

Lessons in Workplace Flexibility From the Great Resignation



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Full transcript

Rob Parsons:

Welcome to PULSE, a Paychex HR Podcast where HR professionals find insights on today's top issues and inspiration to build and lead effective teams in a healthier workplace. I'm your host, Rob Parsons.

Rob Parsons:

Hello everyone, Rob Parsons here. And we have a great episode for you today. I'm pleased to be joined by two of our very own HR coaches, Jodi Hansen and Lindsay Mastrogiovanni. Jodi has more than 15 years of experience with Paychex HR services, and over 20 years of human resources experience in both internal HR management and external HR consultation. Her background includes a variety of HR disciplines and her career spans several industries, including financial services, retail, workers' compensation, and nonprofit organizations. Lindsay has more than 10 years of experience in HR operations, management and consulting. She's passionate about leveraging partnerships, technology and situational analysis to drive employer success in an ever-changing business landscape. She's also a humanistic leader who believes in bettering communities through small business and individual success. Jodi, Lindsay, it is so great to have both of you on the show today. Welcome to the podcast.

Lindsay Mastrogiovanni:

Thanks for having me.

Jodi Hansen:

Thanks. Excited to be here.

Rob Parsons:

So our listeners know, Jodi and Lindsay are part of a coach team that holds regular meetings to keep our team abreast of the top issues for business leaders, for HR professionals. Really, they are our feet on the street, our ears to the ground on what's going on. And today we want to talk about a topic that you both have brought up

just recently — or not recently. It's actually been a few months now — but the Great Resignation. And what I found interesting, what I loved when I heard it from you both and the rest of the team, this isn't just a meme in the media. This is something that really is happening and that you're seeing. Can you tell me what's going on out there?

Lindsay Mastrogiovanni:

Yeah, Rob. You're right, it's definitely something that's happening everywhere and it's impacting everyone; many different industries. So there's kind of different focuses, I think, that I'm sure we'll dive into a little bit here. I do though, think that it's obviously a challenge for a lot of different employers for different reasons, but I also think it's getting kind of a bad rap a little bit, because it is such a challenge. When it's called the Great Resignation, which just does kind of put this negative connotation around it, but honestly, I think it's giving employers and just our general economy consideration into changing and evolving how we actually work and what we're doing, what we're doing out there to make everybody thrive.

Jodi Hansen:

And I think what Lindsay said is interesting because it is challenging for a lot of different types of businesses. And we were looking at statistics as part of the PULSE HR survey, and I read other publications obviously, and the Bureau of Labor Statistics came out in August and said that 4.3 million people voluntarily quit their jobs. I mean, that's a huge number. And when we look at the trends and the data, it shows that this kind of started to spike back in April and then it dipped a little bit, and now it's just been on a steady incline since then. So, this is not something that's going away. It's something that employers are going to have to deal with.

Rob Parsons:

It's interesting you say that, Jodi. It feels like this is not a symptom of some of the other issues that we've been going through the past year and a half, that this was a trend that started before the great interruption, so to speak, that labor market was tight and we were seeing challenges in different regions of the country, in different industries. Can you speak to that a little bit?

Jodi Hansen:

So I think that where we're seeing a lot of challenges with respect to retention are industries where there are typically lower pay ranges to start with, the more entry level positions. Jobs that are maybe a little more physically demanding, or scheduling challenges, so things like retail and restaurants and hospitality and construction; you know, outside, physical labor type jobs. And I think the other place that we're really seeing some concerning trends are in the healthcare industry. And not only is that due a little bit in part, I think, or maybe a lot in part, to the burnout that healthcare workers are feeling, but I think it also is kind of indicative of some of the thoughts and feelings around the vaccine mandate. And there are a lot of employees who support that and who have already been vaccinated, but then there are a lot of employees who do not support it and do not want to be vaccinated. So they are, just by necessity, starting to look for other roles in different organizations where that vaccine mandate is not going to impact them.

