

CULTURE HACKER
REPROGRAMMING THE EMPLOYEE EXPERIENCE™

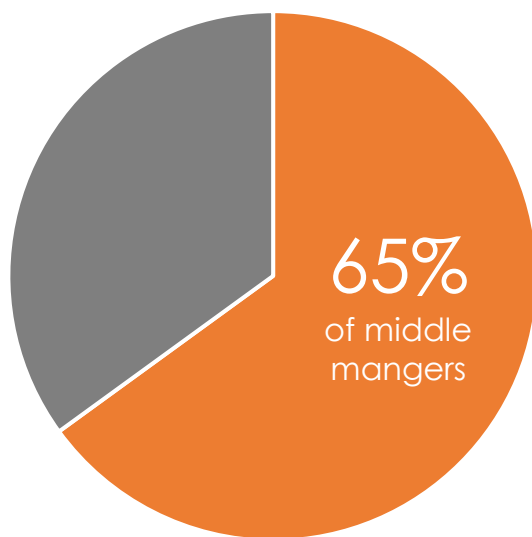
**Get Ready New
Zealand, Your Middle
Managers Are About
to Leave You!**



Who Are the Great Resigners?

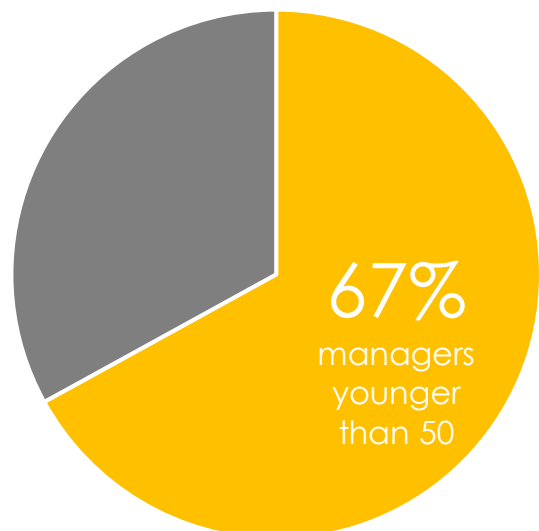
The Great Resignation was a headline-grabbing phrase that seeded numerous articles and commentary last year. Shane Green and the team at [SGEnz](#) wanted to find out more about what is driving departures from New Zealand workplaces: Who exactly are the Kiwi employees wanting to resign, and why?

The top-line findings from our research indicate that employers of middle managers and middle-aged managers at any level may face significant disruption this year.



65% of New Zealand middle managers indicated that they **are looking or thinking about looking for a new job in 2022**, even though the majority (75%) indicated they were satisfied with their current role.

67% of managers at all levels in New Zealand younger than 50 indicated they **are looking or are ready to look for a new role**. A more trusting company and owner, greater flexibility, reduced stress, and better wages and benefits are all indicated reasons your managers could be ready to walk out the door.



Our Research Approach

The first step in our research was to scan reputable sources overseas. We wanted to know if anyone else had closely examined the dynamics of the Great Resignation.

Last September, the [Harvard Business Review](#) published a piece by Ian Cook. He analysed more than nine million employee records from more than 4,000 companies across various industries, functions, and levels of experience. He highlighted one significant trend: Resignation rates were highest among mid-career employees aged 30 to 45. Resignations in this age group increased more than 20% between 2020 and 2021.

Cook suggests a variety of reasons for this change, including leveraging experience for higher pay in other roles, the pressure of the pandemic, and the desire to reduce stress and improve individual well-being.

Among our clients we have spoken with, mid-career managers have decided that being able to work from home with more flexibility around family is a significant reason for looking at other companies and roles.

From [our research](#) in December 2021, we found ways New Zealand companies could improve the employees' experience to ensure the retention of their best people and avoid the predicament so many businesses globally now face.

Many believe that the Great Resignation will likely be felt most heavily in [New Zealand and Australia in 2022](#).

