WHY THEY ‘QUIT YOU’—TOP REASONS AN EMPLOYEE LEAVES
What are the top reasons people are leaving a job? And what attracts people to their new organization? The latest PayScale research take a deep dive into this to find out what is impacting employee retention and what employees are looking for in a new organization.

The average person spends 13 years and two months of their entire lifetime at work. That’s a long time, so it makes sense that people expect to work at a company with a good work-life environment and fair compensation. Unemployment rates are low and the economy is currently strong. This environment increases workers’ confidence levels and promotes more risk-taking. In February 2019 alone, 2.86 million Americans quit their jobs, according to the Bureau of Labor Statistics (BLS).
Not surprisingly, a bigger paycheck is the top reason that people quit their jobs. In fact, 25 percent of people surveyed left for higher pay. More workers than ever before are leaving their jobs and feeling incredibly confident that they will find another one, and quickly. However, 27 percent of all respondents said the main thing that attracted them when choosing a role at a new organization was the opportunity to do more meaningful work - followed by increased responsibility (17 percent) and increased pay (16 percent). Even 20 percent of those who said they quit for increased pay said that the primary reason they chose their new organization was the opportunity to do more meaningful work. A Gallup poll last year found that no more than 13% of adults with full-time jobs found their work meaningful. However, some say that finding the holy grail of a meaningful job that also meets other important criteria as well may be an impossible dream. Employee priorities can change over time so what they need (flexibility, compensation, location, skill set, etc) may not always coincide with what they find meaningful over time.

MONEY IS IMPORTANT, BUT IT ISN'T THE ONLY FACTOR
WHAT IS THE PRIMARY REASON YOU SOUGHT EMPLOYMENT OUTSIDE OF YOUR CURRENT ORGANIZATION?

- **25%** I WANT HIGHER PAY
- **16%** I AM UNHAPPY AT MY CURRENT ORGANIZATION
- **14%** I WANT TO WORK AT AN ORGANIZATION MORE ALIGNED WITH MY VALUES
- **11%** I AM RELOCATING
- **10%** MY CURRENT POSITION IS NOT FULL-TIME
- **7%** I WANT A PROMOTION
- **2%** I WANT A MORE FLEXIBLE SCHEDULE
- **15%** OTHER
WHAT IS THE MAIN THING THAT ATTRACTED YOU TO THIS NEW ORGANIZATION?

- The opportunity to do more meaningful work: 27%
- Increased responsibilities in this role: 17%
- Increased pay for this position: 16%
- The workplace culture: 11%
- Nothing in particular - this is just another job: 6%
- Better benefits/perks (more PTO, better healthcare, etc.): 6%
- I wanted to work for a larger organization: 5%
- I wanted to work for a smaller organization: 2%
- Other: 10%
When we took a closer look into gender differences in why people quit, we found that women are 8 percent less likely than men to quit for more money (and are 6 percent less likely than men to choose their new organization because of money). They are also 11 percent more likely than men to quit for more flexibility. Previous research we have conducted supports this by showing women are more likely to take time away from work to care for a child or other family members than men. Given this and other research, it’s safe to assume women prioritize flexibility in jobs so they can manage the demands on their time outside of work. Additionally, women are 6 percent less likely than men to choose their new organization because of money and are 9 percent less likely than men to choose their new organization because it was a larger organization.

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1 Any comparisons across groups with reference a ‘likelihood’ (e.g “more/less likely”), refer to a proprietary model that compares groups against an idiosyncratic “Other” survey response. As such, a group could be considered more or less likely to quit in comparison to another group as opposed to any random “Other” reason. All results reported are statistically significant at the 5 percent level. Please see the ‘Methodology’ section for more details.
Among those who quit because they wanted higher pay, the largest group of respondents - at 38 percent - also chose their new organization for higher pay. Forty-six percent of those who quit because they didn’t have value alignment at their previous job chose a new organization because they would get to do more meaningful work. Of those who quit for a higher level role (promotion), the largest group of respondents (46 percent) chose a new organization because they would be able to take on more responsibilities.

THE REASON SOMEONE LEAVES IS CONSISTENT WITH THE REASON THEY MOVE TO A NEW JOB
The amount of time an employee has spent at an organization influences the likelihood he or she will quit for a higher level role (promotion). In fact, people with more than a year at their current organization are more likely (relative to those with less than a year) to quit for a promotion. Those who have been at their organization for one to two years are 12 percent more likely to quit for a promotion and employees who have been in their current role for 3-5 years are 15 percent more likely to quit for a promotion. Fourteen percent of those who have been at their current organization for five to 10 years are more likely to quit for a promotion.¹

¹Any comparisons across groups with reference a ‘likelihood’ (e.g “more/less likely”), refer to a proprietary model that compares groups against an idiosyncratic “Other” survey response. As such, a group could be considered more or less likely to quit in comparison to another group as opposed to any random “Other” reason. All results reported are statistically significant at the 5 percent level. Please see the ‘Methodology’ section for more details.
## Why People Quit Their Current Org