Lindsay Mastrogiovanni:

Yeah. Jodi, I agree with you and it's a personal issue for a lot of people. And it's reflected back to that work environment that they're in, which I think is why we're seeing a little bit of a difference in the different industries. And there's a few different things that go into the resignation and how employers are dealing with that, and it could be on the front or the back end. So, it could be on how they're actually working to recruit those employees, it could be on how they're working to retain them and what happens when we do have this turnover. So I think for different industries, there is different considerations to take into account there.

Lindsay Mastrogiovanni:

I know with the PULSE of HR survey, we found out that in IT, most of their struggle was more surrounding issuing benefits and how to actually get in new hires, how to actually attract them to their workplace. And with industries more geared towards the financial services, their struggles are keeping up on technology. So, where

in the IT space, that's not as big of an issue. So there's just really, depending on your circumstances, there's different problems, concerns, issues, considerations to take into account.

Rob Parsons:

We had a great guest a few weeks back, Stacey Gordon, and she felt the word "resignation," the Great Resignation, was a little condescending, that it was putting the onus on employees. It's like, "Oh, the labor force is doing the wrong thing and they're being bad." And she thought maybe we should call it the Great Reevaluation, that people are thinking about what they want out of their professional lives, out of their work lives, and that we should be putting more of the burden on employers. What are employers getting wrong right now? What are they doing wrong? I assume they're sticking with old methods and old ways, and they're being faced with some new realities.

Lindsay Mastrogiovanni:

Yeah, for sure. I think the major keyword that we keep hearing in regards to "what can we do as an employer?" is flexibility, and that includes a lot of things. You cannot continue doing business the way that you used to do business and expect it to keep going the way you thought it was going to go. So really being flexible, especially with scheduling, with building in a system that allows an employee to work from wherever and whenever they can get that work done. In a general reevaluation, like you said, that reevaluating word, to really determine what does productivity look like? If the last two years have taught us anything it's that our understanding of productivity might be a little bit different than we thought. Largely, we found in talking with our clients, that employees in some circumstances are actually more productive as they've worked from home, and they've been able to reevaluate that work-life balance. And that's not how some management teams or leadership teams are used to operating.

Lindsay Mastrogiovanni:

So, it's not so much a ... I mean, it's definitely a policy consideration; what policies are we putting in place and how can we kind of draw boundaries, expectation parameters around those things? But it's also a reevaluation for leadership to understand that productivity can actually occur, it's just not in the traditional way that they are used to.

Jodi Hansen:

And I think when Lindsay talks about productivity, that's a very interesting concept. And I think it's also kind of interesting that there was this, I think there was this assumption by employers that when things started to open back up, people were just going to flood the workforce, right? Because there had been reductions in force and layoffs and companies closing, and I think employers assumed people are going to be clamoring for any job they can get. And what we've really seen is that there's been a paradigm shift, and the power is no longer with employers, it's with employees. So, employees have really started to, as you indicated, Rob, reevaluate what's important. And they started to realize, "I don't need to take this minimum wage job. I don't need to put up with an employer that doesn't value me and doesn't appreciate me. And I don't need to work for a company that doesn't offer me any benefits or offer me any flexibility, or understand that I have a life outside of work."

Jodi Hansen:

So, what we've really started to see is that employees are now driving those decisions, whereas before it was employers. And I think it's a great reevaluation but it's also a great migration, because people have started to realize, "I don't have to stay where I was. I can look at other opportunities. Employers need workers, so even if I don't necessarily have a lot of experience in this area, they're willing to train." So, it's offering people a lot more opportunities than before the pandemic.

Rob Parsons:

I love that. I'm really getting tired of seeing "now hiring" signs on the road, assuming that because I have a job, everybody's going to come. It's going to take more than that, I believe. And as you hinted at there, Jodi, some people are getting it right. Some employers aren't having any troubles at all. I know there's no one silver bullet, but what are those employers getting right, where they aren't having difficulty?

