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3 Tactics to Combat the Great Resignation

During the pandemic, workers quit their jobs in record numbers across the U.S. According to the Bureau of Labor Statistics (BLS), a record 4.4 million employees (3%) resigned their positions in September 2021, the largest number ever recorded since the BLS began tracking the metric in 2000. This mass exodus has been dubbed "the great resignation," and it continues to rattle employers. High turnover and loss of talent can seriously undermine an organization's productivity and profitability. But there are strategies you can use to help stem the tide.

1. **Consider remote, distributed and hybrid workforce solutions.** There's a saying, "you can't un-ring the bell." Many employees who had a taste of remote work during the pandemic have come to prefer it and are rethinking their ideal employment situation. Finding flexible arrangements to accommodate these workers may prevent them from jumping ship at the first opportunity. Not all positions lend themselves to this option, however, so it's also important that on-site workers don't feel overlooked. Consider offering this group additional perks such as flex work or casual Fridays.

2. **Support financial wellness.** Many employees have suffered from heightened emotional and psychological stress during the pandemic. Fear and anxiety about the health of family members, challenges helping kids with remote learning, social isolation and financial pressures have hit families hard. While COVID-19 continues to exert an outsized influence on many aspects of life, one area where plan sponsors can make a significant and meaningful difference is by offering financial wellness programs and support. Contact your MCF Advisors Plan Consultant with questions or to discuss employee financial wellness initiatives.

3. **Proactively assess (and boost) morale.** Use performance reviews as an opportunity to gauge employee job satisfaction. Look for ways to support professional development by offering training and educational opportunities and encouraging appropriate lateral moves when possible. Don't wait until you have to make

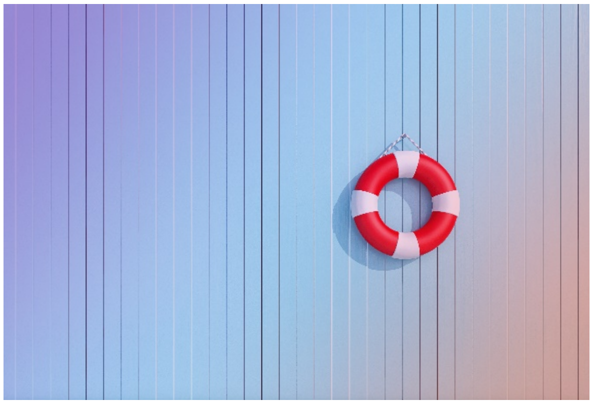
a counteroffer to retain a valued worker. Find ways to show your appreciation to individuals and departments with special lunches or dinners — and public recognition of contributions and achievements. Encourage upstream communication about any frustrations or difficulties to head off potential defections. Also, don't overlook the value of a 401(k) match in the eyes of your employees.

A tight job market fueled by low unemployment, record-high savings rates and soaring 401(k) balances suggests that the great resignation may continue into the future. This is not the time to adopt a wait-and-see approach when it comes to employee retention. Organizations that are nimble and well-positioned to provide flexible solutions to meet the changing wants and needs of their workforce are more likely to attract and retain top talent during this period of historic turnover.

Sources

https://www.bls.gov/news.release/jolts.t04.htm

EMERGENCY SAVINGS



According to a recent WSJ Article[1], more employers are adding emergency savings accounts to employee benefit programs, in an effort to attract and retain workers and help them better prepare for unexpected expenses.

In 2019, The Federal Reserve reported that 37% of adults lack the funds to cover a $400 emergency. Nearly a quarter of the 11,000 respondents to a November 2020 Federal Reserve survey said they were worse off financially than a year before.

Responding to demand from employers, workplace programs designed to help workers build emergency savings, often through payroll deductions, are becoming exceedingly popular.

Regulators have been trying to make it easier for employers to automatically enroll workers into emergency savings accounts, something the 2006 Pension Protection Act did in 401(k) accounts.

Sen. Cory Booker (D., N.J.) introduced a bill to make it easier for employers to auto-enroll workers in emergency-savings accounts (workers would be able to opt out) and a bill sponsored by Sens. James Lankford (R., Okla.) and

Michael Bennet (D., Co.) would allow workers one penalty-free annual withdrawal of up to $1,000 from a retirement account for emergency expenses. However, with experts suggesting 3-6 months' worth of expenses in emergency savings account, a $1,000 withdrawal most likely won't cover the entire expense.

Contact your MCF Advisors Plan Consultant with questions.

Sources

1 The New Employer Benefit: Matching Emergency Savings Pandemic has highlighted need for employees to have money set aside for a rainy day, By Updated Aug. 27, 2021 8:12 am ET (https://www.wsj.com/articles/the-new-employer-benefit-matching-emergency-savings-11630065600)