

Reconnecting and Reinventing Over Resigning

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“Every time humanity has shifted to a new stage, it has invented a new way to collaborate, a new organizational model.”

— Frederic Laloux, *Reinventing Organizations*

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And just like that, we are in 2022, two years into a global pandemic. The challenges keep coming, as the Omicron variant makes its way across the world amid the ongoing acceleration of the Great Resignation, where record-breaking numbers of employees are leaving their jobs. For the foreseeable future, we can only be certain that the uncertainty will persist on some level. Yet having now lived through this perpetual flux, we are all more accustomed to it and, with some effort, more equipped to respond effectively.

So, while it remains almost impossible to know what lies around the bend, what should not be discounted is how much has been learned. Continuing to make sense of and apply this knowledge is the best course forward for leaders. To do this, CEOs know they must keep evolving and expanding their leadership capacity—to become more vigilantly *self-aware* and more authentically *relatable*, and to be more willingly *adaptive* to what is optimal and most necessary. These three are interrelated essentials of leadership for this new era and consciously honing them will help CEOs work with stakeholders to create the organizations they need now.

Beyond the “Big MIS-READ”

Last March, when Microsoft predicted the Great Resignation, they warned that leaders had grown increasingly out of

touch. One in five of their survey’s global respondents said that their employers did not care about their work-life balance and that vast numbers of workers were feeling more disconnected from their organizations. “People are struggling, and we need to find new ways to help them,” alerted Microsoft CVP Jared Spataro.

A blaring wake-up call sounded the following month when more employees voluntarily quit in the United States than at any time since at least 2000 (when this type of data was first recorded). Since then, the figures just keep rising, hitting a record-breaking 4.5 million in the United States alone in November, and that number is expected to keep climbing for the foreseeable future. While most pronounced in North America, this is certainly a global phenomenon. The numbers have likewise mounted in Western Europe: The Organisation for Economic Co-operation and Development (OECD) revealed in the early fall that in its member countries about 20 million fewer people were working than before the pandemic. Further, a similar occurrence known as *tang ping* began in China at roughly the same time, in April 2021.

The big error many CEOs have made in responding to the Great Resignation is in making it too much about themselves, about how it is disrupting their best laid plans. This has been their “Big MIS-READ,” according to Priya Parker, the highly regarded conflict resolution specialist and author of *The Art of Gathering*. Too many CEOs have tackled

widespread employee restlessness and discontent according to this old leadership purview—from the top down, trying to manage the situation rather than understand it, applying old transactional reflexes—all in the hopes of “getting back to business as usual.” Nothing about the present situation is usual in the least, and new times require new measures.

So, it should come as no surprise that the first “answers” to the Great Resignation of pay raises, new financial perks, thank-you bonuses, new benefits, etc., have not turned the tide. People keep leaving. While many employees welcome financial incentives, they additionally crave more engagement, a greater sense of belonging, and investment in an organization whose mission and purpose align with their own personal goals. “The Great Resignation isn’t a mad dash away from the office; it’s the culmination of a long march toward freedom,” organizational psychologist, Adam Grant, has explained. “Flexibility is more than choosing the place where you work; it’s having freedom to decide your purpose, your people, and your priorities.”

While accelerated by Covid-19, the “Big Quit” (one of the newest terms applied to the trend) is the expression of a longer process, the roots of which stretch back over a decade. Increasing numbers of employees have grown impatient with the tenacity of hierarchical systems of corporate bureaucracies that feel stifling and even counterproductive. Many are actively seeking new structural solutions and an improved sense of psychological safety in order to more creatively experiment and perform in their work.

CEOs need to respond in kind, first and foremost by working to better understand their employees’ many priorities and weighing them carefully against other business objectives. The most effective approaches will most likely be as complex as the circumstances that created them.

Reinventing Relationally

“You have to ask, you have to listen, and you have to learn.”

– Marshall Goldsmith, author and leadership coach

The good news is that the massive disruptions of the recent past have enhanced leaders’ willingness to change themselves and their organizations; 97 percent

of the almost 1,000 CEO respondents in our recent study “[It Starts With the CEO](#)” acknowledge the need to keep self-transforming to lead their organizations (this is an increase of 23% percent since our last survey in 2018). They see the pandemic as having provided a springboard for this development. Many have told us how they can now better envision a future built on hope and progress. As one put it: “I am hopeful that we will keep accelerating the shift to a more purpose-driven and employee-centered way of leading.” Many came to value the space the pandemic gave them to “rethink roles and traditional structures,” and have come to consider it an unprecedented opportunity for reinvention.