Jodi Hansen:

I mean, I think every business, as you kind of indicated, is going to have its own challenges, but I think that the businesses that are really succeeding are the ones that realize that the status quo isn't necessarily the right answer for their business. So, they found themselves needing to be more creative, needing to be more flexible, realizing that telework opportunities and work from home and work-life balance are going to be important for this new workforce. And when we talk about generational differences, it's really interesting; what's important for Baby Boomers and Gen Xers is not the same as what's important for Gen Z, Millennials, folks that are new to the workforce. So, employers who are able to adapt and who are able to recognize that these changes are needed, and embrace them versus digging their heels, I think they are the ones that are starting to see more success.

Jodi Hansen:

They're also listening to the employees and they're listening to the candidates that they're speaking with, and they're giving them suggestions and ideas about ways that they can make their work-life balance better, ways that they can make their benefit packages better. And companies that are willing to listen are the ones who are going to start seeing those successes.

Rob Parsons:

Yeah. I love that. I love that idea of listening. There's so much to actually considering it a two-way street and a two-way conversation. Lindsay, is there something around culture? We talked about flexibility. Those are very tangible things. Are we seeing people also seeking out joy, dare I say, at work? And meaning? And something more than just a job? Are there things happening there, too?

Lindsay Mastrogiovanni:

It's a really great point, Rob, and yes, I think so. I think that's a very large draw for people making the decision to leave when they see another culture that is potentially a better fit for them. Previous to COVID, I think that we started to see kind of this more, this lean towards a better culture; an appreciation for that, I should say. So, I think we already kind of were getting that started and this just tipped the scales, and people had reevaluated and said, "On top of working ... I need to work. I need make a living, but there's all these places out there that actually appreciate me and my ideas as an employee. And I'd like to use those skills, get work done, and actually feel motivated and positive at the end of the day." There's so much going on in our personal lives that is negative or is difficult, that sometimes work is a reprieve. And I think a lot of employers, the successful ones, really embraced that idea and realized that this can be a safe haven while we are at work.

Lindsay Mastrogiovanni:

So, going back to what makes businesses more successful or what's making them more successful, is that lean into an appropriate culture. And something I am always very specific about when we talk about building culture is, it's not always the idea of the foosball table or the free lunches. Culture is going to be very specific to each business and each leadership team and what type of culture they want to cultivate. Coming along with that is the ability to build a really good hiring profile, to be able to see, okay, what type of human beings, what type of employees, are going to be successful in the culture that we want to build? So, at the same time that people are craving talent and looking for talent, they have to be very cognizant of what specific type of talent they're bringing through the door in order to maintain the retention that they're looking for, and the satisfaction as they continue on with their employee life cycle.

Rob Parsons:

I like that you brought up hiring, that idea that you've also got to bring in the right people. I'm a Buffalo Bills fan myself and the new coach came in and it was "the process," but it was very much about bringing in people that fit, that believed in what you were doing and wanted to be a part of it. And that probably can alleviate some of the other challenges. If I'm a healthcare provider and I'm facing very real staffing and scheduling issues, and people are getting overworked and burned out, there's got to be something else I can do. It's got to be a real challenge. Jodi, how do you help those people out who are in a tight spot and they can't just snap their fingers and make those challenges go away?

Jodi Hansen:

So, I think that what businesses can do to position themselves for success, let me put it that way. I think, kind of my tagline is “talk with your mouth,” so ask your employees what they want. Ask the folks that you’re recruiting, “What would it take to bring you on board?” Maybe you can give it, maybe you can’t, but at least that way you have the information. Are they regularly polling their employees? Are they doing surveys? Are they doing employee engagement discussions? Are they having town halls? What are they doing to understand the needs of their employees? And I think the other place that businesses can be successful — or position themselves for success, rather — is make sure that the leadership understands the goal and that they have bought in, and that they are living and breathing and talking about those goals and infusing them into their discussions. That they are making them part of their quote, unquote, “blue chips.”

