

# What pushes employees to leave

Learn how your health plan can boost retention and recruitment



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# Keep your employees by keeping up with the times.

Recruiting and retaining employees has always required a multi-layered approach, bringing together components like compensation, cultural fit, promotion opportunities, and health benefits. But, given the concerns and trends of the current employment scene, what once worked well is sputtering for many organizations right now.

Employee outlook and emotional health factors are creating new challenges that require a fresh perspective for employers who not only want to stay competitive, but also thrive when it comes to attracting and retaining the best talent.

Your health plan can play a major role in this effort, but only if it's used strategically, and with awareness of the issues in the current employment environment. Here's a look at what employees are facing, why it puts employers in a difficult pivot point, and how health benefits can provide both direct and indirect advantages when it comes to empowering your workforce and attracting top candidates.

# Lessons from the Big Quit

Part of the turbulence from the past couple of years has been the Great Resignation, sometimes called the Great Reshuffle, the Great Reset, or the Big Quit.

Although the rate at which employees were voluntarily leaving jobs was low at the beginning of the Covid-19 pandemic, that rate increased dramatically by March 2021, prompting analysis about why so many employees decided to leave their jobs—especially when many didn't have other positions lined up before they left. Since then, surveys have provided some valuable clues as to why the Big Quit happened.

#### Why employees are quitting

There's rarely one single reason that causes significant employee departures, but there can be a dominant factor that employers may not be seeing.

For example, Pew Research found that employees who left cited reasons such as:

- Pay was too low
- No opportunities for advancement
- Felt disrespected at work
- Childcare issues

- · Lack of flexibility
- · Wanted to relocate
- Working too many or too few hours

Also notable: 43% of those surveyed by Pew left their jobs due to a perception that their benefits were not good enough, and a significant part of that is health benefits.

Those findings are backed up by other research as well. According to a LinkedIn survey. these factors have become bigger priorities for workers since the pandemic began:

50% want more flexibility in their hours and/or location

are looking for more benefit such as mental healthcare are looking for more benefits and increased PTO

45% care more now about their work/life balance

36% want more flexibility in their hours and/or location

#### What drives employee unhappiness

Stress and a deeper understanding of its effects may play a role in why employees decide to quit their jobs. It's not surprising, considering that research firm Gallup, in a 2022 report, found that workplace stress and sadness have reached historic levels.

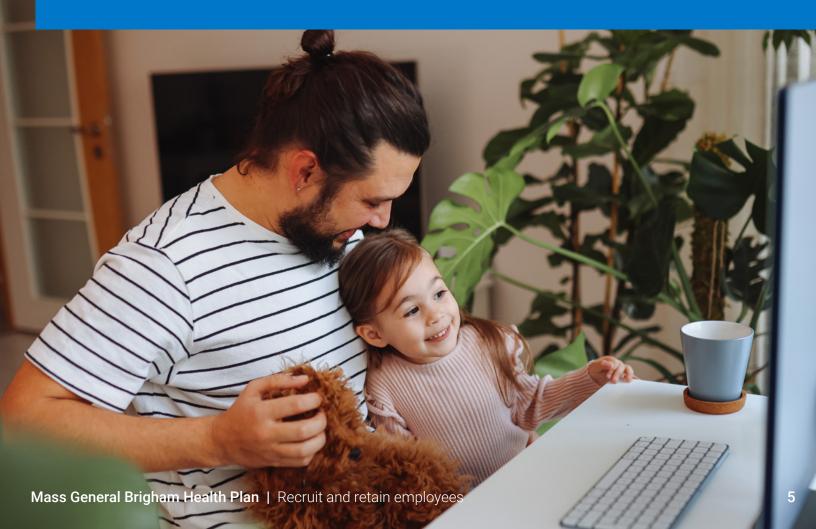
In Gallup's <u>Global Emotions Report</u>, the firm found that a record 41% of people experience high levels of daily stress. Although factors like poverty, hunger, loneliness, and weak social connections are notable, another variable in the report is "lack of good work."

That means a key contributor to unhappiness and unwellness is dissatisfaction either with a current position or with potential employment options. The effect? Plenty of contemplation by employees that employers need to understand.



#### The big takeaway from the Big Quit

Compensation still matters, and it always will, but if that's your only form of retention and recruitment, you may be facing major challenges in recruiting and retaining employees now and in the years to come.



