

Managing human resources during the great resignation: **Strategies for navigating labour shortages and retaining talent in the post-COVID-19 era**

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Abstract

Purpose - This report aims to examine the phenomenon of the Great Resignation by identifying its key trends, driving factors, and human resources strategies to address the associated labour challenges. The paper also presents a case study of Walgreens Boots Alliance's HR management practices during the Great Resignation.

Methodology - The paper employs secondary research using data from academic articles, industry reports, and case studies.

Findings - The Great Resignation has impacted various demographic groups, industries, and employee levels, highlighting the importance of compensation, company culture, job security, and work-life balance. HR strategies to address the Great Resignation include sharpening the employee value proposition, building a non-traditional employee value proposition, and broadening the talent-sourcing approach through diversity and inclusion. The case study of Walgreens Boots Alliance shows how the company used monetary incentives and health support to address labour shortage challenges.

Recommendations - To address the Great Resignation, organisations should prioritise employee engagement and retention, invest in talent development and diversity, and create flexible work arrangements that meet employees' evolving needs and values. HR professionals can also learn from the best practices of leading organisations such as Walgreens Boots Alliance.

Value - This paper provides a comprehensive analysis of the Great Resignation and offers practical recommendations for HR professionals and organisational leaders. It contributes to the ongoing discussion on the future of work and employee-employer relationships in the post-pandemic era.

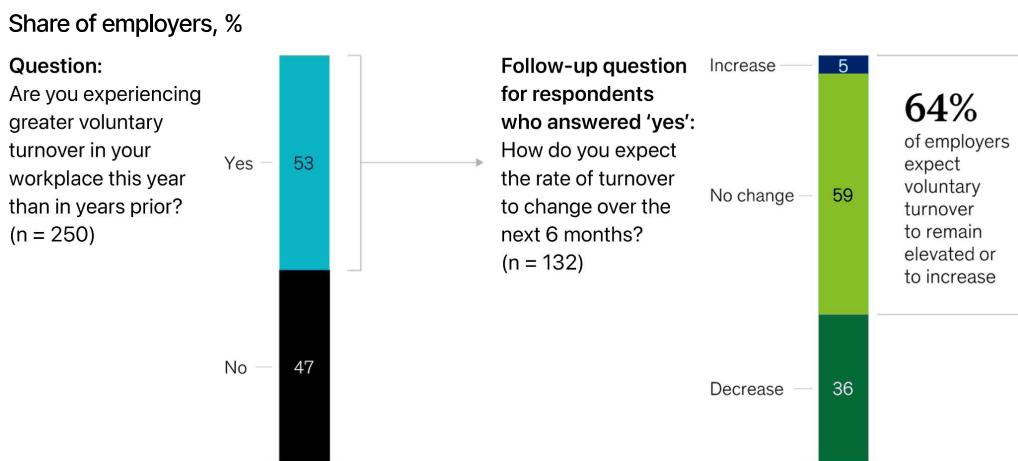
1. Introduction

Employee turnover has always been a common occurrence in the business world, with the departure of low-value employees often perceived as beneficial to an organisation's productivity and competitiveness (Tessema et al., 2017). However, when mass resignations occur within a short time frame, it can become a major concern for employers. During the outbreak of the COVID-19 pandemic, the months of March and April 2020 marked the end of the longest employment recovery and expansion in the history of the United States, with a recorded 9.4 million decline in nonfarm payroll employment (Ansell & Mullins, 2021). In September of 2021, the U.S. Bureau of Labor Statistics recorded the highest number of resignations, with approximately 4.4 million American workers voluntarily leaving their employment.

According to Microsoft's 2022 Work Trend Index report, 43% of employees expressed interest in changing employers this year, marking an increase from the previous year's 41% (Microsoft, 2022). The increasing quit rate is predicted to persist (Figure 1), as 53% of employers report higher voluntary turnover rates than before, and 64% anticipate the issue to continue or worsen in the next six months (Smet et al., 2021).

The unprecedented magnitude of employee resignations during this period has been termed "The Great Resignation" (Cohen, 2021), which has become a subject of immense attention from HR researchers, economists, and business owners due to the significant impact it exerts on organisational effectiveness and the U.S. economy as a whole.

Figure 1. McKinsey's survey of employers on the future prospects of employee resignations in the workplace



Note. Adapted from "'Great Attrition' or 'Great Attraction'? The choice is yours" by McKinsey, 2021, McKinsey & Company.

The primary objective of this report is to examine the Great Resignation phenomenon that occurred within the United States spanning the period between 2020 and 2022. Specifically, the report will (1) investigate the underlying causes of the Great Resignation phenomenon, (2) identify the key driving factors that have contributed to the surge in voluntary turnover and (3) propose HR retention strategies that can address the labour shortage caused by the Great Resignation. By gaining a better understanding of how mass resignations occur, HR managers can engage in introspection and re-evaluate the current strategies and operations employed by their respective organisations, thus taking proactive measures to minimise the negative impacts of the Great Resignation.

The subsequent sections of this report are arranged as follows. Section 2 highlights the key trends of this phenomenon, including quit rates by gender and parental status, income and education level, age and tenure, and by industries. In Section 3, driving factors behind the Great Resignation, such as compensation, employee-driven market dynamics, job insecurity, workplace culture and the COVID-19 pandemic are explored. Section 4 suggests HR strategies to address the Great Resignation. Lastly, section 5 presents a case study of Walgreens Boots Alliance's HR practices to address labour challenges posed by the Great Resignation.

