

Emergency Exit

Preventing a talent drain in the UK workforce

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Over the past 18 months, HR teams have faced one major challenge after another. Whilst safely scaling up the return to the workplace is top of the to-do list for many of us at the moment, it may be distracting us from an even more significant threat to our business and recovery — retention.

The pandemic has forced us all to think about what really matters and that applies to our careers too. Where employers haven't impressed or are looking to reduce flexibility, people are seriously considering voting with their feet, potentially costing UK businesses billions.

People and wellbeing issues have found themselves top of the boardroom agenda throughout the Covid crisis. The scale of people looking for a change — and how easily they could be retained with the right support — is a timely reminder of why a preventative, proactive approach to your team and their wellbeing has to remain a business priority.



Vicky Walker Director of HR Westfield Health

Key findings



16 million workers plan to change jobs in the next six months, at a cost of E48.2bn to UK businesses.



62% of employees admit they've been working more hours since the start of the pandemic, totalling 8.7bn hours.



59% say mental health is driving them to change jobs.



Over half the workforce (51%) feels they're less than a month away from burnout.



83% of employees would stay if their employer made some changes.



47% of all employees consider flexibility to be more important to them than before the pandemic.

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All change please

After 18 months of uncertainty, over half the workforce is looking to change jobs.

The employee exodus

As the economy begins to recover and the country looks to leave pandemic life behind, employees are reconsidering what work might look like in their new normal.

But while leaders are focusing on recovery, they could find themselves losing their best talent as millions of workers plan to change jobs to protect their mental health. In our latest survey of 1,500 people from across the UK, we explore employee attitudes to job changing, mental health and burnout.

In the next six months, 16 million workers anticipate seeking a new role. Of these, 9.5 million (59%) say mental health is one of the main reasons for their move. This employee exodus would come at a cost of £48.2bn to UK businesses, as they seek to recruit new talent on an already volatile economic backdrop.

E48.2bn potential cost of recruitment in the next six months.

potential cost of

workers are considering a job change in the next six months

16m

What's driving the change?

After an unsettled 18 months, people are contemplating what they want from their careers in the post-pandemic world.

More than half (52%) of employees are considering changing jobs in the next six months, suggesting a widespread sense of unrest among the workforce.

For a third of employees, the move is imminent — 33% say they plan to change jobs by the end of 2021, predicting a time of instability for employers and workers alike. This exodus of 10.2m people in 2021 alone, totalling £30.6bn in recruitment costs, has the potential to derail post-pandemic recovery for businesses across the country.

Why are you considering changing jobs?



52% of workers are considering changing jobs in the next six months.

<u>****</u>



10.2 m people plan to change jobs by the end of 2021.



E30.6bn cost to businesses to recruit new talent this year.

Mental health takes priority

As the workforce looks ahead to new opportunities, career aspirations have shifted to align with people's new-found priorities, with many looking to find a better work-life balance or prioritise their health.

59%

of employees say their mental health is causing them to consider changing jobs.

Top three mental health challenges:



Career breaks for mental health

Almost one in three workers (30%) are contemplating a career break in the coming months, and wellbeing is the main motivation. Of those considering a break, 29% of people say protecting their mental health is driving their decision — the highest of any reason. More traditional motives for taking a career break, such as travelling (13%) and raising children (7%), are lower in priority.

Under pressure

As our working lives continue to adapt, extra hours and lack of support are driving employees towards burnout.





21%

of those working longer hours are

working an extra 10 hours or more,

adding the equivalent of over a full

working day to their week.

Employees are working longer hours

As the pandemic continues to transform the way we work, many employees are struggling to balance their new working habits with their mental health needs.

Almost two thirds (62%) of employees admit they've been working more hours since the start of the pandemic. The average employee is working an extra 3.75 hours per week – roughly half a working day on top of their normal hours. This equates to 116m extra hours worked across the UK each week.

62%

of UK employees are working longer hours, totaling 8.7bn hours since the start of the pandemic. That's almost 100,000 years of extra time spent working.

To employers, these additional hours may be mistaken for increased productivity and successful adjustment to new working conditions, but over time individuals are starting to find their new extended working patterns unsustainable, risking mass burnout.

Burnout looms for many

The impact of longer hours, reduced social contact and lack of support throughout the pandemic is leading employees to feel overworked to the point of burnout.

Over half the workforce (51%) feel they're less than a month away from burnout, suggesting employees are in survival mode, feeling under constant strain as they struggle to manage their workloads.



How far away do you think you are from burnout?



Working on the brink of burnout has a significant mental health impact not only on individuals but on the workforce as a whole. Over a quarter (28%) of employees say they're at risk of burnout within a week, creating additional pressure for managers as their teams become fractured by exhaustion and low morale.



Remote workers are at greater risk

Those working from home are the most likely to feel that burnout is imminent, with 34% saying they could burnout within a week. They may be overcompensating for their lack of a physical presence by adopting an 'always on' approach: 70% say they've been working longer hours and over a fifth (21%) are taking shorter breaks. With remote workers already less visible to managers and HR teams, their declining mental health is more likely to go undetected, reducing opportunities to help them along the way.



Adapting your approach

As workers head for the door, how can employers create a culture that appeals to their post-pandemic values?

What would make employees stay?

While the mental health impact of working through the pandemic has prompted many to consider switching jobs, employers who are committed to retaining their talent can have a meaningful influence on those contemplating a career move.