Remembering this is imperative as CEOs confront and sort through the realities of the Great Resignation and the other unfolding manifestations of our shifting circumstances. “Now we need to keep people motivated and engaged as we progress through a longer phase than we initially thought,” another CEO respondent cautioned, “that we don’t automatically regress back to the same old ways of doing things.”

Unfortunately, they have not consistently remembered. As the pandemic has lingered, it has been common to slip back into insular thinking and old, ineffective patterns. In large measure, this is understandable. CEOs are as worn out as the rest of us, maybe even more so. As Microsoft CEO Satya Nadella recently told *Harvard Business Review*, their data shows that, over the course of the pandemic, “strong ties have gotten stronger” and “weak ties have gotten weaker.” The shift to remote work ultimately shrunk organizational networks and made access to creating new ones a lot more difficult. The Great Resignation is, in large measure, a reaction to this gulf. The leader’s call now is to find ways to correct this, to bridge the chasms and make those weak ties stronger. It is those refortified human connections that will create the trust and loyalty organizations desperately need now and, as Nadella added, “get people to stay in place.”

Beyond a doubt, the leaders’ most valuable currency at this moment in time is their ability to relate to their employees, to show true care and empathy. Above all, becoming an excellent listener—listening to really understand, not to win or “fix”—is essential to forming connections. Yet almost half of the CEOs we reached in our survey listed this as their No. 1 blind spot.

As a start, CEOs need to ask more pointed and vital questions: What parts of your work are giving you energy? Which are depleting? What gets in your way? What is most

essential for future performance and what is not? How can I support you better? How can we all perform better? What will make you want to stay here? Understanding the answers to questions like these, CEOs will come to better understand and unlock the collective potential of their organizations and generate the most promising, innovative solutions to the thorny circumstances so prevalent of late.

Signs of the Times

Of course, better relating and really listening to employees are means to the ends. Determining what needs to change to meet those objectives and balancing these with other business priorities remains the complex process of truly enlightened leadership.

Figuring all this out will not be a one-size-fits-all process. Solving the “purpose” part of the equation, for instance, is clearly important. There is little question that many people are looking for more fulfillment and meaning in their work; the distance between work and life for so many people has narrowed, and they want the two to be more mutually reinforcing. Still, what that means for a particular group of people over time in a particular company or industry will, in itself, vary. For some, “purpose” will be mostly externally measured, by a company’s output and public mission, for example. Some will want to know how their organization can better invest in positively impacting society and the planet. For others, internal factors could be more important—learning and incentive programs, inclusivity, and DEI advancements, for instance. Each company’s optimal response to building a more “purposeful” organization will, at best, be a unique formula based on their own circumstances, values, and business objectives. Deriving that solution will come as a result of a careful diagnostic process of inquiry and debate, weighing the necessary against the sufficient across time and space.

Two things stand out for leaders at present: First, people must feel heard. CEOs need to do everything they can to lean into this. Next, CEOs will further gain followership by expanding their ability to lead *as part of* the changing terrains of their businesses and work at large, *not separate* from it. By sharpening their capacities to be more self-aware, relational and adaptive, they can meet these goals. Progress will come from loosening their grip on the managerial detachment of a bygone period and really connecting in the full exploration of the present circumstances and possible solutions.

“Covid has broken existing paradigms and provided a wonderful opportunity to think afresh of completely different ways of doing business,” one of our CEO survey respondents wrote. “These are exciting times,” he added. Some (many, perhaps) may beg to differ with, at the least, his final assertion. But few will doubt right now that the shifts we are witnessing are real and ongoing, that they are, undeniably, invitations for further change and human collaboration.

Employees all over the world are making it abundantly clear that they want to help drive that change—to be part of the bold experiments necessary to initiate something better and more fitting. They also want (and need) to be led by individuals they can relate to and whom they respect. In the end, it is not actually the constant uncertainty of the present that is most threatening; it really is our reaction to it—how it is received and how it is shared with others. This is what will continue to make the difference and produce better performing businesses actively responding to both a shifting world and its people.

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