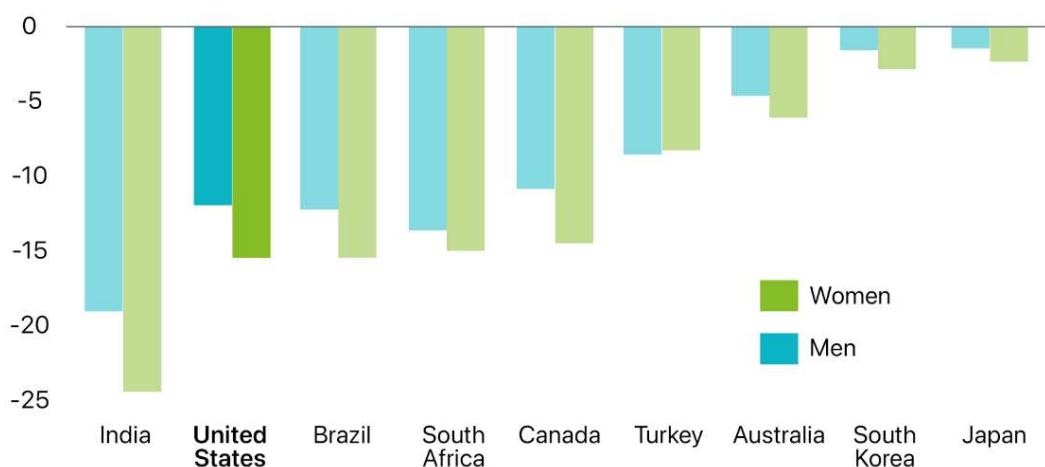
2. Key trends in the Great Resignation

The impact of the COVID-19 pandemic has been significant and far-reaching, particularly in the realm of employment. This section seeks to explore the variations in the labour challenges across different demographic groups and industries.

2.1. Gender and parental status: Higher voluntary turnover rates among female and parent employees

The COVID-19 pandemic has resulted in significant economic implications, particularly impacting the global labour market. The International Labour Organization (ILO) reported a 4.2% decline in female employment worldwide in 2020, surpassing the 3% decline in male employment. Female employment declined at a faster pace than male employment in most major world economies, particularly during the first half of 2020 (Barua, 2022).

Figure 2. Change in employment between Q4 2019 and Q2 2020 (%) for men and women in key industries



Note. Adapted from "Impact of COVID-19 on women's employment | Deloitte Insights" by Barua, Deloitte Insights.

In the U.S. specifically, female employment witnessed a decline of 17.9% between February and April 2020 (Table 1), whereas male employment experienced a comparatively lower decrease of 13.9% (ILO, 2021). These disparities are alarming and represent a significant setback in efforts made towards gender equality over the past two decades (United Nations, 2021; Sprechmann, 2020).

Table 1. Change in employment and labour force participation rate in the United States between Q4 2019 and Q3 2021 (%)

	Women	Men
Employment	-4.3	-2.4
Labour force participation rate	-2.8	-1.3

Note. Adapted from "Gender equality: Fewer women than men will regain employment during the COVID-19 recovery says ILO" by ILO, 2021.

The pandemic has also had a profound impact on parents, particularly mothers, who have been more likely to leave their jobs than non-parents. A recent study by Mugayar-Baldocchi (2021) indicates that 40% of parents have left their jobs in the past several months, with primary reasons being the exhaustion from juggling work from home and childcare duties, difficulties in securing reliable childcare upon returning to the office, and reassessing their work-life balance. Consequently, numerous workers are seeking greater work flexibility by exploring non-traditional options such as taking breaks from employment, becoming entrepreneurs, or pursuing independent contracting opportunities.

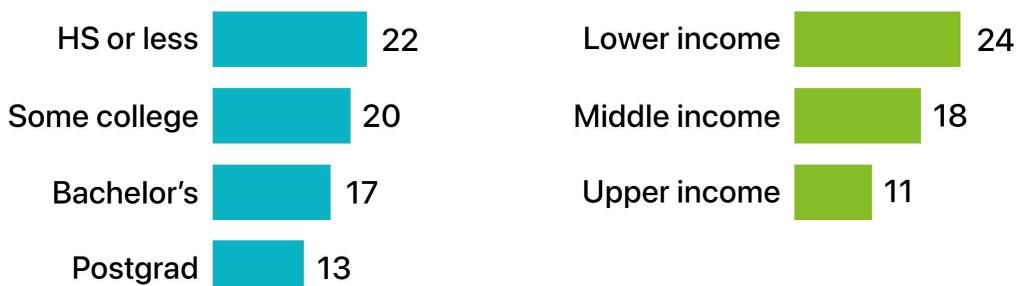
The COVID-19 pandemic had a disproportionate impact on women and parents, primarily due to three major factors. Firstly, women were concentrated in hard-hit sectors such as hospitality, food services, and personal care, which were heavily affected by strict social distancing measures and consumer concerns about health (U.S. Bureau of Labour Statistics, 2023). Second, women were more likely to work in part-time and irregular occupations, which were more likely to be terminated or furloughed during COVID-19's early months (Bluedorn et al., 2022; Adams-Prassl et al., 2020). Finally, women bore a disproportionate burden of increased unpaid care responsibilities resulting from school closures and restrictions on labour supply. As individuals sought refuge indoors to safeguard themselves against the virus, women largely assumed a larger proportion of domestic responsibilities than men (Yang & Kenny, 2021). The result was a deterioration in the work-life balance of working women, with many leaving the labour force to take on additional unpaid caregiving responsibilities at home.

