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The coming worker exodus

Long recession and bottled-up prospects expected to spur restless employees to seek greener pastures

Premium content from Boston Business Journal - by Lisa van der Pool

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Last year's grim cocktail of layoffs, salary cuts and a stagnant job market has created a newly restless workforce that's itching for the nearest exit door.

A brighter outlook for the job market in 2011 means that workers no longer feel shackled to their current jobs, holding on for dear life because new opportunities are nonexistent. Boston-area recruiters say that not only have the number of job openings soared in January, but the number of "passive" job seekers — people who already have jobs — has also risen.

"There's definitely change in the air," said Kip Hollister, founder and CEO of the Boston-based recruiting firm [Hollister Inc.](#) "There was so much pressure put on staff over the past couple of years. People were stretched to near breaking points. Now they can take a step back and ask themselves ... where do I want to work? Where am I most valued?"

The majority of workers are asking themselves those very questions, if you believe a recent survey from Philadelphia-based Right Management, a division of Manpower.

The survey found that 84 percent of employees plan to look for new jobs in 2011, up from 60 percent a year ago. The poll of more than 1,400 workers found that employees are feeling "restless," setting the stage for a "mass exodus" this year.

Not only are workers feeling more willing to take a risk on a new job this year, but there's also a high level of disengagement in the workforce, said **Tracy Burns-Martin**, executive director of the Northeast Human Resources Association.

"People have been put through the ringer," said Burns-Martin.

Still, the job market is hardly ready to accommodate a mass exodus, given that the Massachusetts unemployment rate still hovers at 8.2 percent.

"There aren't a lot of opportunities, and for the few opportunities that exist, there is a lot of competition," said **Fred Foulkes**, a professor of organizational behavior and director of the Human Resources Policy Institute at [Boston University](#).

But Foulkes agrees that what happened at many companies during the recession helped to create a discontented workforce.

"A lot of people saw the way some of their colleagues were treated ... and they didn't always agree with the people who were selected to leave," said Foulkes.

For those looking, there's encouraging news from recruiters. At Hollister, the number of job openings has increased by 50 percent compared with the same time last year.

Companies that are most vulnerable to having their talent poached are technology firms, according to recruiters.

Law and health-related firms are also expected to step up hiring this year, but the highest-performing workers in any industry are going to have more new opportunities this year, say recruiters.

At Andover-based Talent Retriever LLC, there's also a 50 percent increase in jobs, according to CEO **Dave Barbato**.

"Last year at this time, people were hunkered down and nervous," said Barbato.

Likewise, the Boston office of recruiting firm PSG recently had its busiest December in five years, according to CEO **Aaron Green**.

Green says there's pent-up demand among job seekers who have been waiting until the economy gets to the point where they're not worried about switching jobs, lest they get caught in a "last-in, first-out" layoff situation.

But according to a recent PSG survey, only about 21 percent of companies view employee retention as a significant problem.

"I think companies need to pay attention to their top performers and make sure they're taking steps to retain them and make sure they don't feel taken advantage of over the past few years," said Green.

Burns-Martin's advice to firms is to "pull back the covers" and see what's going on by conducting employee interviews before workers

leave.

Tracy Gallagher, senior manager of the accounting firm CBIZ Tofias in Cambridge, agrees.

At CBIZ Tofias, Gallagher says he conducts employee satisfaction surveys, in part because he's always concerned about retaining talent.

"I think what keeps people is an opportunity to grow and learn, so we invest in training and technology so people don't feel like they're stagnating by staying here," said Gallagher. "They also want high-quality work and you've got to be perceived as being fair on compensation and benefits."

To persuade top talent to stay, employers should be thinking about how to "mend" their relationships with their employees, said **Jay Hargis**, director of learning and development at [Tufts Medical Center](#) and author of the blog HR Cleanup.

"It's really easy to plan layoffs. How do you plan a recovery?" said Hargis. "Employers have to start thinking about the ramification of all the sacrifices they've asked from people over the past few years."

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