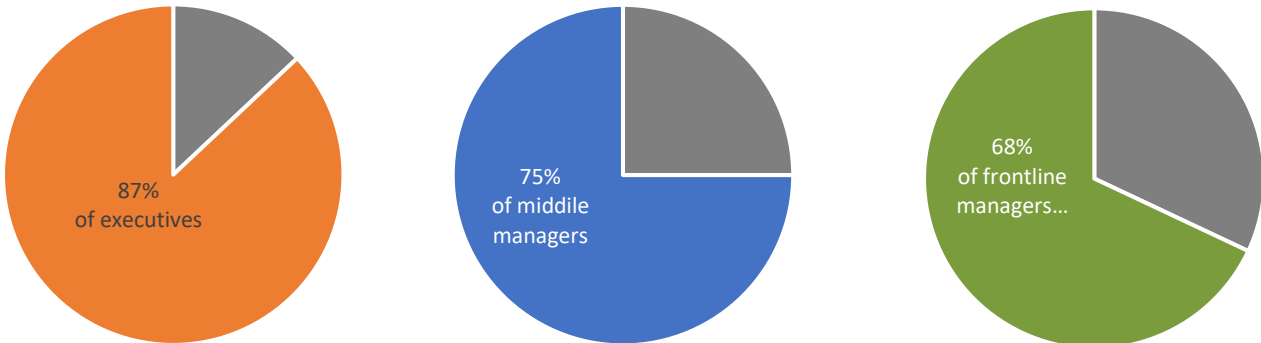
The purpose of our new research is to provide companies with more relevant insights and ideas to help offset turnover in critical roles, especially managers.

In January of 2022, we partnered with [Stickybeak](#), the preeminent New Zealand survey platform, to gather data from New Zealand frontline supervisors/managers, middle managers, and executives across all industries about their satisfaction in their current role, interest in making a change, and the critical factors driving their decision to stay or go. The sample of 269 respondents mainly was made up of frontline supervisors/managers (35%) and middle managers (46%). Only 16% identified as executives.

The Findings

Senior managers are mostly satisfied with their current role, but...

Who is satisfied with their current role?

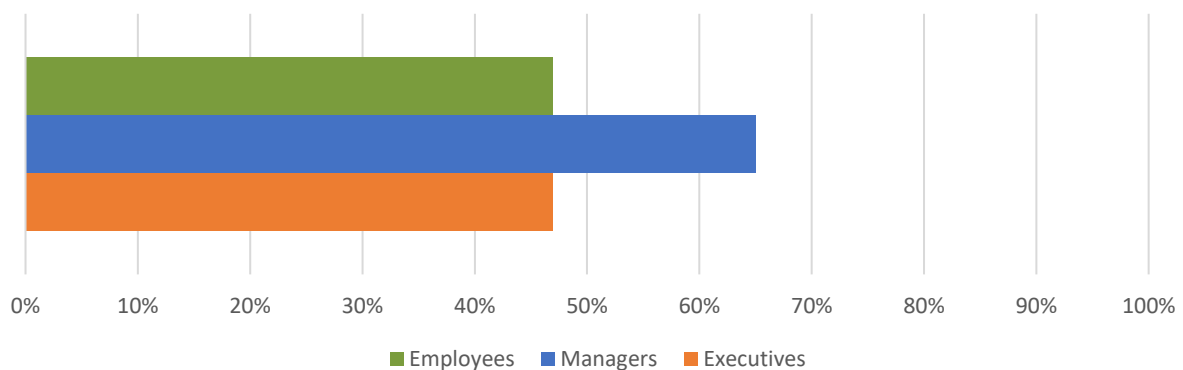


About three-quarters of respondents said they are satisfied with their current role. Senior managers were more likely to say they are satisfied; 87% of executives claimed to be happy compared to only 75% of middle managers and 68% of frontline supervisors/managers.

Satisfaction does not equal loyalty.

...satisfaction does not equal loyalty.

Percentage of managers looking or thinking about looking for a new job in 2022



What would happen if two-thirds of your middle managers or half of your managers left you this year?