The majority (65%) of employees looking to switch roles have not yet begun actively job seeking, and only 17% of potential job changers say there's nothing that could be done to make them stay. This represents a vital opportunity for employers to get proactive about retention and keep their talent on board.

What could your employer do to stop you leaving?



When asked what their employer could do to stop them leaving, flexible and remote working options topped the list (43%), followed by a pay rise (40%) and more wellbeing support (35%). And with burnout looming for over half the workforce, robust employee support will be crucial to retaining top talent.

Flexibility is key

Of those thinking about a job change in the next six months, flexible and remote working options are the most sought-after perk, and almost half (47%) of all employees consider flexibility to be more important to them than before the pandemic.

As flexible working becomes the standard in numerous sectors, workers are increasingly conscious of how their employer's approach measures up.

Where are you most productive?



Employees are split on where they feel most productive, but when asked how working from home compares to the workplace, over a quarter (26.5%) say they're not working in their preferred location and would be more productive in a different environment.



Creating adaptable policies

As each individual seeks their own version of flexibility, HR teams must continue gathering feedback to ensure their people can work at their best in a healthy and sustainable way. While leaders may encourage a return to 'business as usual', any opposition to flexible working policies must be weighed against the impact of talent drain to competitors who offer a more adaptable approach.



With 16 million employees set to enter the job market in the next six months, HR teams have the opportunity to refine their hiring process to appeal to job hunters' new priorities. Policies around flexible working, pay structures and workplace wellbeing will be on many job seekers' wish lists, and a detailed outline of employee benefits will help to attract new talent and improve employer brand.

The cost of the talent drain

With the country in the midst of pandemic recovery and businesses feeling heightened financial strain, introducing additional benefits in the name of employee retention may appear challenging.

Traditional incentives such as pay rises may seem unfeasible, but the cost of recruiting replacements could be equally as stifling for the bottom line. Keeping people in post saves businesses an average of £3,000 per employee in recruitment costs alone and provides teams with a much-needed sense of stability.

E3,000 is the average cost to recruit a new employee in the UK.

New hires also come with hidden costs, especially in their first few months as the existing team devotes extra time to handover and training sessions.

As well as being financially costly, high employee turnover can fracture internal relationships, weaken connections with stakeholders and cause inconsistencies in knowledge which decrease productivity across the business. While initial recruitment costs can be anticipated, the true impact of the talent drain may be much higher.

Preventing burnout

Of those considering a job change, over a third (35%) say better mental health and wellbeing support could convince them to stay, with 47% of all employees saying workplace wellbeing has become more important to them since the start of the pandemic.

A strong support system is key to preventing burnout, but the right approach will depend on how imminent — and widespread — the issue is. Longterm strategy should focus on resilience and culture change, but when stress is high throughout an organisation and burnout is imminent, leaders must take direct action to protect their people.

Choosing the right approach

As pressure builds, these targeted steps can help your people look after their mental health and avoid burnout.







Urgent action

Staying alert

Prevention



When burnout is imminent

Timescale: within a week

- 1. Catch up with employees daily to monitor their workload and check in on their mental health.
- 2. Ensure your people are taking regular breaks and working reasonable hours, even in times of stress, revising their schedule if necessary to allow time to recharge.
- **3.** Encourage employees to use their employee assistance programme or Mental Health First Aid support.
- 4. Consider reducing hours or offering a mental health day, ensuring any remaining workload is delegated carefully to avoid placing further stress on the rest of the team.

Choosing the right approach



When burnout is a threat

Timescale: within a month

- 1. Increase the frequency of 1:1s and begin checking in with those who are struggling at least every other day.
- 2. Evaluate goal setting and ensure targets are realistic.
- **3.** Support employees to prioritise and delegate: the Eisenhower Matrix is a great tool to help make workloads more manageable.
- 4. Help employees deal with high pressure situations by hosting a webinar on coping with stress to provide practical advice which they can put to use straight away.



Preventing burnout

Timescale: on-going

- 1. Prioritise workplace wellbeing resources, ensuring all employees have equal access to support whether in the workplace or working remotely.
- 2. Build resilience through training via webinars, workshops or qualifications on topics such as stress, coping with change and Mental Health First Aid.
- **3.** Ensure leaders and managers are leading by example to set positive expectations around work-life balance and managing their own stress levels.
- 4. Focus on influencing company culture through your wellbeing strategy flexible work options, mental health days off and coaching 1:1s are a great start.



Links and resources

Our downloadable guides, online training and quick reads help you to transform your workplace culture and support employees' mental and physical wellbeing.

HR health and wellbeing toolkit

This free guide helps HR teams build or expand their wellbeing strategy.

Workplace wellbeing resource centre

A collection of our free downloads, including reports, guides and factsheets for employers and employees.

Covid-19 resource centre

Downloadable guides to help your workforce navigate the pandemic.

Mental Health First Aid

Certified training courses to help employees support each other with their mental health.

Wellbeing webinars

On topics including working from home, mental health awareness and thriving in the new normal.

Westfield Health blog

Our weekly blog of workplace wellbeing advice.

Book a workplace wellbeing consultation

Arrange a chat with one of our Health and Wellbeing Consultants at a time that suits you.

Get in touch today

westfieldhealth.com/business Telephone: 0345 602 1629 Email: <u>businessenquiries@westfieldhealth.com</u> Request a call back

If your healthcare is looked after by an intermediary, please contact them in the first instance.

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