# From resignation to reflection

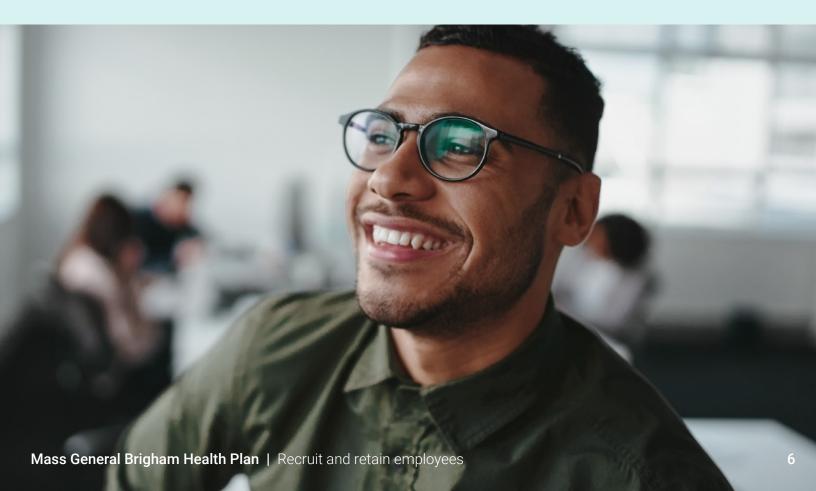
Awareness about the breadth of job openings now available, coupled with ample stress, is causing many people to redefine their approach to work. This is a new phase that's been called the Great Reflection, where employees are thinking deeply about what they genuinely want from a career and from an employer.

According to <u>research done by LumApps</u>, a workforce platform developer, employee experience has made a profound shift within just the past year, as people consider factors such as:

- · Alignment with their values
- · Emphasis on corporate responsibility
- Supported work/life balance
- · Schedule flexibility

- Action on diversity, equity, and inclusion
- Competitive compensation

LumApps notes that one place where the employee journey and value alignment connect is with benefits, which is a major part of happiness at work. A cookie-cutter benefits package simply won't cut it in this current employment climate, especially with the emphasis on greater reflection of employee needs. As the workforce experience shifts, benefits need to evolve as well.



# Employers in a pivot point

As employees consider more deeply what matters to them, employers are taking a closer look at the structure of their benefit offerings.

In part, that's because turnover costs are so high. Replacing workers requires <u>up to two</u> <u>times the employee's annual salary</u> in some cases—which has led multiple industries to offer <u>higher wages</u>, <u>bonuses</u>, <u>and signing bonuses</u> just to fill open positions and keep their current workforce. That means strategic retention is paramount, in addition to savvy recruiting practices.

#### What makes employees stay

With so many tempting offers floating around every industry, why would an employee stay with you as an employer, rather than take a chance that might offer better compensation and opportunities?

#### Some clues are <u>available from the Society for Human Resource Management</u> (SHRM):

- Respectful treatment of all employees at all levels
- Compensation and benefits
- Trust between employees and senior management
- Job security
- Opportunities to use their skills and abilities at work

SHRM suggests that all of these contribute to an organization's productivity and overall business performance, particularly since they keep employees motivated and focused.



#### **Key recruiting messages**

In addition to focusing on better retention, being able to attract the best and brightest in your industry will always be a top driver for growth within an organization. That's why knowing what candidates really want is crucial.



#### 6 biggest factors for employees considering a new job

In another recent <u>Gallup poll</u> looking at what U.S. employees say is most important to them when deciding whether to accept a job offer by a new employer, these were the biggest considerations:



#### A significant increase in income and benefits

This includes not just wages, but also meaningful compensation in the form of performance bonuses, as well as comprehensive health benefits that cover all aspects of care like mental health.



#### More opportunities for better personal well-being

This is where work-life balance comes into play, as well as an emphasis on preventing burnout and offering flexibility in terms of work schedules and responsibilities.



#### Work that is enjoyable, stimulating, and uses employee strengths

People want the opportunity to explore their natural gifts and skills, and employers can benefit greatly from helping them do that given it encourages a more engaged and productive workforce.



#### Greater stability and job security

The Gallup poll notes that this aspect has remained unchanged for nearly a decade, since the feeling of employer stability is essential for maintaining employee loyalty; when employees feel like their jobs or their organizations are in flux, they're more likely to look elsewhere for employment.