2.2. Income and education level: Higher-income and highly educated employees more likely to resign

The COVID-19 pandemic has exposed and aggravated pre-existing inequalities in the labour market, particularly among low-income workers and individuals with relatively lower educational attainment (Pew Research Center, 2022). The rate of job resignation was higher among individuals with lower income (Figure 3), accounting for 24%, compared to middle-income adults with 18% and higher-income adults with 11% in 2021.

Additionally, individuals with a lower level of education are more likely to resign, with those holding a postgraduate degree being the least likely at 13%, in contrast to those with a bachelor's degree (17%), some college experience (20%), and a high school diploma or lower (22%). These disparities in quit rates may be due to various factors such as insufficient flexibility in setting work hours (49% of non-college graduates versus 34% of college graduates), inadequate work hours (35% versus 17%), and mandatory COVID-19 vaccination by employers (21% versus 8%).

Figure 3. Among those who are not retired, % saying they quit a job at any point in 2021



Note. Data from "2022 PEW RESEARCH CENTER'S AMERICAN TRENDS PANEL WAVE 103 FEBRUARY 2022" by Pew Research Center (2022).

2.3. Age and tenure: Mid-level employees experience the highest growth in resignation rates

Young adults below the age of 30 exhibit the highest tendency to resign from their jobs based on age and job tenure, with a staggering 37% leaving their positions in 2021 as compared to their counterparts aged 30 to 49 years (17%), 50 to 64 years (9%), and 65 years and above (5%) (Pew Research Center, 2022). However, the number of resignations has decreased for workers in the youngest age group between 2020 and 2021, likely due to the economic uncertainty (thus leading them to hold back on resigning) and reduced demand for entry-level workers. Similarly, resignation rates have also declined for individuals aged 45 years and above. In contrast, employees aged between 30 and 45 years experienced a significant increase in resignation rates, with a rise of over 20% between 2020 and 2021.

According to a survey conducted by The Motley Fool, workers with substantial job experience were more likely to leave their positions, with 77% of those who transitioned to new positions possessing at least five years of work experience (Table 2). Since March 2020, millennials with more than five years of work experience accounted for 55% of career changers, despite only comprising 35% of the labour force (Caporal, 2022).

Table 2. Number of years of work experience of those who changed careers since March 2020 – October 2021

Years of total work experience	0 - 1	2 - 4	5 - 7	8 - 10	10+
Share of career changers since March 2020 (%)	8%	16%	20%	19%	38%

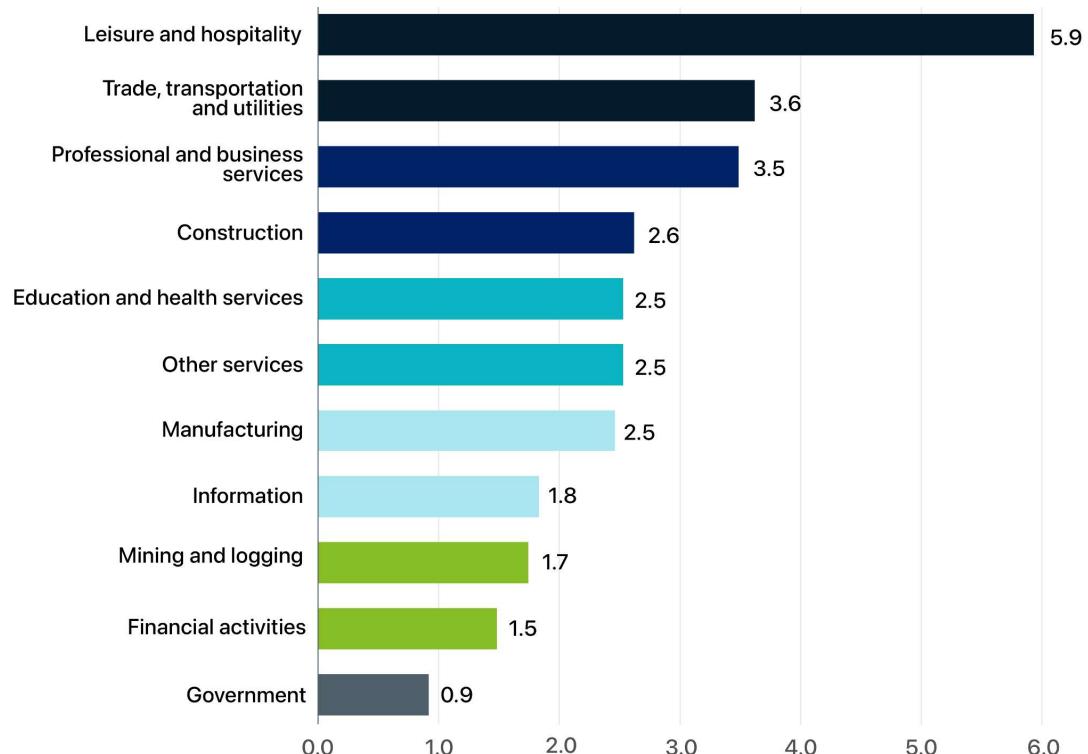
Note. Adapted from "Here's Why 20% of Americans Have Changed Careers Since the Pandemic Began" by The Motley Fool.

Several factors contribute to the rise in resignations among mid-level employees (Cook, 2021). Firstly, there may be a higher demand for mid-career employees, giving them an advantage in securing new positions as hiring individuals with little experience is seen as a riskier proposition due to remote work and the absence of in-person training and guidance. Secondly, many mid-level employees may have deferred transitioning out of their roles due to the pandemic-induced uncertainty, and thus the recent increase in resignations could be a result of pent-up resignations over the past year. Lastly, prolonged periods of heavy workloads, hiring freezes, and other stressors may have pushed many of these workers to a breaking point, leading them to reconsider their employment decisions.