We asked respondents if they were currently looking or thinking about looking for a new job in 2022. We expected frontline supervisors or managers to make up the largest group looking for a new role. After all, the results showed they were the least satisfied in their current role. However, middle managers (65%) overwhelmingly responded that they are looking or thinking about looking for another position this year.

Middle-aged managers at all levels are looking for new opportunities

In line with Cook's findings, we also found that those under the age of 50 (67%) are looking or thinking about looking for a new job in 2022 compared to only 30% among those 50 and older.

Managers at all levels could be walking out the door

As frontline supervisors/managers (47%) and executives (47%) are looking or thinking about looking for new roles, these positions are vulnerable too. Even though your managers may be satisfied with their roles, you could likely receive an unexpected resignation in 2022.

Why your managers may be ready to leave you

With that in mind, we surveyed respondents to understand what was most important to them regarding their willingness to change jobs or remain in their current roles. We focused on eight priorities for employees and managers that we and other organisations have identified in the past two years.

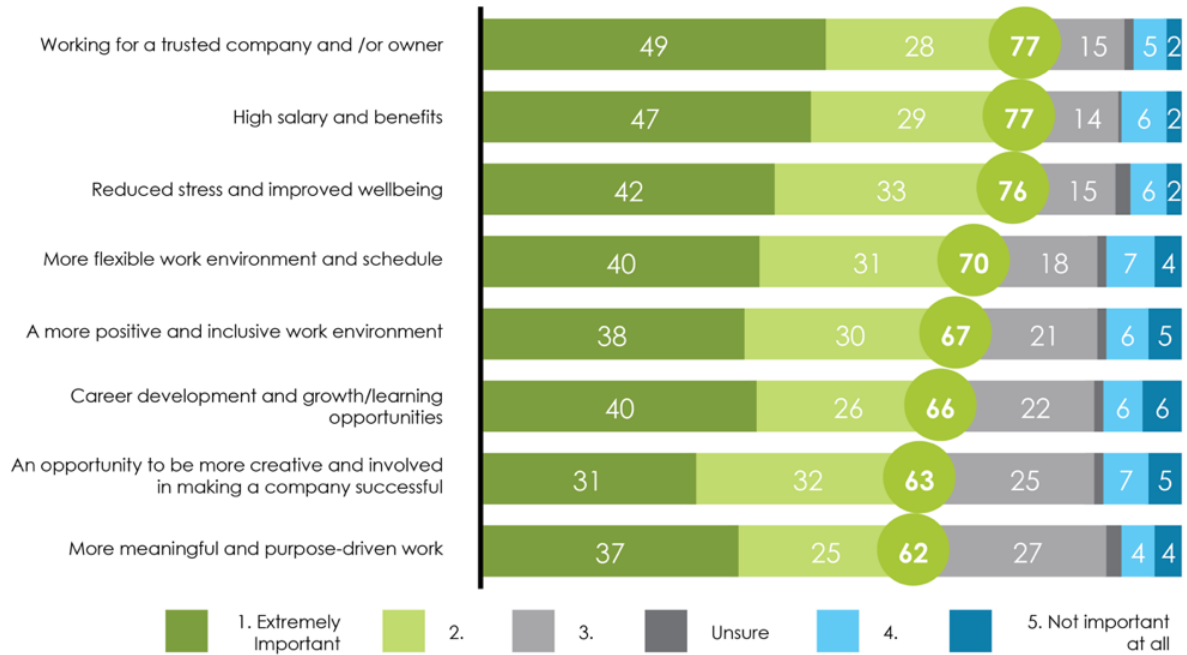
Eight Priorities That Drive the Manager Experience

- A more positive and inclusive work environment
- An opportunity to be more creative and involved in making a company successful
- Career development and growth/learning opportunities
- Higher salary and benefits
- More flexible work environment and schedule
- More meaningful and purpose-driven work
- Reduced stress and improved well-being
- Working for a trusted company and/or owner

Everything matters, but some factors matter more than others

All eight factors tested as important for most respondents.