#### Covid-19 vaccination policies that align with candidate beliefs

Most likely, this poll aspect will change as vaccination mandates are dropped, but the sentiment that employees want to work at a place that aligns with their values is a deep-rooted one.



#### Policies and practices that support diversity and inclusion

This is the first year that Gallup has offered this option for survey respondents, and nearly half ranked it in the top 10 for priorities, emphasizing that employees are seeking more equitable and inclusive workplaces.

#### Your health plan can be a driver for engagement and recruitment.

The report noted that employers must ultimately sell their employee value proposition to potential job candidates. While pay is top of mind, candidates aren't just focused on pay vs. everything else — compensation is intertwined with growth, development, reward, and recognition.

In its recommendations based on findings, Gallup suggests improving pay conversations and assessing candidate experience, as well as reviewing what well-being really means:

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When updating your employee value proposition, it's time to put well-being up front if it's not already. Well-being (beyond mere wellness) and flexibility have risen substantially in importance to employees in recent years. Employees want to know their employer cares about them as a person and that their work is going to help them thrive rather than burn out.

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This is true not just for candidates, but across an organization, and at every level.

As numerous surveys and research reports find, benefits are one of the biggest factors when it comes to recruitment and retention. But what does that include? Although healthcare coverage in general will always be essential, there are aspects and nuances that can make a big difference.



#### Mental health coverage

With such a high level of stress, burnout, and unhappiness, mental health access is a key differentiator for employers. Candidates and employees notice when it's offered in a meaningful way.

71%

of people say it's important for prospective employers to offer mental health benefits, according to a survey by mental health provider Lyra Health.

There can be a long-term effect, considering that mental health coverage now may prevent higher levels of burnout and turnover in the future. Also, employees who feel more supported and not stigmatized for their challenges are more likely to be engaged in their work. In its report, Lyra observed that:

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Employers were already getting savvier about the need for workforce mental health support pre-pandemic, observing that providing the resources employees need not only saves money otherwise lost to costly medical and disability claims—and the productivity-killing scourge of absenteeism and presenteeism—but also could save lives.

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#### Women's health

There are numerous health issues that affect men and women in similar ways, but there are also significant differences, and not just around issues like fertility and pregnancy. For example, the <u>World Health Organization notes</u> that women are more prone to mental issues like anxiety and depression. Women are also at <u>higher risk</u> for certain types of cancers, are more likely to die following a heart attack compared to men, and are more affected by osteoarthritis.

Another issue, particularly with employees in their late 40s and early 50s (and <u>sometimes even younger</u>), is menopause and its effects. Although there are many difficult symptoms like hot flashes, emotional challenges, and sleep disruption, this is also a time when many women take time to re-evaluate their health and life, <u>according to Elektra Health</u>. Supporting employees through this transition with health benefits that emphasize comprehensive women's health coverage, and give access to practitioners who are experts in menopause care, can be crucial.

#### **Nutritional coaching and fitness reimbursements**

Although diet is one of the most important components of staying healthy and managing many chronic diseases, the fact is that most physicians receive very little nutritional training. Stanford University School of Medicine notes that during four years of medical school, most students spend fewer than 20 hours on nutrition, which is disproportionate to its health benefits for patients.

Providing some type of nutritional coaching as part of employee benefits can go a long way toward improving prevention measures for overall health. Even more powerful would be to combine this with other healthy behaviors such as increasing physical activity and lowering stress. For example, this <u>Healthier You</u> program focuses on fitness and healthy eating as a way to reduce the risk of conditions such as diabetes and heart disease, with a curriculum from the Centers for Disease Control and materials from the American Heart Association.

#### Addiction and recovery support

Helping employees through addiction is a deeply meaningful and important aspect of healthcare, and that can come in multiple ways, from creating flexible work schedules so they can attend in-person therapy sessions to enrolling them in programs that offer focused support. It's important to remember that stopping an addictive behavior is only the first step, and it can sputter without ongoing work.

Access to recovery coaches can make a huge difference, according to Barry Shelton, a peer recovery coach at Mass General Brigham Health Plan, who says:



As a peer recovery coach, I wear a lot of different hats. I tell people that I'm a personal guide, a motivator, a resource broker, and an advocate. I find a lot of the job is advocating for people who seek recovery—and then—advocating for recovery and the movement itself.



He adds that coaches can also connect members with resources that can support all aspects of health, such as medical care managers, behavioral health professionals, nutritionists, and social workers. That type of team-based approach can help employees be more successful in moving past their addictions and into long-term recovery.