2.2. Quit rates across industries: leisure and hospitality industries hit hardest by resignations

Industries involving close human contact (Ansell & Mullins, 2021) and low location and time independence (Chugh, 2021) experienced the greatest decline in employment during the COVID pandemic work crisis (Figure 4). Employee turnover was most evident in sectors such as hospitality and tourism, government, education, health services, and professional and business services, which were faced with significant surges in demand caused by the pandemic, leading to heightened workloads and the risk of burnout, according to sources such as Cook (2021) and Smet et al. (2022). The leisure and hospitality sector, in particular, experienced more than 3.6 million job losses in 2020 (U.S. Bureau of Labor Statistics, 2023).

Figure 4. Average us quit rates by industry from April to December 2021, %

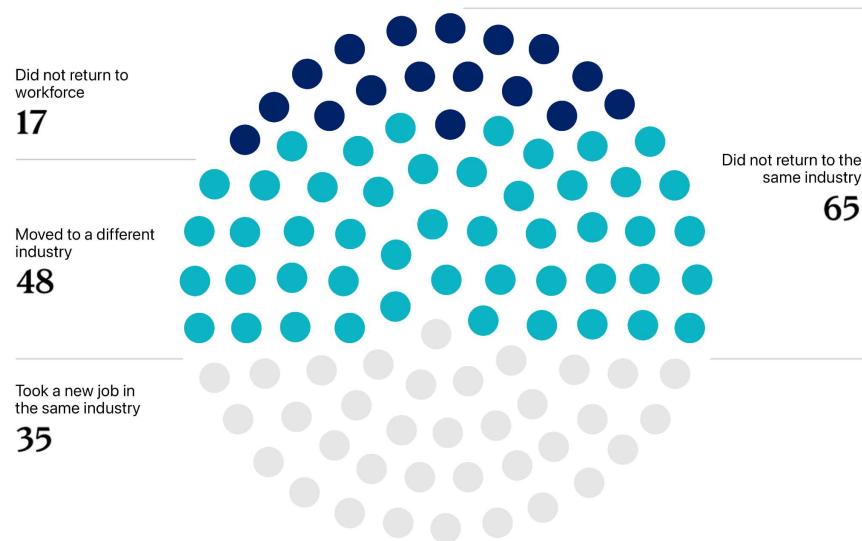


Note. Adapted from "From Great Resignation to Great Reimagination" by Hatfield, Pearce, Cantrell, & Hogan, Deloitte. Data source: Bureau of Labor Statistics.

Apparel stores, on average, lost three times as many staff as airlines, medical device manufacturers, and health insurers (Sull et al., 2022). While resignations declined marginally in industries such as manufacturing and finance, the healthcare sector experienced a 3.6% surge in employee resignations compared to the previous year, while resignations in technology grew by 4.5%.

Mobility across industries is also high, as two-thirds of job seekers are considering a career change, instead of staying within their current industry, according to a survey by the Society for Human Resource Management (2021). It is essential for companies to realise that they can no longer assume the ease of replacing vacant positions with employees possessing similar competencies and qualities to those who have recently resigned. Only 35% of global quitters in the past two years secured employment in the same industry (Figure 5). In the finance and insurance sectors, 65% changed industries or did not return to work. In the public and social sector, the exodus was even more significant, at 72% (Smet et al., 2022).

Figure 5. Average us quit rates by industry from April to December 2021, %



Note. Adapted from "The Great Renegotiation and new talent pools" by Smet et al. (2022), McKinsey & Company.

2.3. Non-traditional careers are on the rise

An overwhelming majority of individuals who leave their jobs tend to transition directly into new employment, as opposed to becoming unemployed or exiting the labour force altogether (Elsby et al., 2010). A survey conducted by McKinsey in 2021 revealed that, while 47% of workers who resigned without securing new employment eventually re-entered the workforce, only 29% returned to traditional full-time positions (Smet et al., 2022). The job market has undergone significant changes as a result of the COVID-19 pandemic, with many employees seeking more flexibility, autonomy, and work-life balance. As a result, many individuals have left traditional full-time employment to pursue non-traditional work such as temporary, gig, part-time roles, or to start their own businesses.

Mitchell and Dill (2021) report that some employees have decided to transition from traditional full-time employment to freelance work, which grants them more flexibility to spend time with their families. The rise of freelancing is expected to continue, with 71% of hiring managers planning to maintain or increase their use of freelancers in the next six months, as indicated by a recent survey conducted by Upwork (Ozimek, 2021). In addition to freelancing, many employees have decided to upskill themselves in order to improve their skills and become more marketable for better jobs. Some individuals feel that they are in the wrong career or place and have explored their hobbies as potential career options (Lim, 2021). Furthermore, the pandemic has led to an increase in start-ups, with 32% of people in the U.S. leaving their jobs to enter this field (Bienasz, 2021). These findings suggest that the pandemic has had a significant impact on how employees perceive and value work, with many seeking more autonomy, flexibility, and fulfilment in their careers. This shift in attitude towards work is likely to continue, and employers will need to adapt to these changing expectations in order to attract and retain talented employees.

3. Driving factors behind the Great Resignation

3.1. Pay, benefits and incentives: The role of compensation in voluntary turnover

According to several studies (Siregar & Maryati, 2021; Susik, 2021; Verhulst & DeCenzo, 2022), the types of compensation have a considerable impact on employee intentions to leave their positions. Improved pay offers can encourage employees to switch companies without having to experience unemployment (Faberman & Justiniano, 2015; Perry, 2021). With over half identifying pay dissatisfaction as a motivation for quitting their present work even before the pandemic, millennials in particular are predominantly motivated by compensation. During the Great Resignation, low income and a lack of opportunity for promotion are the top reasons provided by employees for leaving their jobs, per a Pew Research Center survey conducted in February 2022 (Pew Research Center, 2022).

