

UNRAVELING THE GREAT RESIGNATION: A COMPREHENSIVE LITERATURE REVIEW ON THE WORKFORCE EXODUS PHENOMENON

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ABSTRACT

Purpose- The Great Resignation, a profound labor market shift following the COVID-19 pandemic, has seen employees globally re-evaluate their work-life priorities. This paper presents a comprehensive review of the literature on this phenomenon, aiming to consolidate existing knowledge, identifying research gaps, and offer insights to various stakeholders.

Methodology- A systematic literature search was conducted using defined keywords such as "Great Resignation," "workforce trends," and "remote work" across multidisciplinary databases Web of Science and Scopus. Publications spanning 12 categories, including refereed articles, conference papers, and reviews, were reviewed to distill the essence of existing research.

Findings- The Great Resignation underlines a pivotal movement where work-life balance, health, safety, and job contentment surpass conventional job security. Contributing factors include blurred boundaries between professional and personal spheres due to remote work, health risks in the workplace, and a general rethinking of career choices following the pandemic. The increase in workloads and the stress of the global health crisis have accelerated burnout, making many seek healthier work environments. In addition, changes in cost of living and inflation have further fueled this trend. The phenomenon poses significant challenges for organizations, from talent retention to operational disruptions.

Conclusion- Addressing the Great Resignation requires adaptive strategies from employers. The flexibility of work options, the prioritization of mental health, the availability of competitive compensation, and the maintenance of transparent communication emerge as essential. Governments, too, play a crucial role by ensuring policies that support worker rights, offer financial aid, and promote skill development. This review underscores the need for more empirical research to understand long-term impacts across various sectors and demographics and to develop effective retention strategies. The findings also provide a foundation for policymakers, business leaders, and academics to strategize and navigate the challenges and opportunities presented by the Great Resignation in the post-pandemic era. Future research directions include an in-depth exploration of sector-specific impacts, demographic variations, and long-term economic implications.

Keywords: Great resignation, workforce, Boolean operators, motivation, turnover ntention, millennials

JEL Codes: L22, M51, M54

1. INTRODUCTION

In recent times, the global labor market has witnessed an extraordinary phenomenon known as the "Great Resignation." Following the widespread impact of the COVID-19 pandemic, this unprecedented wave of voluntary job resignations has taken center stage in discussions among business leaders, policymakers, and academics alike. Coined by Anthony Klotz from Texas A&M University (Hopkins and Figaro, 2021), the term "Great Resignation" encapsulates the collective decision of millions of employees across the globe to reassess their career trajectories, prioritize personal well-being, and redefine their notions of job satisfaction and work-life balance (Formica and Sfodera, 2022).

This massive workforce exodus not only left employers grappling with talent retention challenges, but has also reshaped traditional paradigms of employee motivation, job satisfaction, and workplace culture (Klotz and Bolino, 2016). The aftermath of the pandemic has acted as a catalyst, prompting employees to reconsider what they truly value in their professional lives (Ng and Stanton, 2023). Amidst this backdrop, remote work and flexible work models have gained unprecedented attention, suggesting a potential correlation with the ongoing Great Resignation.

The societal and economic implications of this labor shift are far-reaching. As organizations face skill shortages and talent retention becomes increasingly complex, there is a pressing need for a deeper (Allman, 2021; Josifidis and Supic, 2023), more nuanced understanding of the factors driving this trend. Although the Great Resignation poses undeniable challenges, it simultaneously offers a unique opportunity for organizations to look at, innovate, and redefine the future of work.

Several scholars and researchers have explored this phenomenon (Tessema et al., 2022; Baranes and Brown, 2023), exploring its myriad facets from workforce trends to changing workplace policies. However, the scattered nature of existing research on the topic emphasizes the need for systematic consolidation of knowledge. Therefore, this literature review aims to bridge this gap by offering a comprehensive overview of the current discourse on the Great Resignation. By examining research from a variety of perspectives, we seek to present a cohesive picture that is beneficial to academics, business leaders, and policymakers alike. Through this endeavor, our goal is to foster a more profound understanding of the Great Resignation, its implications on the global labor market, and the strategic responses required to navigate the challenges and leverage the opportunities it presents.

