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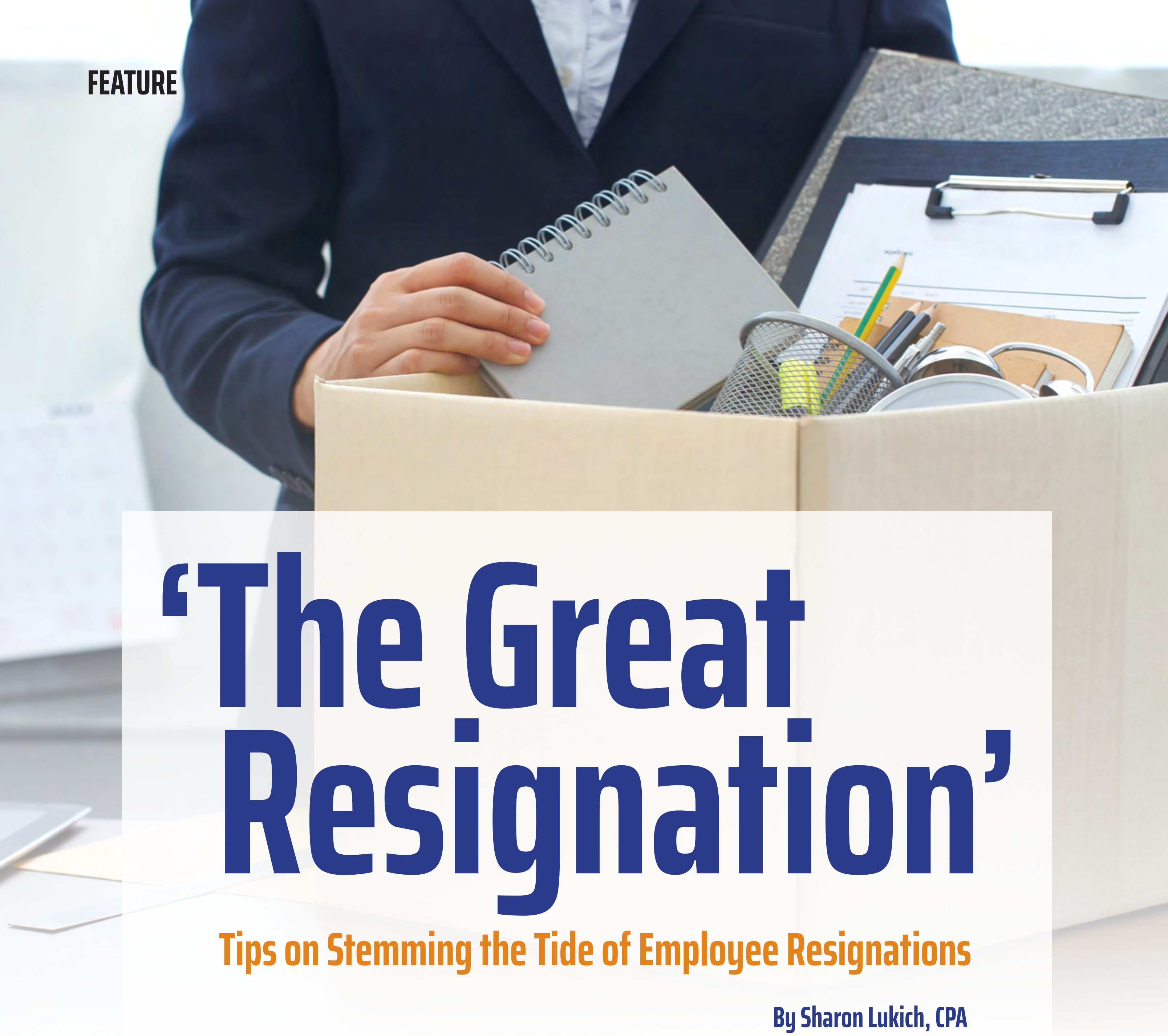

'The Great Resignation'

Tips on Stemming the Tide of Employee Resignations

By Sharon Lukich, CPA

Where did everyone go? "The Great Resignation," "The Big Quit," whatever you want to call it, everyone has experienced it. All through 2021 and 2022, Americans have been quitting their jobs at an unprecedented rate.

According to the U.S. Bureau of Labor Statistics (BLS), an estimated 4.3 million people, 3% of all workers, quit their jobs in December 2021. From high-level executives to mid-level managers to entry level grads, "The Big Quit" has spared no one.

What's the result? A surge in hiring. Businesses need to become proactive, if they haven't already, in the area of their most important asset: their people.