Employee leave behaviour is also greatly influenced by whether employers' recognise and reward workers' performance (Sull et al., 2022) as well as employees' perceptions of compensation fairness (Dube et al., 2019). Employers who succeed in recognising and rewarding strong performance experience lower rates of employee turnover than those who do not, whether through informal or formal means. Since high-performing workers are more likely to resent the lack of recognition for their performance, the current trend of high resignation rates may result in the loss of some of the most competent employees in organisations.

3.2. A shift in the balance of power in the current employee-driven market

Facilitating job switching for employees is a key aspect of the current employee-driven labour market, which has created a plethora of opportunities for workers to pursue higher-paying roles, further contributing to the Great Resignation phenomenon. The competitive labour market presents many job prospects for employees, reducing the costs associated with leaving one's current job. Workers are opting to switch jobs in pursuit of better salaries, benefits, flexible work arrangements, workplace safety, and management (Susik, 2021; Verhulst & DeCenzo, 2022).

In July, approximately four million Americans left their jobs, but there were still 10.9 million job openings available by the end of the month (Cook, 2021). The increased number of job vacancies has given employees more job search criteria than before the pandemic, heightening the potential for better remuneration. As a result, employee retention has become more complex and demanding due to the present tight labour market.

3.2. Job insecurity and reorganisation: The impact of bleak market prospects on retention

Job insecurity and reorganisations due to bleak market prospects also contribute to employee turnover. When a company's prospects are bleak, managers frequently resort to layoffs and reorganisations. This increases the odds of employees resigning, as past layoffs typically leave surviving workers with heavier workloads (Ali, 2022). Negative assessments of the company's future outlook has also been found to be a strong predictor of attrition (Pew Research Center, 2022).

In a study of attrition rates during the Great Resignation by Sull et al. (2022), despite reorganisations and layoffs initially being expected to be predictors of involuntary turnover, when compared to data from the U.S. Bureau of Labor Statistics (2023), involuntary separations only accounted for less than one-quarter of all employee exits among large firms during the Great Resignation. Thus, it is likely that low career prospects and job insecurity played a substantial role in individuals' decision to resign on their own.

Recent research indicates that compensation has limited impact on employee turnover, while corporate culture is a more reliable indicator of industry-adjusted attrition (Rubenstein et al., 2017). The impact of a toxic corporate culture on a company's attrition rate has been found to be 10.4 times greater than that of compensation. Such culture can stem from various sources, including a failure to promote diversity, equity, and inclusion, employees feeling disrespected, and unethical behaviour (Sull et al., 2022). Negative psychological work conditions, such as low-quality collaboration, exposure to bullying, and low trustworthiness of closest superiors, have also been independently associated with employees' intention to quit (Suadicani et al., 2013).

Despite offering the great wage increases, industries that have been hit the hardest by worker attrition, such as the food and accommodation industries, have not been very effective in retaining workers (Hatfield, 2022). Younger workers have consistently reported that money is not the only factor in their employment decisions, and dissatisfaction with workplace culture and employer social commitment are equally significant factors in considering leaving a job (Kulkarni et al., 2022). During the initial six months of the Great Resignation, organisations which had established a positive culture such as Johnson & Johnson, Southwest Airlines, LinkedIn, and Enterprise Rent-A-Car, experienced below-average attrition rates (Sull et al., 2022).

A toxic work culture can create disconnection between employers and employees, as employees prioritise relational factors, while employers focus on transactional ones (Smet et al, 2021). Employers can enhance employees' commitment and performance by building and sustaining a more relational psychological contract based on social exchange principles. Employers must be mindful of meeting employee expectations as perceived violations of the psychological contract can undermine employee commitment and performance (Turnley et al., 2003).

3.4. The COVID - 19 pandemic

The COVID-19 pandemic was identified as one of the main drivers behind the "Great Resignation" (Geisler, 2021). Towards the initial stage of the pandemic, some employees chose to stay put in their jobs considering the significant economic uncertainties that were prevalent. However, with the gradual easing of restrictions and the prospect of a post-pandemic world, many workers felt empowered to resign and seek better opportunities in 2021. Notably, COVID-19 was found to be the primary factor contributing to the "Great Resignation," prompting employees to either quit or seek out roles that offered greater work-life balance and flexibility (Johnny et al., 2020). The pandemic affected the "Great Resignation" in a number of ways, including (1) employees' increased demand for work-life balance, (2) burnout and mental health concerns, (3) increased popularity of remote work, and (4) fear of contracting the virus and reluctance to comply with mandatory COVID-19 vaccination and testing.

3.4.1. Increased focus on work-life balance

The COVID-19 pandemic has brought about significant changes in the work environment, resulting in a shift towards remote work. As a result, employees have had the chance to reevaluate their priorities and place greater emphasis on maintaining a healthy work-life balance (Maurer, 2021; Nicole, 2022). This reflection has led many employees to realise that their jobs were not fulfilling and has resulted in a change in their attitude towards resigning.

LinkedIn's 2022 Global Talent Trends report revealed that a significant proportion of job seekers (63%) considered work-life balance to be a critical factor in their decision-making process when choosing a new job (LinkedIn Market Research, 2022). The 2021 Deloitte Global Millennial Survey identified additional areas beyond revenue and profit that respondents believed leaders should prioritise. These included ensuring a better work-life balance, supporting the physical and mental health of employees, and offering support through training and mentors. High earners in the United States have also shown a greater desire to reduce work hours and commitments, with 52% indicating this desire compared to 34% of low-income workers (Hatfield, 2022).

