

Research Report

Mad About Skills: A Top Reason People Are Quitting Jobs





Companies across industries are facing The Great Resignation¹—a surge in turnover as employees jump ship to new positions or simply quit their jobs in unprecedented numbers.

The mass exodus of employees looking for greener pastures is far from over. August brought the highest quit rates on record and extended a five-month streak of record-breaking walkouts, according to the U.S. Bureau of Labor Statistics' most recent report². Without intervention, organizations risk continued loss of their most important assets: their people.

As the leader in people analytics, Visier surveyed 1,000 U.S.-based full-time employees to better understand what's driving the motivations behind the Great Resignation. Our findings revealed employees are highly motivated by the skills training employers provide, but not all organizations are meeting these needs. To mitigate further turnover and future-proof their organization, employers need to invest in data-driven upskilling and reskilling programs.

Nearly one-third of employees who changed jobs within the past year (32%) did so to learn new skills.

The top two reasons respondents left their jobs within the past year were for better compensation and to improve their work-life balance. But a lack of skills training followed closely behind. Thirty-two percent of job-changers cited the desire to learn new skills as a reason they switched employers, and another 26% did so for more or better training opportunities.

Notably, certain groups of employees were more likely to attribute their departure to a desire to learn new skills: 56% of respondents in IT/Digital departments, 50% of those in HR departments, and 40% of remote workers.

Top reasons for employee departure:

1. Higher salary — 43%
2. Better work/life balance or mental health situation — 42%
3. Desire to learn new skills — 32%
4. Desire for better/more training opportunities — 26%
5. Change in career direction — 17%

Despite the desire for more skills development opportunities, the majority of job-changers were satisfied (84%) with their former employers' role-specific skills training. This disconnect may indicate employers provide enough training for employees' current roles, but lack upskilling or reskilling opportunities for career progression.





Upskilling is the process of learning new skills for advancement on one’s current career track, while reskilling is the process of learning new skills for a different position.

Nearly three-quarters of total respondents (73%) said they would absolutely or probably leave their current job for another job that paid the same but offered better or more skills training opportunities. This jumps to 83% when looking at Gen Zers and 81% for millennials, indicating that younger generations are most at risk for skills-based attrition as they aim to climb the career ladder. Our recent research report on 2021 resignation rates found that out of all age groups, individuals aged 20-25 showed the largest percentage increase in resignations in 2021 compared to 2020³.

The good news for employers is an investment in upskilling and reskilling can support talent retention and recruitment efforts. It can make an organization more attractive to potential candidates and support the development of future leaders.

The majority of employees have the skills they need today, but what about the skills they’ll need tomorrow?

Nearly all respondents (98%) believe they have the skills they need to do their current job well. However, this isn’t necessarily a result of training provided by employers—39% of employees say they have the skills to do their job because they pursue external skills training without their employers’ support.

While the majority of employees feel properly skilled for their current role, a significant portion—1 in 5 respondents—said their company does not offer the skills training to help them advance their career. The top skills respondents say they need for career advancement are leadership skills and soft skills, including people management, leadership, and time management.