Furthermore, the Great Resignation serves as a poignant reminder of the dynamic nature of the labor market and the intrinsic human need for purpose and fulfillment in professional pursuits. As society grapples with the aftereffects of a global health crisis, it is becoming evident that the workplace cannot remain isolated from larger societal changes. This phase underscores the interconnection between personal well-being, social events, and professional aspirations. Beyond immediate challenges, the Great Resignation is also a call to action for businesses and policymakers to proactively anticipate and respond to evolving workforce needs. This review of the literature, while aiming to encapsulate the current understanding of the phenomenon, also seeks to lay the foundations for future research and dialogue, emphasizing a proactive, rather than reactive, approach to changes in the labor market. It is our hope that this introspective journey into the Great Resignation will not only understand but also inspire innovative solutions for a more resilient and harmonious future of work.

In the ensuing sections of this article, we will methodically unfold the layers of the Great Resignation, beginning with our systematic methodology that guided our literature search and analysis. Following this, we will delve into our findings, presenting the multifaceted reasons behind this workforce shift and its subsequent implications on the labor market. The discussion will further dissect the broader impacts and potential strategies that businesses, policymakers, and individuals can adopt in response. We will conclude by synthesizing the main takeaways, identifying gaps in current research, and suggesting future directions for both academia and industry. Through this structured flow, our aim is to provide readers with a holistic understanding of the Great Resignation, its implications, and the path forward in the evolving landscape of the global workforce.

The paper begins with an introduction to the "Great Resignation," setting the context of this phenomenon in the wake of the COVID-19 pandemic and highlighting its importance in the global labor market. The following section follows, outlining the systematic literature search strategy used to gather relevant data. We then present our findings, detailing how the pandemic has influenced work-life balance, remote work trends, workplace health risks, and employee resignations, as well as the resultant shift towards more flexible and meaningful work. The discussion section interprets these findings, exploring the broader implications for employees, employers, and policymakers, and underscoring the challenges and opportunities presented by this shift. The paper concludes by summarizing the key insights and highlighting the need for further empirical research to understand the long-term effects and devise effective strategies. Finally, it suggests practical implications for organizations and government policies and outlines future research directions to deepen our understanding of the Great Resignation and its extensive impact. This structured approach ensures a comprehensive and insightful analysis of the phenomenon.

2. METHODOLOGY

Literature search is a critical step in conducting a literature review, as it involves systematically identifying and collecting relevant research studies, articles, and publications that will inform the analysis and conclusions of the review. Here is an elaboration on the literature search process.

2.1. Define search terms

Begin by creating a list of search terms based on the main themes, concepts, and keywords related to our topic, such as "Great Resignation," "workforce trends," "employee motivation," "job satisfaction," "remote work," "flexible work arrangements," "organizational challenges," and "policy implications." These terms (Table 1) will help us to capture the various dimensions and aspects of the Great Resignation phenomenon. In addition to individual keywords, consider using phrases and combinations of terms to refine your search.

Table 1: List of Search Terms

1. Great Resignation	7. Turnover	13. Work-life balance	19. Workplace Policies
2. Labor market trends	8. Voluntary Resignations	14. Organizational challenges	20. Policy Implications
3. Workforce Trends	9. Employee retention	15. Skill shortages	21. Employee Engagement
4. Motivation of employees	10. Talent Management	16. Generational Differences	22. Employee burnout
5. Job satisfaction	11. Remote Work	17. Millennials	23. Post-pandemic workplace
6. Job dissatisfaction	12. Flexible Work Arrangements	18. Generation Z	24. COVID-19 impact

Using these terms, we created search queries to explore the literature. Employ Boolean operators (AND, OR, NOT) to combine or exclude keywords, and use quotation marks to search for exact phrases. Likewise, we used "employee motivation" OR "job satisfaction" to broaden our search to include articles that explore either concept in relation to the Great Resignation.

2.2. Select Databases

The Web of Science, a multidisciplinary database, offers an extensive collection of research articles from various fields, including social sciences, economics, and management. This database is particularly helpful for tracking citation patterns and identifying highly influential articles in the field of study.

Scopus, another multidisciplinary database, provides a large volume of peer-reviewed articles and conference papers from diverse subject areas. Its advanced search and citation analysis features make it a valuable resource to identify relevant literature and understand the research landscape surrounding the Great Resignation phenomenon.

Using both Web of Science and Scopus for our literature search, our goal is to capture a broad range of research articles related to the Great Resignation, encompassing various aspects such as workforce trends, employee motivation, remote work, and policy implications. These databases will facilitate the identification of relevant and high-quality literature to inform our comprehensive review on the phenomenon of great resignation.