3.4.2. Increased burnout and mental health concerns

Due to the epidemic, many employees are working longer hours and handling more duties, which has led to a high-stress work environment. Employees have been forced to abandon their employment in pursuit of better working conditions and support because of burnout and mental health issues that have resulted from this. Psychological strain (burnout and stress), caregiving obligations, and self-reflection during the pandemic have all been highlighted as key factors leading to employees quitting their jobs without having another one lined up (Nicole, 2022).

As noted by the American Psychological Association, a vast majority of employees identified the pandemic (80%) and an uncertain economic future (81%) as significant sources of stress (APA, 2021). This stress was further compounded by the loss of colleagues to sickness, death, and resignation, which led to a significant decline in employees' physical and mental health as they struggled to adapt to a new normal with limited social connections

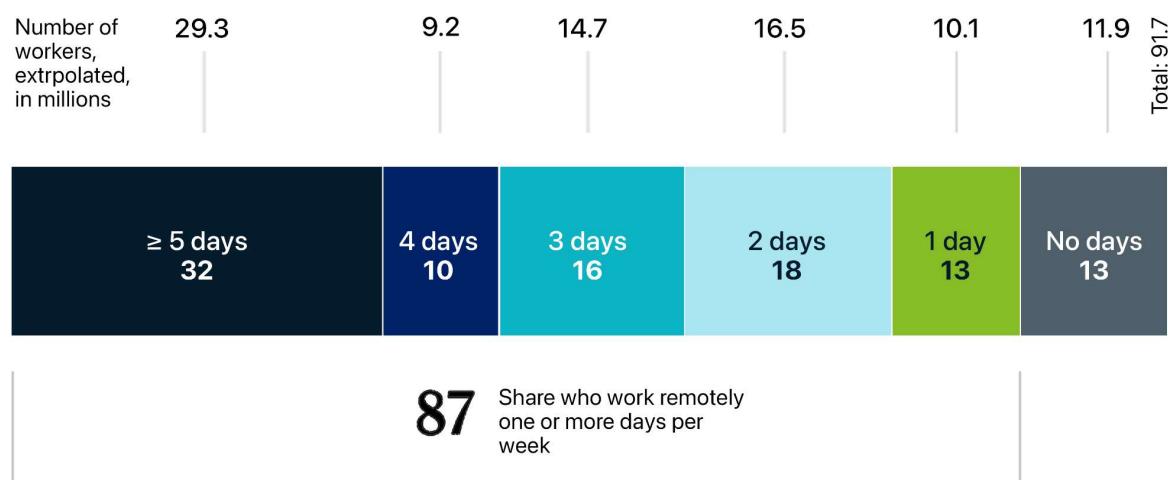
(McNeil, 2021) Moreover, the shortage of labour created an additional burden on employees who had to work longer hours to compensate for the lack of personnel. Further exacerbating employee stress levels is the fact that the COVID-19 pandemic resulted in reduced capacity at daycare facilities, impeding the access of working parents to childcare services (Morales, 2021).

3.4.3. Increased preference for remote work

The pandemic has acted as a driving force for the acceleration towards full digitalisation and remote work, prompting numerous companies to adopt a hybrid or entirely remote work approach (Figure 6). This has given employees the freedom to work from anywhere, leading some to seek out jobs that offer this flexibility (APA, 2021). With national lockdowns forcing employees to work from home, employees could enjoy the benefits of telecommuting, such as the comfort of their own homes, flexible schedules, reduced transportation expenses and time, and improved work-life balance. As a result, many have become acclimated to remote work and some have been hesitant to return to the physical workplace, leading them to resign (Johnnny et al., 2020).

According to Dua, A. et al. (2022), among those who reported that they were not at all likely to quit, 65% attributed their decision to staying in their current jobs to their geographical location preference. Similar attitudes have been observed in the United States, where the overwhelming majority of workers have communicated their desire for long-term work flexibility and remote work options to remain in place (APA, 2021).

Figure 6. Days worked remotely per week, % of employed respondents with remote-work options



Note. Adapted from "Americans are embracing flexible work—and they want more of it" by Dua et al. (2022), McKinsey & Company.

4. HR strategies to address the Great Resignation

Companies must adopt a more creative and individualised strategy to attract and keep talent as more workers transition into non-traditional professions, demand work-life balance, and seek flexibility. Recognising that no single solution can attract enough people to fill all job openings and retain a productive staff, successfully increasing the talent pool requires a multifaceted approach to target multiple talent pools. Employers can use a framework to pinpoint unique groups of employees, or "personas", who share their common needs and demographic characteristics. By understanding these personas, companies can tailor their recruitment strategies towards different types of workers and expand their talent pool. The following section will explore some effective HR strategies to manage labour shortages and retain talent amidst the Great Resignation. Companies may increase their talent pool and employee retention by (1) refining the conventional employee value proposition, (2) embracing more non-traditional values like flexibility, mental and behavioural health perks, as well as (3) diversifying ways to recruit skilled employees.

4.1. Sharpening the traditional employee value proposition with competitive compensation and talent development packages

To attract a more diverse talent pool, it is crucial for companies to first refine their employee value proposition by focusing on key factors such as job titles, career paths, compensation, benefits, and quality of management. By emphasising the benefits of working for their organisation, companies can position themselves as an attractive employer. One way to achieve this is by personalising job postings to appeal to different worker segments, thereby attracting candidates who may not have previously considered working for them. This approach can help to broaden the talent pool and promote diversity and inclusivity in the workplace.