So why are people quitting by the millions? Research shows that:

66% of employees who are looking for jobs outside of their organization say they're looking for better opportunities.

54% of workers feel current employers don't take their aspirations into account enough.

43% of workers say they're simply burned out.

74% of highly skilled workers feel there are better or more opportunities elsewhere.

What this research shows is that the "quit" is not just ONE thing. It's certainly not just about the desire for flexibility to work from home. The studies show that it's a combination of things. During the shutdown, we all had to deal with things that were different and we had to adapt with little to no warning. As a result, things have changed and they have changed forever.

Parents with young children suddenly had little to no childcare options available, but were expected to continue to perform at work. Many were working on their laptops at a make-shift desk consisting of an empty Amazon box propped up on the ironing board. Internet connections were spotty and Zoom was clunky. To make matters worse, professionals with young children suddenly had to juggle their own work while keeping their children focused and on-task with their schoolwork. Young professionals with no children to manage were suddenly stuck inside with little to no socialization with their peers.

It's no wonder that many people began to be reflective and consider their situations and what was and was not important to them. As a result, professionals have retired or started their own businesses and many two-parent households made a conscious decision for one of them to quit their job and stay home with the kids.

However, there are things that firms and companies can do to stem the tide of the Great Resignation.

1. Start off on the right foot.

Part of keeping people is a great on-boarding experience and that starts on day 1. It doesn't have to come with gobs of company swag, but with intention and demonstrated readiness. Is their computer ready? Do they have access to all of the systems they need to do their job? Does their team know they are coming and know a little bit about them?

Hopefully, some of the members of the team were involved in the interview process and if so, they will be vested in seeing the new employee succeed. Next would be a check-up meeting at the 30-day and 60-day mark – how are things going?

2. Really listen to your employees.

Everyone says this, but what can you really do about it? How about considering implementing a stay interview versus an exit interview – why wait until an employee leaves and it's too late? A stay interview should be conducted by an employee's supervisor and include a variety of questions. Ideally, the first stay interview would be conducted around the 90-day mark.

A stay interview should include a variety of questions. What do you look forward to each day when you come to work? What are you learning here and what do you want to learn? Why do you stay here? Have you ever thought about leaving and what prompted it? What can I do to make your job better?

3. Career pathing.

Employees want to know how they fit into the plans of the organization and how their aspirations align with where it is headed. Quarterly "state of the organization" meetings where past results and future goals are communicated keep employees informed and involved. When employers don't share results and future plans, employees are left to make assumptions on their own and we all know what we get when we assume.

4. Leadership training.

Whether it's for current managers or future leaders, leadership training is critical. We all took classes in accounting, financial statements and tax in college, but how many classes did we take that taught us how to lead and inspire people? Just because we are good auditors, tax professionals and corporate professionals, for example, doesn't necessarily make us good leaders. Investing in leadership training for your employees is good for the organization, the employee and the business.

It can be a challenge to shift your mindset and resources to investing in your employees in ways you haven't in the past. However, the employee experience you create and the culture that you promote can lead to resignation or retention. The choice is yours.

About the Author: Sharon Lukich, CPA, has been with Thomas, Edwards Group since 2001. In addition to being a partner with the firm, she helps direct the firm's business development efforts. She earned a BS in Accounting from the University of North Texas and is a licensed CPA in the state of Texas. She serves on the board of TXCPA and is the immediate past chair for TXCPA Dallas.

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The Great Resignation Survival Guide

Five Best Practices for Accounting Firms Facing Severe and Unique Challenges

By Lee Frederiksen, Ph.D.

Pundits call it the "Great Resignation" and professional services firms are among the hardest hit. The response to the pandemic and resulting shutdowns brought into clear focus ideas on work-life balance, remote work and the benefit of a shared cultural fit. Not all organizations have recognized this swing, but they are feeling the effects of it.

Accounting firms are acutely at risk during this time. Hinge's Employee Branding Study, conducted after the pandemic's onset, offers insights that will help your firm during this time of shifting landscapes and priorities.

To attract and retain top talent, accounting firms must rethink their employee engagement strategy. Now more than ever, a highly visible and robust employer brand will help you attract top talent.

Risks to CPA Firms During "The Great Resignation"

A growing shortage of CPAs has been brewing for more than a decade. Many Baby Boomers are leaving the workforce now that they have reached retirement age. At the same time, fewer young people are interested in becoming CPAs, leaving many firms with a small pool of qualified candidates. It's a perfect storm for accounting and tax firms.

Many young adults have grown up hearing stories of financial scandals and abuses, which doesn't fit their search for meaningful work and purpose. These young adults also fear senior leadership will overlook their accomplishments or potential because of their age.

