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HOW DO THEY SAY ECONOMIC RECOVERY? 'I QUIT.'

With new opportunities and a different perspective as the pandemic eases, workers are choosing to leave their jobs in record numbers.

By Sydney Ember June 20, 2021

At some point early this year, Justin Hoffman concluded that he was being underpaid.

The marketing director at an orthopedic practice in Findlay, Ohio, Mr. Hoffman was making \$42,000 a year – about \$13,000 less, by his count, than people were making in similar jobs elsewhere.

But when he asked for a raise in March, he was given only a small bump in pay. "That was kind of the straw that broke the camel's back," he said.

So after some careful thinking, Mr. Hoffman, 28, did what he had long ached to do: He quit. His last day was June 4.

Mr. Hoffman is among millions of workers who have voluntarily left their jobs recently, one of the most striking elements of the newly blazing-hot job market. According to the Labor Department, nearly four million people quit their jobs in April, the most on record, pushing the rate to 2.7 percent of those employed.

The rate was particularly high in the leisure and hospitality industry, where competition for workers has been especially fierce. But the number of those quitting registered across the board.

Economists believe that one reason more workers are quitting is simply a backlog: By some estimates, more than five million fewer people quit last year than would otherwise be expected, as some workers, riding out the labor market's convulsions, stuck with jobs they may have wanted to leave anyway. (And the millions of involuntary job losses during the pandemic surely accounted for some of the reduction in quitting.) Now that the economy is regaining its footing, workers may suddenly be feeling more emboldened to heed their impulses.

But another factor may be the speed with which the economy has reawakened. As the pandemic has receded and the great reopening has swept across the country, businesses that had gone into hibernation or curtailed their work force during the pandemic have raced to hire employees to meet the surging demand.

At the same time, many people remain reluctant to return to work because of lingering fears of the virus, child care or elder care challenges, still-generous unemployment benefits, low wages or other reasons.

The result has been an explosion of job openings, despite a relatively high unemployment rate, as businesses struggle to recruit and retain employees – a dynamic that has placed power more firmly in workers' hands. With employers offering higher wages to attract

candidates, many workers – especially in low-wage positions in restaurants and hotels – are leaving their jobs and jumping to ones that pay even slightly more. Editors' Picks

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"There's a lot of churn in low-wage jobs where people don't really have a career progression," said Julia Pollak, a labor economist at ZipRecruiter. "If you find a job that offers just marginally more, there's no cost to you in switching."

More than 740,000 workers quit jobs in leisure and hospitality in April, the Labor Department said, for a rate of 5.3 percent. A vast majority were in accommodation and food service.

The pandemic has driven workers to quit for other reasons as well. With fewer opportunities for spending, some people were able to save money and pay down their debts, giving them a cushion to leave jobs with which they were dissatisfied. Other workers, disinclined to give up remote work, are abandoning jobs that are no longer affording them as much flexibility.

For Mr. Hoffman, the decision to leave his job was the culmination of months of perceived injustices, which he said he was able to evaluate more clearly because of the pandemic.

As coronavirus cases swelled in the fall, he asked to work from home because of the risk he feared he posed to his sister, whose immune system is compromised. His request was denied, he said, crystallizing his sense that he was not respected or valued.

Over the last year, with the pandemic limiting his social interactions, he began to network over Twitter with other people in marketing. That was how he determined that he was being significantly underpaid.

Mr. Hoffman, who is now looking for work, said he probably would have quit eventually. But the pandemic, he said, hastened his decision.

"I think that if the pandemic hadn't happened, then things wouldn't have turned out this way," he said. "It didn't just change my perspective on my compensation, but I think it's changed a lot about my understanding of the relationship between employers and employees."

On a more philosophical level, the constant threat of illness, more time with family members, leisure time that gave way to new passions – all may have prompted some workers to reassess how they want to spend their time. Burned out, some people have left their jobs for once-in-a-lifetime experiences, like traveling the world. Others have seen an opportunity to shift careers or branch out on their own.

Start-ups surged during the pandemic, particularly in Black communities, as stimulus checks and unemployment benefits helped seed entrepreneurs' dreams and bolster their confidence.

"The pandemic, for a lot of people, was really stressful and caused a lot of uncertainty, so I think what a lot of people did was reflect on their lives," said Anthony Klotz, an associate professor of management at Texas A&M University who studies employee resignations.

Dr. Klotz said people were accustomed to work being at the center of their lives and identities – a reality that may have shifted during the pandemic.

"In general, we want a life of contentment and a life that has purpose," he said. "And I think for many people, they've discovered that contentment and purpose for them may lie outside of work."

That was the case for Matt Gisin, 24, who gave notice at his job as a graphic designer at a health and wellness company this month. During the pandemic, he was able to work remotely, and without a commute, he had more time for hobbies like CrossFit and video game streaming.

"I got very adjusted to all of this time and all of this freedom," he said.

But slowly, his company began requiring employees to come back into the office, first for two days a week, then three, then four. With so many people commuting to work in their cars, his trip from his home in Mamaroneck, N.Y., to the middle of Long Island could stretch to two hours each way, leaving him little time for his pastimes.

"I wasn't happy anymore," he said. "I was finding happiness in a lot of outside activities so I took this kind of leap to leave." He now hopes to find a job in the video game industry.

Economists expect the elevated level of quitting to continue for some time, as the pandemic eases and the economy rebalances.

"I would be surprised if this ended before the summer ended," said Andrew Chamberlain, the chief economist for the hiring site Glassdoor. But he also said there was an "expiration date": A high number of workers quitting will contribute to a labor shortage, eventually forcing employers to raise wages and provide other incentives, which will help lure workers back and re-establish economic equilibrium.

In the meantime, he said, workers – especially those with low wages – will continue to gain leverage over employers.

"The longer these shortages persist, the more bargaining power you put into the hands of very low-skilled workers," he said. "There is some evidence that employers are moving in response, and that's unusual."