#### **Gender affirming care**

According to <u>Columbia University</u>, gender affirming care saves lives. Research indicates that this type of medical and psychosocial healthcare greatly improves the mental health and overall well-being for those who need it.

Also, even employees who don't require this care are likely to appreciate that it's offered, since the Gallup poll noted how important diversity, equity, and inclusion was for respondents. Support for gender identity is part of that effort.

With a <u>gender affirmation care management program</u>, employees can have access to experts on physical, emotional, and social wellness who can help them navigate through their gender journey. Care managers can assist with finding in-network specialists that offer gender affirmation services, as well as collaborate with primary care providers, community organizations, social service agencies and others to develop tailored plans for those with complex healthcare needs.

#### Virtual care management

The Covid pandemic caused many providers to pivot toward technology as a way to care for patients, and that boom in telehealth has made both doctors and patients more comfortable with virtual options. That includes everything from virtual checkups to accessing lab results online to participating in programs that lower the risk of chronic conditions.

For example, a program for those at high risk for developing type 2 diabetes, <u>Path to Lifestyle Change</u>, is delivered remotely and provides education on nutrition, physical activity, and behavioral strategies. Linda Delahanty, the Director of Nutrition and Behavioral Research at The Massachusetts General Hospital Diabetes Center on the Path to Lifestyle Change program says:



Participants in the program have reported that they feel more selfconfident in their ability to lose weight and keep it off. Many have reported that their blood glucose levels have returned to normal.



Programs like these, which can be accessed anytime, anywhere, give employees a feeling of more encouragement in whatever challenges they might be trying to overcome.

# Meaningful support = meaningful results

Being able to recruit more effectively can be a boon for any organization, but strong benefits go beyond filling those open positions — they can be the foundation for a healthier, happier workforce.

#### Top 5 business priorities influenced by health

The result of that is often higher levels of employee-driven outcomes, according to <u>survey results</u> from the nonprofit Health Enhancement Research Organization. Based on insights from more than 500 business leaders from across the U.S., from a variety of industries and company sizes, the survey found that most respondents view health as an investment in human capital or as part of an organization's core business strategy. Respondents cited these as the top priorities influenced by health:

- 1 Productivity
- 2 Performance
- 3 Employee engagement or morale
- 4 Benefits cost reduction
- 5 Safety

#### Closer look at top 3 benefits of providing strong health benefits

Each of these categories comes with considerable advantages across a breadth of variables, including company growth, delivery of strategic initiatives and reputation.



#### Performance

When employees start maximizing sick days, take time off without warning, leave early and come in late, that's absenteeism. The <u>Centers for Disease Control estimates</u> that productivity losses linked to absenteeism cost employers \$225 billion annually.



### Productivity

Presenteeism is another concern, and happens when employees are at work but not performing up to standards or they're doing the minimum. Although a certain level of presenteeism may be the result of illness or injury, some research shows a clear relationship between presenteeism and health, particularly depression.

In <u>one study</u> of employees at a large financial services firm, workers with depression were far more likely to struggle with time management, mental functioning, and interpersonal communication, and had lower work output overall. Being able to support health, including mental health, can provide a direct effect on productivity and performance, which lower rates of absenteeism and presenteeism.



### Employee engagement or morale

The <u>Society for Human Resource Management (SHRM) notes</u> that the term "employee engagement" relates to the level of an employee's commitment and connection to an organization. SHRM reports that high levels of engagement have a significant ripple effect, including higher customer loyalty levels.

According to a <u>meta-analysis of 1.4 million employees</u> conducted by the Gallup Organization, organizations with a high level of engagement report 22% higher productivity than those with lower engagement.

As the Great Reflection continues, coupled with very low unemployment rates, look for employee engagement to gain even more traction. Engagement drives retention, and having a benefits mix that increases that connection can set you as an employer apart from the competition — especially if they're aggressively trying to poach your employees.

## The bottom line?

Every component of your recruitment and retention strategy matters, and they work together to provide employees with the deeper sense of commitment they're seeking. Your health plan can play a significant role in setting your organization apart, and providing long-term stability through the turbulent employment and economic waves. Providing strong health benefits allows you to not just survive the Big Quit, the Great Reflection, and what awaits beyond, but to thrive and build organizational success.





 ${\bf Mass General Brigham Health Plan. org}$