This is a daunting challenge for accounting firms. Still, predictive patterns can help us recognize when the risk is most significant for losing star employees – and point to possible solutions.

Risk Factor One: Mergers and Acquisitions

Almost 40% of surveyed accounting and tax firms in the United States had a merger or acquisition in the last three years, the highest rate among professional service firms.[i] Mergers and acquisitions have become a popular way for CPA firms to find the talent and services they need to grow their bottom line. Yet, how a firm handles a merger can directly impact employee satisfaction and retention.

Of those surveyed, 24% in the accounting profession had a negative experience with a merger or acquisition. In our study, 69% of respondents cited a lack of a formal integration plan as the strongest driver of employee dissatisfaction. These individuals also called out a need for someone to oversee the merger (38%) and for clear communication with employees throughout the merger process (38%).

Employees whose firms have been acquired are at an increased risk of leaving. More than 40% of passive seekers – those who are not actively seeking jobs but are open to new opportunities – are more likely to seek employment at a new organization after an acquisition.

What Drives Job Seekers

Hinge Research Institute's Employer Branding Study: Second Edition was conducted during unusual times, but the principles for thriving during The Great Resignation are universal.

Now is the time to rethink your retention and recruiting strategy. Start by considering the factors

Risk Factor Two: Pandemic Response

At the onset of the pandemic, organizations worldwide had to come to grips with a new workplace "normal." Our study uncovered that virtually all active job seekers were dissatisfied with how their firms handled COVID-19, while most non-job seekers (66%) were happy with their firm's plans and communication.

For accounting firms, less than half of all respondents were highly satisfied with their employer's response to COVID-19. Forward-looking organizations actively planned for life after the pandemic, with contingency plans and open dialogue to understand their employees' fears and priorities.

that tip the scale for employees. While competitive salaries are the leading factor for employees looking for a job, there are other factors your firm should also consider.

In the Employer Branding Study, factors apart from pay that tipped the scale for job seekers were:

- A clear vision for the future and strong leadership,
- The team they will work with directly, and
- Good cultural fit and shared values.

Now that you have an idea of what candidates are looking for, it's essential to ensure your organization is visible to top accounting talent.

Five Best Practices for Building a Highly Visible, Robust Employer Brand

Your employer brand is your reputation as a workplace or employer, and it is essential to your recruitment and retention efforts. A successful brand sets your firm apart from competitors. It clearly articulates the vision and culture of your organization, which helps attract qualified candidates at all levels. There are five things to consider when putting together an employer branding strategy.

1. Take your business model into account.

Different models require different workforce profiles. Aligning the employer brand with business strategy will help you obtain management support for the branding effort.

2. Make your strategy visible and easy to understand.

A brand with key features that are hard to identify, let alone articulate, presents challenges to internal and external audiences. To your team, a complex brand is difficult to implement and raises the risk that people will carry out the wrong brand – a frequent issue with professional services firms.

To the outside world, a brand that lacks online visibility doesn't exist. Add to that complexity and the brand has little chance to draw the buyers and talent a business needs to grow. Your organization's story should be told across your website, social media channels and created content, giving future employees a glimpse into your organization. Pay close attention to search engine optimization (SEO) to make sure the talent you're looking for can find you and adjust when necessary.

3. Align your employer brand strategy with your corporate brand.

If your brand stands for expertise in performance audits for government markets, your employer brand should emphasize continual talent development in areas of expertise that meet the financial and compliance improvement challenges of government agencies. Your employer brand will help you fulfill the promise of your corporate brand.

4. Take a research-driven approach.

Branding should be based on research into your current and prospective talent, as well as referral sources. This approach will show you where the gap between your current and desired reputation lies and how to close it.

5. Monitor results so you can adjust your plan and implementation as needed.

Branding and rebranding are huge investments. You need to ask yourself two questions. Did we follow the plan? Did we achieve the results we expected from it?

Building a Strong Culture and Brand

What will potential employees find out about your organization when they conduct a Google search? It's essential to know the answer.

A well-coordinated and creative plan will put your organization in front of potential employees. It will set you apart from your competitors and engage current employees who might be considering taking another job.

Potential employees will not be the only ones who notice. Building a strong culture and brand will resonate with prospects and clients as well.

About the Author: Lee W. Frederiksen, Ph.D., is managing partner at Hinge, the leading research-based branding and marketing firm for professional services. Contact her at lfrederiksen@hingemarketing.com. Hinge conducts ground-breaking research into high-growth firms and offers a complete suite of services for firms that want to become more visible and grow.

Source

[i] Hinge Research Institute. (2020). The Employer Branding Study. Reston, VA: Hinge Strategies.

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