of voluntary job departures, dubbed the Great Resignation, the Great Attrition, or the Big Quit. It affected various industries and sectors across the world.

According to the U.S. Bureau of Labour Statistics, about 50.5 million people quit their jobs in 2022 in America alone, surpassing its record of 47.8 million in 2021.

In the UK, between October and December 2022, there were as many as 1,161,000 job vacancies. A similar trend was noticed in France and Australia. In Japan, almost 900,000 jobs remained unfilled.

A McKinsey survey conducted across six countries in mid-2022 indicated that 40% of workers were dissatisfied with their jobs and were ready to quit. This percentage, in India, was over 66%.

The good news and the bad news

The heartening part of this en masse resignation was that not everyone who quit became jobless. More than half of those who quit their jobs found employment that suited their professional and personal goals better.

The worrisome part of this story is the emergence of a new phenomenon coined the Quiet Quitting.

Decoding the Great Resignation and the Quiet Quitting

To decode the terms, the Great Resignation refers to the global, voluntary, mass resignation of employees from the workforce.

Quiet Quitting, on the other hand, is about rejecting the premise that work must be the top-most priority in one's life and one reduces one's engagement to the bare minimum needed, not to get fired.

Factors that led to the present job churn

One of the major factors that triggered the Great Resignation was the COVID-19 pandemic, which disrupted normal functioning and forced many workers to rethink their priorities.

It exposed the vulnerabilities and inequalities, especially for low-income and essential workers who faced higher risks of infection, inadequate protection and insufficient compensation. Many employees experienced wage cuts, increased work hours and responsibilities, job insecurities, personal loss, burnout, stress and anxiety during and after the pandemic.

Another factor was the availability of alternative opportunities and options for workers who wanted a change in career or lifestyle. Employees also began to choose non-traditional roles such as part-time work, consultancies, gig work or entrepreneurship over traditional employment.

The pandemic accelerated the adoption of remote work, which expanded the geographic scope and flexibility of work for many employees. Remote work enabled them to save time and money on commuting. As a result, they found that they could balance their work and personal lives better.

In addition to the above, the high demand for labour in some sectors, such as technology, healthcare and e-tail, created more job openings and higher wages for workers who were willing to switch jobs.

In short, employees wanted more than the usual compensation, better job advancement incentives and more soul from the spaces where they spent the most part of their day.

Impact on industry

The Great Resignation had significant impacts on various industries and sectors that faced labour shortages and challenges in retaining and attracting talent. Of these, the most affected industries were:

Healthcare: The healthcare sector faced an extreme increase in demand due to COVID-19, but also suffered from a high turnover rate of 18% among healthcare workers who resigned due to pandemic stressors, low pay, and lack of resources.

Customer Support: The customer support sector experienced a greater demand for online services due to the pandemic, but also struggled to retain workers who quit due to low wages, poor working conditions, and high stress levels.

Education: The education sector faced not only an educator shortage but also general staffing issues in all departments of schools. Teachers and other school personnel quit due to unpredictable and sudden switches to remote learning, the high risk of coronavirus exposure, and a lack of resources.

Travel: The travel industry saw many workers not return to their jobs after being furloughed or laid off during the pandemic. Airlines faced difficulties in hiring and training new staff, resulting in flight cancellations and delays⁸.

Manufacturing: The manufacturing sector faced labour as well as supply chain disruptions caused by the pandemic. Some of the most affected manufacturing sectors were automakers, food processors, furniture makers, textile producers, and metal fabricators.

The Great Resignation and the Quiet Quitting have exposed the changing dynamics and expectations of the workforce in the post-pandemic era. It has thrown up significant challenges and opportunities for employers to adapt to present-day realities and demands of the labour market. The Great Resignation and Quiet Quitting demand that employers must understand why people quit their jobs and they ought to take adequate measures to mitigate such occurrences in the future.