For example, Amazon has developed targeted recruitment programmes to attract veterans and military spouses (Amazon, 2023). By offering benefits such as education and career development, Amazon is able to effectively communicate their value proposition to veterans and their spouses who might not have otherwise considered the company as a potential employer. This targeted approach is an effective way to attract talent that might not have previously been aware of the opportunities available to them, and it also helps to build a more diverse and inclusive workforce. Through its focused recruitment efforts, Amazon is able to tap into a talent pool that might have been overlooked by other companies, providing a competitive advantage in the job market.

Starbucks is another example of a company that has sharpened its traditional employee value proposition to attract a more diverse talent pool. For instance, the company provides an extensive benefits package that encompasses health coverage at various tiers, encompassing medical, dental, and vision plans, and also includes reimbursement accounts for dependent care, disability, life insurance and accident coverage.

Additionally, eligible employees can access a 401(k) retirement plan with a significant company match, reduced-price company shares, and the My Starbucks Savings scheme, which rewards eligible partners with cash incentives at significant savings milestones (Starbucks, 2023). Through these initiatives, Starbucks can effectively communicate its value proposition to potential employees who may not have previously considered them as a top employer, thus attracting a broader, more diverse talent pool.

4.2. Building the non-traditional employee value proposition by adapting to diversified needs and values

The second step towards expanding the talent pool involves constructing a non-traditional employee value proposition to address the evolving needs of non-traditional workers in the gig economy and remote work settings. This proposition involves offering greater flexibility and benefits, such as mental and behavioural health benefits, opportunities for career advancement, a strong company culture, and flexibility in work arrangements. With the growth of online learning platforms and upskilling programmes, it is imperative that companies proactively decrease the barriers to entry and reassess the requirements for certain roles. For instance, companies can evaluate whether candidates truly require an advanced degree to fulfil a critical role, or whether a certificate of specialisation or an apprenticeship would be sufficient. This approach can increase accessibility to a broader range of candidates and help companies to identify candidates with transferable skills who may not meet traditional hiring requirements.

Shopify is one of the many companies committed to building a non-traditional value proposition in their recruitment strategy. One of the ways they are doing this is through their digital-by-default policy, which allows employees to work remotely and asynchronously by default and on a permanent basis (Kauk, 2020). This means that regardless of where an employee is located, they can work seamlessly with colleagues in different time zones. By embracing digital by default, Shopify is able to tap into a wider range of talent, including those who may not be able to work in a traditional office environment, such as individuals with disabilities, caregivers, and those who live in rural or remote areas.

Walmart is another company that has taken a proactive approach to construct a non-traditional employee value proposition. Its Live Better U programme offers employees access to free education, college credits and certificates that can be used to advance their careers and improve their lives (Walmart, 2021). By offering this alternative path to education and career advancement, Walmart has been able to attract a wider range of candidates, including those who may not have a college degree but possess valuable skills and experience.

4.3. Broaden the talent-sourcing approach by understanding the importance of diversity and inclusion in talent acquisition

The final step is to broaden the talent-sourcing approach through diversifying recruitment channels and strategies. Relying solely on traditional methods such as job postings and referrals can limit a company's reach and restrict the types of candidates that apply. By adopting a more creative and personalised approach, companies can expand their talent pool and reach out to workers who may not have considered the company otherwise. This involves understanding different worker personas and tailoring recruitment strategies accordingly.

To achieve this, companies can look beyond the typical job boards and explore unconventional channels such as social media, industry-specific forums, and online communities. For example, Goldman Sachs ran Snapchat campaigns to recruit college students, using a series of recruiting ads on the social media platform aimed at collegiates (Goldman Sachs, 2023; Moon & Mzezewa, 2015). By using non-traditional channels, companies can connect with potential candidates who might not be actively job hunting but are open to the right opportunity. Another example of companies utilising non-traditional recruitment channels is Chipotle Mexican Grill, which recently announced its use of TikTok Resumes, a creative and unconventional recruitment strategy to reach potential candidates (Chipotle Mexican Grill, Inc., 2021). By leveraging the popular social media platform, Chipotle was able to attract motivated Generation Z candidates to expand its personnel beyond traditional methods such as job postings and referrals.

5. Case study: Walgreens Boots Alliance' human resources management practices during the Great Resignation

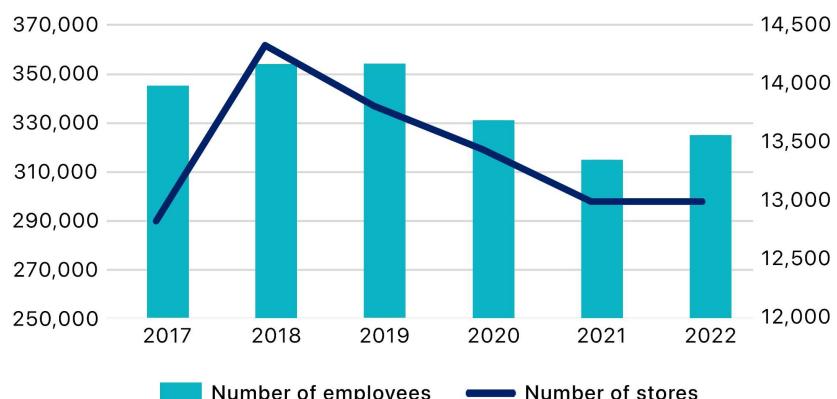
5.1. Company overview

Walgreens Boots Alliance (WBA) is a global healthcare company with approximately 13,000 stores across nine countries. WBA provides a wide range of health services, including prescription and over-the-counter medications, health and beauty products, and healthcare advice. WBA is also a leader in the development and deployment of innovative technologies that are transforming the way healthcare is delivered (Walgreens Boots Alliance, 2023).

