Why Do Employees Quit?
The 5 Key Reasons

Employer's find it easier just to accept what most employees say in exit interviews. You know the usual answers— "more money," "better opportunity." Of course, we cannot hope to keep all our valued talent. But good employers care enough to try to understand why good people leave, especially when the departure could have been prevented.

Research reveals common denominators that employees begin to disengage and think about leaving their employers when at least one of four fundamental needs is not being met. The four fundamental needs include:

- ❑ The need for trust
- ❑ The need to have hope
- ❑ The need to feel worthy and respected
- ❑ The need to feel competent

Meeting the Needs . . .

According to the Saratoga Institute, there are five consistent reasons for why employees quit. These reasons all revolve around one or more of the fundamental needs not being met. These five reasons, and associated indicators, provide a prescriptive list of areas for you to focus your employee retention and engagement efforts. Focusing on these areas will not positively impact the organization, it will contribute to the health, development and success of each employee.

1. Insufficient coaching and feedback

Management may have a beginning, but it certainly has no end. When you have a talented employee, it's up to you to keep finding areas in which they can improve to expand their skill set. The most talented employees want feedback—more so than the less talented ones—and it's your job to keep it coming. If you don't, your best people will grow bored and complacent.

When managers are asked about their inattention to employees, they try to excuse themselves, using words such as "trust," "autonomy," and "empowerment." This is complete nonsense. Good managers manage, no matter how talented the employee. They pay attention and are constantly listening and giving feedback.

The number one cause of performance problems in 60 percent of companies is poor or insufficient feedback from supervisors. For example:

- A survey of 1,149 people at seventy-nine different companies found that manager feedback and coaching skills were consistently rated as mediocre.
- Forty-one percent of employees believe their managers have no effect whatsoever on their performance, and 14 percent said their manager actually made the job harder.
- Only 39 percent of managers said that their company is very effective at providing candid feedback.
- Only 35 percent of workers identified by their companies as highly talented feel the company tells them openly and candidly where they stand.
- It has been estimated that approximately 50 percent of the non performance problems in business occur because of the lack of feedback, and about 50 percent of what appear to be motivational problems in business are actually feedback problems.

2. **Limited Growth and Advancement Opportunities**

People no longer want to just do the same thing day in and day out for the rest of their lives. They want to feel as though they are learning and progressing in their careers. Staff expect to be trained and educated so they can build their skills and experience. They want to grow with the organization they work for and to have something to show for their years of hard work. They want variety and excitement and they want to be challenged. If a job provides no opportunity for career progression, chances are workers will quit and seek greener pastures with better opportunities elsewhere. Key organization barriers include:

- No one at the top of the organization is coordinating internal talent-management activities to create awareness of growth opportunities in all departments and units
- Fixed time-in-grade policies keep employees from advancing when they are ready.
- Job-posting processes are slow and unresponsive.
- Less-qualified employees are being hired because of manager favoritism
- Demands for long work hours limit promotional opportunities for single parents despite their sacrifice and hard work
- Stereotypes and prejudice create obstacles to career growth (gender, age, etc . . .)
- Investment in training and development is restricted to certain levels, positions, departments, or locations

- Development investment and focus is inadequate.

3. Feeling Devalued and Unrecognized

When you are treated like just a cog in the wheel and sense you are just another number, you feel dehumanized and worthless. Sometimes, employers are only concerned about profits, output, pleasing stakeholders, and productivity. These factors are certainly important for a successful business venture, but they are impossible to achieve if the people doing the work are being mistreated.

Staff are human beings. Workers are people and they need to be given dignity and motivation to be productive. The outcome is just as much about them as it is about the consumer or investor. If staff are underpaid, not provided with flexible work practices, and not given adequate benefits or a safe, healthy, and enjoyable working environment, they are likely to quit. Staff retention is underrated, and a lot of expertise is lost when experienced people are pushed out of their jobs through sheer neglect. Key systemic indicators include:

- Nonperformers are receiving the same pay increases or bonuses as valued contributors
- New recruits are making significantly more than more experienced employees in similar positions
- Valued contributor has not received informal recognition in the form of sincere expression of appreciation for contributions in the past ninety days
- Employee is a B-player—a solid contributor who may feel over-looked or taken for granted
- A valued employee has recently been passed over for promotion.!
- A valued employee works for a manager who does not express appreciation or recognition
- A valued employee works for an abusive manager
- Valued employees do not have the right tools or resources to do the job right
- Valued employees work in a cramped, noisy, messy, dirty, hot, cold, noxious, or unsafe physical environment
- Employee surveys indicate that recognition and pay practices are top concerns

4. Stress From Overwork and Work-Life Imbalance

Employees want to balance their work and personal lives in a guilt-free environment. Work-life balance looks different for each person, but they should feel supported when putting up boundaries to manage their personal life. For example, if they sense that they have to immediately respond to their manager's email or text
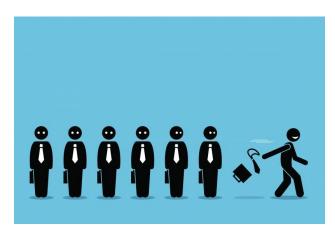
message any time of day or night, their sense of Life-Balance and healthy personal separation is broken. The level of stress caused by stress and overwork is measurable:

- 79 percent of respondents said their workload had increased as a result of the troubled economy.
- More than a quarter of workers (27 percent) said their duties had doubled.
- Among all those with extra work tasks, 51 percent said the extra work has had a negative effect on their well-being.
- 77 percent of employees feel they are burned out.
- 43 percent state that their job stress has increased recently.
- 50 percent of adults feel stressed, fatigued, irritable, or angry or lieawake at night because of stress.
- 30 percent of employees have fears of being laid off.
- The 37 percent of workers that was found to be at risk for a sleep disorder experienced more negative work outcomes, and had higher absenteeism rates than the 63 percent that did not.
- Less than 40 percent of employees feel their managers are genuinely interested in their well-being

5. **Loss of Trust and Confidence in Senior Leadership**

The most-desired leadership trait by far was "trustworthiness." Employees also mentioned leaders being isolated, remote, and unresponsive, failing to provide an inspiring vision or direction, sending mixed messages, and making too many changes in direction and poor organizational structure.

Current research suggests that building a culture of trust us what makes a meaningful difference. Employees in high trust organizations are more productive, have more energy at work, collaborate better with their colleagues, and stay with their employers longer. They also suffer less chronic stress and are happier with their lives, and these factors fuel stronger performance. To create a culture of trust and integrity that strengthens the bonds of employee engagement. While this challenge is shared by all managers and every employee, it is incumbent on senior leaders to set the tone and the example. Unfortunately, this loss of trust and confidence in leadership is a systemic issue:

- Only 38 percent agreed that senior leaders have a sincere interest in employee satisfaction and well-being.
- Only 12 percent said their leaders are extremely effective at meeting business goals.
- Only 7 percent believe their leaders are extremely effective at retaining talent.
- 82 percent believe executives help themselves at the expense of their companies
- Just 14 percent of respondents said they believe that their company's leaders are ethical and honest.
- Only 12 percent believe their employer genuinely listens to, and cares about, its employees

Meeting these employee needs in a systemic fashion will leave a legacy across the organization and in each employee's life.

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CMP is a talent and transition firm in the business of developing people and organizations across the full talent life cycle – from talent acquisition and leadership development, to organization development and career transition support.