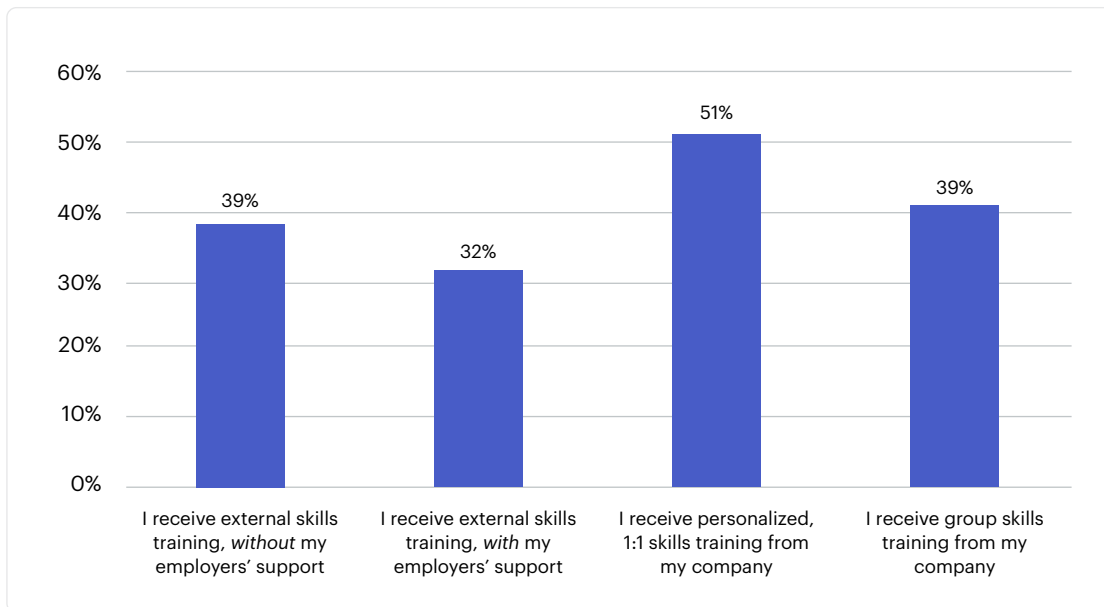


Figure 1: Top reasons employees feel adequately skilled for their current role



Top skills desired for career advancement

1. People management — 40%
2. Leadership — 39%
3. Time management — 32%
4. Organizational skills — 30%
5. Communication — 26%
5. Problem-solving — 26%
7. Coaching and mentoring of others — 20%
8. Critical thinking — 16%
9. Technical skills specific to my role or industry — 15%
9. Meeting performance and business goals — 15%

To advance their careers, 70% of respondents say a credential from outside their company is necessary, while another 22% say it's nice to have, but not a requirement. When it comes to organizational support for external credentials, two-thirds of respondents say their company offers measures like tuition-sharing, while one-third say their company doesn't provide any support.

But support for outside credentials doesn't apply to employees unilaterally. Specifically, people managers indicated a higher degree of support (68%) from their companies for earning credentials necessary for career advancement compared to non-people managers (45%). Additionally, people managers are 48% more likely to strongly agree that their company offers all the skills training they need to advance their careers.

Organizations that fail to help employees cultivate skills for career advancement, risk a gap in their leadership pipeline and unnecessary turnover as employees leave for other opportunities to advance their careers.

Organizations struggle to fill positions because candidates don't have the right soft skills.

Seventy percent of respondents say their team has trouble filling positions because there are so few candidates with the right skills.





The top skills teams are looking for are soft skills, like communication, time management, and organizational skills. Technical skills don't even rank among the top five desired skills, even when looking at Digital/IT teams.

The emphasis on soft skills may be a reflection of our changing workplace and what employees need to be successful when working remotely or with remote colleagues. When employees aren't sitting next to each other in the office, the ability to self-manage and communicate effectively is even more important for productivity and business continuity.

Most in-demand skills

1. Communication — 31%
1. Time management — 31%
3. Organizational — 30%
4. Problem-solving — 27%
5. People management — 27%
6. Leadership — 24%
7. Technical skills specific to my role or industry — 22%
8. Critical thinking — 21%
9. Meeting performance and business goals — 20%
10. Coaching and mentoring of others — 14%

Most in-demand skills for IT/Digital department

1. Organizational — 33%
2. Communication — 30%
2. Time management — 30%
4. People management — 28%
5. Leadership — 25%

The competition for talent is fierce and costly. To augment recruiting efforts for much-needed positions, organizations should consider internal training efforts to reskill current employees for these strategic roles. Planned career pathing, combined with skills training, can help employees grow into new roles that are becoming critical to business and help organizations prevent gaps in talent.

Empower employees and future-proof your organization

As the Great Resignation continues, your organization needs every advantage to keep the employees it has and attract the employees it needs. Fortunately, an investment in skills training can pay off in more ways than one, helping attract prospective candidates, empower current employees, and future-proof your talent pipeline.

But for skills training to be most effective, it needs to be personalized to the individual and contextualized by organizational goals. Organizations can lean on skills-based people analytics to identify and measure employees' skill sets, as well as areas for growth. It can help you recognize the skills employees have and who is primed to move into new roles. You can also understand which skills are leaving the organization so you can strategize training and hiring efforts.

Employees have a natural affinity to learn, and by fueling this desire both they and the organization can achieve more. An investment in a data-driven upskilling and reskilling program is the key to knowing where your employees are now and equipping them with the skills they need tomorrow.



Endnotes

- 1 marketplace.org/2021/10/12/great-resignation-continues-in-u-s-workforce/
- 2 bls.gov/news.release/jolts.nr0.htm
- 3 hello.visier.com/stop-the-exit-report.html

About Visier

Visier's purpose is to help people see the truth and create a better future—now.

Visier was founded to focus on what matters to business people: answering the right questions, even the ones a person might not know to ask. Questions that shape business strategy, provide the impetus for taking action, and drive better business results.

Visier delivers fast, clear people insight by using all the available people data—regardless of source. With best-practice expertise built-in, decision-makers can confidently take action. Thanks to our amazing customers, Visier is the market leader in Workforce Analytics with more than 8,000 customers in 75 countries around the world.

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