

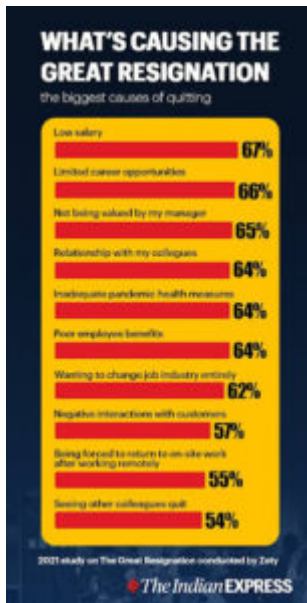
The Great Resignation

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In news- The Great Resignation, a new term came up in 2021 to capture the rising trend of employees leaving jobs.

What is the Great Resignation?

- The Great Resignation, also known as the **Big Quit**, is an economic trend/ phenomenon in which a **large number of employees voluntarily resign from their jobs after the COVID-19 pandemic ends.**
- It started when the American government refused to provide necessary worker protections in response to the COVID-19 pandemic, resulting in wage stagnation amid rising cost of living.
- Some economists have described the Great Resignation as a kind of general strike.
- The **term was coined by Anthony Klotz**, a professor of management at Mays Business School at Texas A&M University, who predicted the mass exodus in May 2021.
- It has largely been fuelled by burnout, but other factors also include the shift to working from home and the desire to move into a more stable profession.
- In light of these resignations, the labour market has incentivised companies to offer better benefits and higher salaries.
- In 2020, the World Economic Forum surveyed 300 global companies and found that 43 per cent of business expect to reduce their workforce with new technology.
- Providing opportunities for lateral job moves, healthy work culture, better workplace and offering employees more remote working opportunities are some of the solutions for this problem.



Trends in India & world-

- Many studies have indicated that the pandemic is the single-biggest factor behind higher attrition rates, not only in the West but also in India.
- India's top IT company TCS' attrition rate rose to 15.3% in Q3FY22 as compared to 11.9% in the previous quarter.
- On the other hand, the country's second largest IT firm Infosys' voluntary attrition has risen to 25.5% in the third quarter from 20.1% in the September quarter and 11% year-on-year (YoY).
- Another IT giant Wipro's attrition rose to 22.7% (voluntary TTM) on a trailing 12 month basis from 20.5% in the second quarter (QoQ).
- Following the Great Resignation, the IT and technology sector is hiring at unprecedented rates with the top five IT companies hiring around 1.7 lakh people in 2021.
- In 2020, resignation rates across the US plummeted due to the fear and uncertainty caused by the pandemic.
- However, one year later, as the workforce experienced a collective burnout, individuals left their jobs at unprecedented rates.
- Estimates indicate that in total, 75.5 million people in America resigned in 2021.