5.2. The impact of the Great Resignation on Walgreens Boots Alliance

The Great Resignation has had a significant impact on Walgreens Boots Alliance, as the company has struggled with a nationwide labour shortage of pharmacy technicians. The company's total number of employees declined by 3.22% in 2020 and 4.83% in 2021, reflecting the difficulties it has faced in retaining staff (Figure 7). The pandemic labour shortages have also forced some of its pharmacies to limit hours or close in some cases, evidenced by the closing down of 1331 stores from 2018 to 2021, impacting the company's ability to meet patient demand (Walgreens Boots Alliance, 2022).

Figure 7. Number of Walgreens Boots Alliance employees and operating stores from 2018 to 2022



Note. Adapted from Walgreens Boots Alliance, Inc. Form 10-K 2022. Assessed via the U.S. Securities and Exchange Commission

The national pharmacy staffing shortage has also intensified competition for talent, making it harder for Walgreens Boots Alliance to attract and retain qualified staff (ASHP, 2022). The company's push into patient care delivery has further increased the demand for skilled workers, adding to the challenges it faces (Reed, 2022).

5.3. WBA's HR practices to address labour shortage challenges

Walgreens is taking a comprehensive approach to combat the Great Resignation and associated labour shortages by employing several HR strategies, such as offering financial incentives and investing in employees' physical and mental health.

5.3.1. Increasing monetary incentives and offering financial support

In August 2021, Walgreens announced its plans to raise the minimum wage to \$15 per hour for all team members. This initiative will be implemented gradually over the next three years (Walgreens, 2021). The company believes that offering competitive compensation is crucial in attracting and retaining top talent, and has thus decided to increase pay for front-end employees and pharmacy technicians. This initiative is vital in attracting and retaining employees as compensation is a significant factor in employee satisfaction (Ibrahim & Boerhaneoddin, 2010).

Walgreens has also offered sign-on bonuses, referral rewards, and bonuses for certification to administer vaccinations for pharmacy technicians. In 2022, the company announced plans to invest \$850 million in team member compensation over two years. To address financial hardships experienced by employees, including those resulting from the COVID-19 pandemic, Walgreens established the Walgreen Benefit Fund in the U.S. This fund, which is supported by charitable donations, provided \$1.9 million in aid to over 1,500 applicants in fiscal 2022. To further support financial wellness, the company offers access to expert financial help through Point Solutions, as well as exclusive pricing and discounts through MyOffers and PerkSpot programmes. (Walgreens Boots Alliance, 2023).

5.3.2. Providing physical and mental health support for employees

Providing physical and mental health support to employees is a critical aspect of maintaining a healthy and productive workforce (Baicker et al., 2010). In line with this, WBA has crafted a comprehensive benefits package that prioritises the physical, mental, and financial well-being of its employees and their families (Walgreens Boots Alliance, 2023). Full-time employees are entitled to a range of benefits, including healthcare coverage, insurance benefits, paid time off, defined contribution plans with a company match, paid parental leave, and a stock purchase plan. Part-time employees also receive several benefits, including 401(k) employer matching, annual flu vaccinations, and access to employee assistance programmes. WBA also offers a new consolidated benefit programme through Vida Health that matches participants with a health coach or therapist to help make lifestyle changes for a happier, healthier life.

In addition, WBA strives to cultivate a work environment where employees celebrate and are treated with empathy, compassion, and authenticity. To advance this objective, Walgreens has placed particular emphasis on enhancing its knowledge on mental health matters, evidenced by its expansion of the Mental Health First Aid training programme. This initiative, conducted in partnership with the National Council for Behavioral Health and American Pharmacists Association (APhA), comprises a four-hour accredited continuing education course, which has been completed by nearly 900 pharmacists to date. Awareness and prevention campaigns for employees are also regularly implemented throughout the year to raise awareness and promote preventative measures.

In conclusion, WBA's commitment to retaining skilled employees through increasing monetary compensation, as well as supporting employees' overall health through their comprehensive benefits package is critical to their success as a business. By the end of 2022, the number of employees at WBA has increased by 10,000, while the number of operating stores witnessed the end of their continuous downward trend since 2018 (Walgreens Boots Alliance, Inc., 2022).

6. Conclusion

This report has explored key trends and driving factors behind the rise in voluntary turnover rates, as well as HR strategies for addressing the resulting labour shortages and retaining talent in the post-COVID-19 era. Through an analysis of case studies and academic literature, it has become clear that effective HR management during this period will require organisations to adapt to changing employee needs and values, develop competitive compensation packages and talent development programmes, broaden talent-sourcing approaches to prioritise diversity and inclusion, and foster a culture that values employee well-being and growth.

The case study of Walgreens Boots Alliance reveals how effective HR practices can counteract the detrimental effects of the Great Resignation on an organisation. Through the implementation of a multifaceted strategy including increased monetary incentives, mental and physical health support, and financial aid, WBA was able to tackle the issue of labour shortages while retaining top talent. These results are encouraging and suggest that similar practices could be adopted by other organisations to improve retention rates in a labour market driven by employee demands.

It is clear that the Great Resignation is not a passing fad, but rather a symptom of deeper systemic changes in the employee-employer dynamic. The most effective approach to managing HR during this period is therefore not a short-term fix but a comprehensive, long-term strategy that prioritises employee engagement and well-being. By adopting such an approach, organisations can navigate the challenges posed by the post-COVID-19 era and emerge as more resilient entities, better equipped to handle future disruptions.