2.3. Develop search strategies

Combine your search terms using Boolean operators (AND, OR, NOT) to refine your search and find the most relevant literature. For example, you might search for "Great Resignation AND Employee Motivation" or "workforce trends OR job satisfaction."

2.4. Apply Filters

Use database filters to narrow down your search results based on criteria such as publication date (Table 2), language, document type (e.g., journal articles, conference papers, books) and subject areas. This can help you focus on the most relevant and recent literature.

Table 2: Scope Review Categories

Article	Editorial Material	Early Access	Review Article
Book Chapters	Proceeding Paper	Book Review	Meeting Abstract
Letter	Book	Discussion	Data Paper

3. FINDINGS

The pandemic has caused many people to reassess their work-life balance. Remote work has blurred the lines between personal and professional life, leading many to seek jobs that offer a better balance. The risk of exposure to COVID-19 on the workplace has led many employees (Baker et al., 2020), particularly those in customer-facing roles, to resign. This is especially true for those with underlying health conditions or those who live with vulnerable individuals. Many employees have come to appreciate the flexibility of remote work and are not willing to return to a traditional office environment. Companies that insist on a full return to the office may see higher resignation rates (Zalot, 2023). The pandemic has given people time to reflect on their career choices. Some have decided to pursue different career paths, go back to school, or start their own businesses. Increased workload during the pandemic, coupled with the stress of living through a global health crisis, has led to widespread burnout, causing many to leave their jobs in search of a healthier work environment (Galanti et al., 2021). With the increase in cost of living and inflation, many workers are looking for jobs that offer higher pay or better benefits. Companies that do not adjust their compensation packages to reflect these changes may see higher turnover rates. (Allman, 2021). With many schools and childcare facilities closed or operating at reduced capacity during the pandemic, working parents have struggled to balance their professional responsibilities with childcare. This has led some parents to completely leave the workforce. Some people are seeking more meaningful or fulfilling work (Formica and Sfodera, 2022). The pandemic has led many to reassess their values and priorities, leading them to seek roles that align more closely with their personal interests and passions. The number of research papers for scope review is shown in Table 3.

Organizations are facing the challenge of retaining their employees amidst the Great Resignation (Liu-Lastres, Wen and Huang 2022). They must rethink their strategies and policies to ensure that they are meeting the changing needs and expectations of their workforce. With many employees resigning, organizations are struggling to fill vacant positions. This has increased the competition for talent, making it more difficult for organizations to find qualified candidates. High turnover rates can disrupt business operations and negatively impact productivity (Serenko, 2022). Organizations must find ways to ensure continuity despite frequent changes in personnel. The healthcare sector has been particularly affected, with many healthcare workers resigning due to burnout and the high stress environment caused by the pandemic (Zagorsky, 2024). Schools and universities are also facing high resignation rates, which impact the quality of education and increase the workload of the remaining staff. These sectors, which often require in-person work, have seen a significant number of resignations due to health concerns and the desire for remote work.

Table 3: The number of Research Papers for Scope Review

Topic	Article	Editorial Material	Early Access	Review Article	Book Chapters	Proceeding Paper	Book Review	Meeting Abstract	Letter	Book	Discussion	Data Paper
Great Resignation	36	21	12	6	0	0	0	0	0	0	0	0
Labour market trends	62	1	1	1	0	19	0	1	0	0	0	1
Workforce trends	104	14	1	2	3	9	0	0	4	0	0	0
Employee Motivation	783	7	18	22	13	219	5	4	4	0	0	0
Job satisfaction	34749	297	1001	1802	623	2639	0	531	0	0	0	0
Job dissatisfaction	1199	13	21	50	0	62	0	0	0	0	0	0
Turnover	153188	1429	1623	11800	0	9857	0	0	539	0	0	34
Voluntary Resignations	14	0	1	1	0	0	0	0	0	0	0	0
Employee retention	797	0	27	25	16	116	0	0	0	0	0	0
Talent Management	1948	75	70	114	302	436	0	0	0	0	0	0
Remote work	1105	39	109	50	18	220	0	0	0	0	0	0
Flexible Work Arrangements	403	0	23	18	11	37	0	0	0	0	0	0
Work-Life Balance	5496	272	0	281	373	414	0	0	0	0	0	0
Organisational challenges	217	0	7	23	9	50	0	0	0	0	0	0
Skill shortages	233	14	0	12	8	35	0	0	0	0	0	0
Generational Differences	1891	48	54	70	80	134	0	37	7	0	0	0
Millennials	2711	132	129	0	250	421	89	0	0	0	0	0
Generation Z	1119	28	101	0	34	354	0	0	0	0	0	0
Workplace policies	436	11	19	31	5	31	0	0	0	0	0	0
Policy implications	27215	556	888	0	1119	1945	251	204	50	0	0	9
Employee engagement	2700	55	168	118	176	280	17	31	0	0	0	0
Employee burnout	186	0	5	8	4	5	0	0	0	0	0	0
Post-pandemic workplace	8	0	2	1	0	0	0	1	0	0	0	0