<table>
<thead>
<tr>
<th>Reason</th>
<th>Less Than a Year</th>
<th>1-2 Years</th>
<th>3-5 Years</th>
<th>5-10 Years</th>
<th>More Than 10 Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>I Want Higher Pay</td>
<td>23%</td>
<td>26%</td>
<td>28%</td>
<td>26%</td>
<td>22%</td>
</tr>
<tr>
<td>I Am Unhappy at My Current Organization</td>
<td>16%</td>
<td>18%</td>
<td>17%</td>
<td>18%</td>
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</tr>
<tr>
<td>I Want to Work at an Organization More Aligned with My Values</td>
<td>14%</td>
<td>15%</td>
<td>14%</td>
<td>12%</td>
<td>15%</td>
</tr>
<tr>
<td>I Am Relocating</td>
<td>6%</td>
<td>10%</td>
<td>11%</td>
<td>12%</td>
<td>11%</td>
</tr>
<tr>
<td>My Current Position Is Not Full-Time</td>
<td>22%</td>
<td>10%</td>
<td>6%</td>
<td>4%</td>
<td>3%</td>
</tr>
<tr>
<td>I Want a Promotion</td>
<td>4%</td>
<td>7%</td>
<td>8%</td>
<td>9%</td>
<td>7%</td>
</tr>
<tr>
<td>I Want a More Flexible Schedule</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
<td>3%</td>
</tr>
<tr>
<td>Other</td>
<td>14%</td>
<td>13%</td>
<td>13%</td>
<td>17%</td>
<td>24%</td>
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</tbody>
</table>
Motivations for quitting also vary depending on position or level at an organization. Managers/supervisors, directors and executives want to keep climbing the corporate ladder. These employees primarily quit for promotions and more responsibilities. They are also more likely than individual contributors to choose their new organization because it offers them more responsibilities.

**CLIMBING THE CORPORATE LADDER**

Ten percent of managers/supervisors said they quit because they wanted a promotion. Twenty-one percent said they chose their new job because they would have more responsibilities. Managers/supervisors are 11 percent more likely than individual contributors to quit for a promotion. Additionally, they are 16 percent more likely than individual contributors to choose their new organization because they will be taking on increased responsibilities.

**DIRECTORS**

Sixteen percent of directors quit because they wanted a promotion and 29 percent said they chose their new organization because they would have more responsibilities. They are 22 percent more likely than individual contributors to quit for a promotion and are 21 percent more likely than individual contributors to choose a new job because they will be taking on increased responsibilities.

**EXECUTIVES**

It seems the climb never ends -- even for executives. Fifteen percent said they quit because they wanted a promotion and 33 percent said they chose their new organization because they would have more responsibilities.
INEVITABLE DIFFERENCES BETWEEN MILLENNIALS AND BOOMERS

Millennials are more likely than boomers to quit because they’re unhappy, for money, for better values alignment or promotion. Boomers have the highest rate of quitting because they want to work for a company that shares their values.

Millennials are less likely than boomers to quit because they want more flexibility. They are 9 percent more likely than boomers to quit for more money and are 15 percent more likely than boomers to quit because they are unhappy. They are 8 percent more likely than boomers to quit because they want to work at an organization more aligned with their values and are 16 percent more likely than boomers to quit because they are relocating.

Millennials are 19 percent more likely than boomers to quit because they want a promotion.

And let’s not forget Gen Xers! They are 21 percent more likely than boomers to quit for a promotion.

When choosing a new organization, millennials are 15 percent more likely than boomers to select their new workplace because it offered them an opportunity to do more meaningful work. Compared to boomers, millennials are 16 percent more likely to choose their new organization because it allows them to take on more responsibilities and they are 10 percent more likely than boomers to choose their new organization because it offers more money.
WHY PEOPLE CHOOSE THEIR NEW ORG

- **The opportunity to do more meaningful work**
- **Increased responsibilities in this role**
- **Increased pay for this position**
- **The workplace culture**
- **Nothing in particular - this is just another job**
- **Better benefits/perks (more PTO, better healthcare, etc.)**
- **I wanted to work for a larger organization**
- **I wanted to work for a smaller organization**
- **Other**

Bar chart showing the percentages of Boomers, Gen Xers, and Millennials for each reason.
WHAT CAN ORGANIZATIONS DO?

1. Create a Values-Based Compensation Philosophy and Follow It Consistently

Organizations who want to attract and retain the best people need to make sure their values and purpose as a company are clear and communicated well both inside and outside of the organization. The values an organization holds dear should be embedded in the organization's compensation philosophy and reflected in all pay decisions. This is what we call a value-based compensation plan.

For example, if you believe employees are your most valuable asset, pay them fairly. If you value open communication, prove it by communicating salary ranges and your pay rationale to your employees. When the core organizational values do not match with the compensation philosophy, it will seem disingenuous to both current employees and prospective employees.

Also, make sure you are using tools that allow you to utilize the most up to date compensation data and surveys so you can be confident that employees are paid competitively to market and equitably compared to their peers.

Additionally, you'll want to actively manage your pay brand. In practice, this involves training your managers on how to talk about pay, so they can clearly explain your pay philosophy and rationale to employees.
2. Tailor Your Total Rewards Package to Your Target Employees

Gone are the days in which organizations can provide a one-size-fits-all rewards package. As we discovered in our research, there isn’t one element that’s universally motivating to all employees. Additionally, as people move through their careers, transition from one life stage to the next, their priorities and values change. The challenge for organizations is to decide what types of employees they need, understand what’s attributes these employees care about and then provide tailored total rewards packages and work experiences that suit their target employees’ needs.

“Attracting talent is a complex blend of many factors. It’s a craft cocktail of cash compensation, incentives like stock in various forms, perceived opportunities for growth and development, lifestyle options like work-from-home, commuter subsidies and benefits”, says Susan Hollingshead, Chief People Officer at Vendini.

“But there’s a critical social nexus as well. How important is the company’s mission and its social responsibility profile to the candidate? For some, that may outweigh or certainly weigh in against cash and benefits, even against lifestyle options or be seen as part of those lifestyle options. Blended with that is culture and engagement and how those show up in the company’s employment brand. Different elements will appeal in different ways to different candidate pools. To attract top talent today, compensation and talent professionals have to be fine tuned to the blend of these attributes that will best resonate with the kind of candidate they are seeking.”
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• Learn how to create a competitive compensation plan.
• Methodology for this report.
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