



Great Resignation

Why in News

Recently, in the aftermath of **Covid-19**, large numbers of people are embracing the credo of “**antiwork**”, and walking out of their jobs, **especially in the US and European countries**.

- A record 4.3 million people resigned in August 2021, up 2,42,000 from July, according to the **US Bureau of Labor Statistics (BLS)**.
- The **American psychologist Anthony Klotz** has called it the “**Great Resignation**” — a call to remap priorities in the work-life equation.

Key Points

▪ Impact of Covid:

- While those opting out of work include, **prominently, employees in the retail and hospitality sectors**, many were willing to **switch jobs or to re-evaluate their options**.
- Many countries in Central and Eastern Europe, have recorded **a fall in the skilled labour force**.
 - However, this could be due to stronger social safety nets.
- Living through and surviving pandemic lockdowns nudged many to see “**work-free**” **living as a viable option**.

▪ Significance of Great Resignation:

- **Grievances** about low pay, unrealistic deadlines and bad bosses bubbled up from subconscious depths to feed the impulse.
- This also means that these workers have **market values** beyond their existing employers.
 - They are relying on their experience and contacts to bag better job opportunities or choose start-ups.
- There is a general apprehension that **not enough capital allocation** has been made in **capacity building**.

▪ Indian Scenario:

- Due to the **absence of social security and unemployment benefits**, there are no such phenomena in India.
 - The luxury of walking out of jobs was not available to most in India.
- However, **remote working** has made it possible for corporates and employees to have **flexible work models**.
- Due to this, the **jobs are moving towards people** in tier II and tier III cities. Thereby, making a shift in **India’s spatial economy**.
 - Also, **work-from-home** has triggered changes in the demand structure in the market.
- Further, Indians are switching their jobs in the IT and ITeS sectors.

- Several start-ups have become **unicorns** and many are hiring in bulk and are ready to pay significantly higher.

Source: IE

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