Jodi Hansen:

That they understand these are the things that we are striving to achieve, this is what we need to do to get there. And we need to continue living those values and that vision, and ensure that it is communicated well to the workforce. So I mean, there are lots of things that they could do, I guess, on a more granular level. But again, as Lindsay indicated, that’s going to depend on the industry. It’s going to depend on their budget. It’s going to depend on their culture. It’s going to depend on whether they have tried something in the past and it hasn’t worked. Are they willing to make adjustments and try it again, or do they want something brand new? Do they even have the internal talent necessary to execute on some of these types of initiatives? And if they don’t, who do they need to bring into their organization to make that happen?

Jodi Hansen:

Maybe it’s an internal hire, or a direct hire, rather, or maybe it’s, “We need a consultant. We need somebody who actually specializes in this to help us get it up and going.” So, I think that they shouldn’t rule out any possibilities for making sure that they have the talent necessary to execute on those initiatives.

Rob Parsons:

Lindsay, anything to add to that?

Lindsay Mastrogiovanni:

Yeah. I was just, I was going to add — Jodi said it too — just a selfish plug for hiring an HR consultant. It’s a new focus. And we say to our business owners all the time, “You are an expert at what you do. This is why you started a business, that’s why you have a business. But sometimes we need that extra help in managing people. It’s not always everybody’s forte.” And right now what we’re finding, more so than ever, is the needed focus on people. It’s not just a feel-good thing anymore. It’s a necessity to actually surviving as a business. It’s really an opportunity to be able to partner with the right people, to be able to really connect with your workforce, understand what their needs are, and ultimately make your business more successful now, just for this period that we’re kind of struggling with, but really building that solid base for the ability to grow.

Lindsay Mastrogiovanni:

I think that’s what kind of the positive outlook is here. If you’re able to position yourself, like Jodi said, you’re going to be ahead of the curve. So, a lot of businesses might not make it through this necessarily, if they’re not making these changes. So, if you do want to thrive right now, I think that potential is there, it’s just going to require a lot of creativity, like Jodi said, and being creative, connecting with the right creative people. That’s really... flexibility, creativity; I think that’s going to be paramount to success.

Rob Parsons:

I love that. That’s a great finishing touch there, Lindsay. For every person that leaves, somebody else is gaining a great employee or a great talent, because their positioned to take advantage of that. So, for everyone that’s suffering from this, there are other companies that are ahead of the curve that are paying attention. They’re being creative, they’re listening, they’re being flexible, and they’re succeeding and winning as we battle this challenging situation. Any last thoughts or words of advice for employers before we wrap this up?

Jodi Hansen:

Don't be afraid of change.

Rob Parsons:

Mm.

Jodi Hansen:

You need to lean in. You need to embrace it. I don't think that this COVID-19 is going anywhere, so I think employers are going to have to live with this new normal, and it's going to be important for them to understand that business as usual is going to look a little bit differently moving forward.

Lindsay Mastrogiovanni:

Might want to invest in some David Bowie posters to throw up to remind you: changes.

Rob Parsons:

Ch-ch-ch-changes. No question. That's fantastic. Jodi, Lindsay, thank you so much for joining the podcast today.

Lindsay Mastrogiovanni:

Thanks for having me.

Rob Parsons:

These were great insights as always, and I really look forward to having you join again to discuss the next big issue that I'm sure we're going to be facing in the coming months and quarters ahead. And thank you to our listeners. We'd love for you to tell us what you want from this podcast. Please visit Paychex ... or, I'm sorry. payx.me/pulsetopics to submit guest and topic ideas. That's P-A-Y-X dot M-E slash pulse topics. Thank you all, and please stay happy and healthy.

Announcer:

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