


**Legal Implications of the
“Great Resignation”**
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“The Great Resignation”


- **4.5 Million** people left their jobs in November 2021, according to the U.S. Bureau of Labor Statistics
- **4.3 Million** people left their jobs in December 2021
- **73%** of actively employed workers are thinking about quitting their jobs, according to Jolista
- **47.4 Million** people left their jobs voluntarily in 2021 out of the 68.9 million total separations for the year



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Why are Employees Leaving?


- Among the top reasons are:
 - Low Pay
 - Lack of opportunities for advancement
 - Feeling disrespected at work
 - Burnout
 - Company going through organizational changes
 - Lack of flexibility



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Is the Grass Greener?

- According to the Pew Research Center, over half of employees who left their jobs earn more money (56%), have more opportunities for advancement (53%), have a better work life balance (53%), and have more flexibility over *when* they work (50%).



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Blame the Pandemic

- According to NPR, “the great migration to remote work in the pandemic has had a profound impact on how people think about when and where they want to work.”
- **TIME** is now the leading motivator for employees, and the pandemic gave many workers time they never thought attainable
 - **“Work has to accommodate life”** is the new mindset for the younger generation of employees

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What do Employees Want?

- Availability of remote work options
- Better compensation
- Better company reputation
- Stronger work-life balance
- Flexible work schedules



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Attracting Candidates

- **Pay Equity (AKA Pay Transparency):** South Carolina does not have a pay equity law *yet*, but one has been introduced (“The Act to Establish Pay Equity”)
 - Act would require employers to allow employees to discuss wages and to disclose the pay range for positions to job applicants *and* the employees upon request, when making a job offer and annually thereafter
 - Act would make it unlawful for an employer to take a job applicant’s pay from previous employment when making an offer of employment

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Hiring Process

- **Don't** ask about the following during interviews:
 - Age/graduation year
 - Citizenship or place of birth
 - Pregnancy, childbearing plans, or childcare arrangements
 - Medical conditions/history or family history
 - Church or place of worship
 - Financial status
 - Criminal background (may violate “ban the box” laws)
 - Salary History (may violate state or local laws)

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Retention

- Diversity, equity, and inclusion
- Flexibility
- Monetary and nonmonetary benefits
- Employee development
- Abusive supervisors

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Diversity, Equity, & Inclusion

- Diversity & inclusion are linked to better financial performance, problem solving, and customer service
 - It’s not a moral issue, it’s a morale issue
 - Could keep you out of trouble
 - It’s 2022
 - It’s the law

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Flexibility

- 2021 State of Remote Work report found 35% of employees would quit if unable to continue remote work in some form
- Hybrid work is going nowhere
 - Studies show 3 days at home and 1.5 – 2 days in the office makes for the ideal equilibrium for both productivity and the employee's happiness

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Legal Issues with Flexibility

- **Wage and Hour Issues:** off-the-clock work and overtime becomes an issue without clear policies and training for managers
 - Review overtime laws & consider tax implications



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Monetary & Nonmonetary Benefits

- **Compensation:** evaluate market rate for compensation and salary
 - Be transparent about pay and offer comparisons to competitors
 - Consider “retention bonuses” for loyal employees
- **Benefits:** look at market standards and consider implementing long-term retention incentives
 - 401(k) matches & stock options
 - Leave policies
 - Education reimbursement

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Employee Development

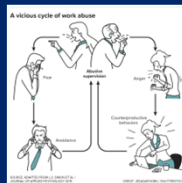
- Use regular one-on-one meetings, either in-person or virtually, to foster relationships, identify issues, learn employee's interests, and offer support
- Provide opportunities for growth and personal career development
 - Help employees develop new skills
 - Be a mentor



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Abusive Supervisors

- The Great Resignation demonstrates that employees have reduced patience and other options
- Tolerating supervisors who are viewed negatively by their subordinates will result in:
 - Higher turnover
 - Difficulty hiring replacement employees
 - Heightened risk of lawsuits



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Is “The Great Resignation” the new normal?



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Questions?

- Thank you for your time today!