4. DISCUSSION

The Great Resignation represents a significant shift in the labor market, with employees prioritizing work-life balance, health and safety, and job satisfaction over traditional job security. This shift has been driven by a combination of pandemic-related factors, including the transition to remote work, increased stress and burnout, and a reevaluation of personal and professional priorities.

Great resignation offers employees the opportunity to seek better working conditions, higher pay, and more fulfilling roles. However, it also presents challenges, such as the uncertainty of job hunting during a pandemic and the potential for increased job competition. Employers are faced with the challenge of retaining their current employees and attracting new ones in a competitive job market (Sull et al., 2022). They may need to re-assess their workplace policies and offer more flexible work arrangements, competitive compensation packages, and a supportive work environment. Governments play a crucial role in supporting workers and employers during this time (Jiskrova, 2022). This could involve implementing policies that protect workers' rights, providing financial support to businesses, and investing in training and education to help workers transition to new roles or industries.

Employers can offer flexible work arrangements, such as remote work or flexible hours, to accommodate employees' needs and preferences (Tessema et al., 2022; Gewin, 2022). Prioritizing employee well-being, through initiatives such as mental health support, stress management programs, and a healthy work environment, can help reduce burnout and improve job satisfaction. Offering competitive compensation packages, including fair wages, comprehensive benefits, and opportunities for growth and development, can attract and retain talent (Zalot, 2023; Fuller and Kerr, 2022; Rymsha, 2023). Employers must maintain open and transparent communication with their employees, address their concerns, and providing clear information about the organization's plans and policies. Governments can provide support through policies that protect workers' rights, provide financial support to businesses, and invest in training and education to help workers transition to new roles or industries.

5. CONCLUSION

The phenomenon of great resignation represents a major shift in workforce trends, with profound implications for organizations, employees, and labor market policies. This comprehensive review of the literature has explored the multifaceted nature of the Great Resignation, shedding light on its drivers, consequences, and potential strategies for navigating this new terrain. The literature revealed that factors such as job satisfaction, employee motivation, and the increasing demand for remote and flexible work arrangements are central to understanding the Great Resignation (Sull et al., 2022). These findings underscore the need for organizations to adapt their workplace policies and practices to meet changing employee expectations and retain talent in this era of great resignation.

In the context of the COVID-19 pandemic, the Great Resignation has also highlighted the importance of work-life balance and mental well-being in employment decisions, as reflected in the literature. As such, organizations and policy makers must prioritize these aspects to address the challenges posed by the Great Resignation and to build a more resilient and sustainable labor market. Additionally, the review identified significant literature gaps, indicating the need for more research. Specifically, more empirical studies are needed to investigate the long-term impacts of the Great Resignation on different industries, demographic groups, and economies. Future research should also explore the effectiveness of various strategies to manage the Great Resignation and promote employee retention and engagement.

In conclusion, this comprehensive review of the literature has provided a holistic understanding of the phenomenon of great resignation. By consolidating existing knowledge and identifying areas for future research, this review contributes to academic discourse and offers valuable information for practitioners and policy makers navigating the Great Resignation. As we continue to grapple with this labor market phenomenon, the insights derived from this literature review offer a roadmap for navigating the challenges and opportunities of the Great Resignation in the post-pandemic world.

5.1. Implications & Future Research

Organizations may need to review their workplace policies to include more flexible work arrangements, better compensation packages, and improved health and safety measures. Governments may need to consider policies that support workers, such as increased minimum wages, better unemployment benefits, and support for childcare.

More research is needed to understand the specific causes of the Great Resignation and how they vary across different sectors and demographics. Researchers should investigate the long-term impacts of this phenomenon on individuals, organizations, and the economy as a whole. Future research should also focus on identifying effective strategies for organizations to retain their employees and navigate the challenges posed by the Great Resignation.

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