Q: Rate the following elements in terms of importance regarding your willingness to change jobs or remain in your current one (%)



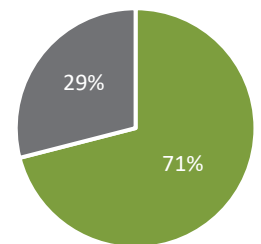
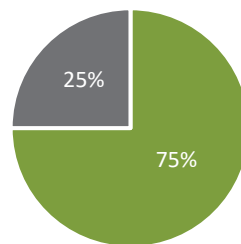
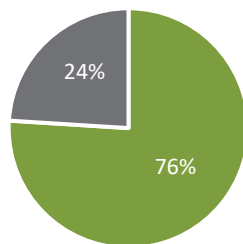
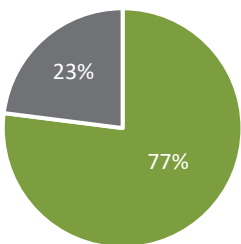
The top four priorities that determine where managers will work in 2022

Working for a trusted company and/or owner

High salary and benefits

Reduced stress and improved well-being

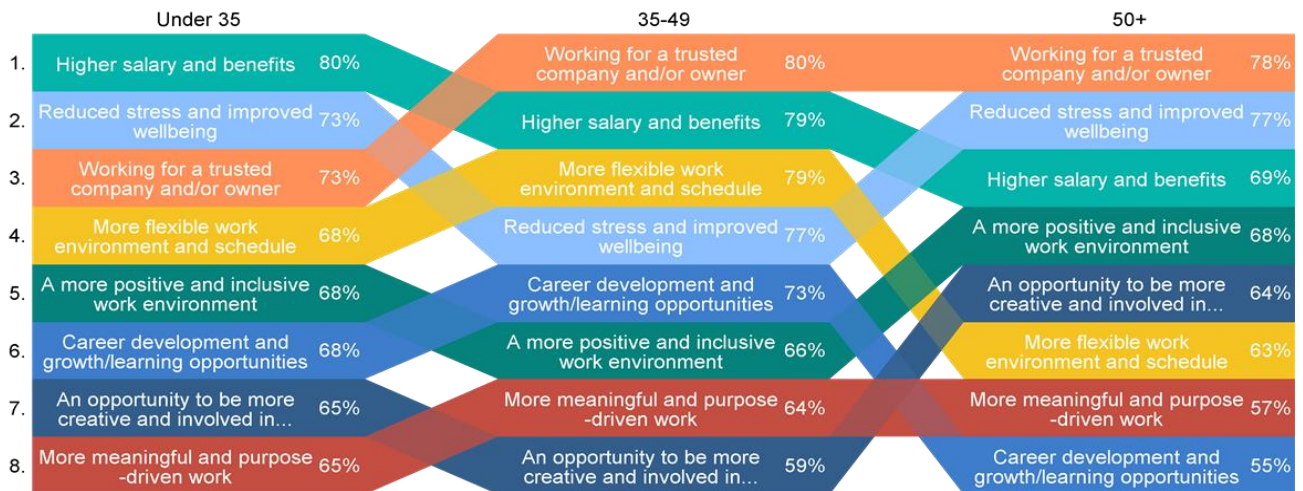
More flexible work environment and schedule



What are you doing to create a better experience for your managers in 2022?

Your Strategy to Retain a Manager Depends On Their Age

Managers younger than 50 are far more likely to consider a change in 2022. The graphic below indicates what is most important by age group based on the question: “Rate the following elements in terms of importance regarding your willingness to change jobs or remain in your current one.” When we break down the responses by life stage, we see where differences emerge.



Higher salaries and wages matter

Higher salaries and wages are more important for those under 35. Reduced stress, improved well-being, and greater flexibility are also valued. A higher salary was also very important to middle-aged managers aged 35 and 49 and slightly less than for managers over 50.

Prioritise trust

Older respondents feel that working for a trusted company or owner is the most important deciding factor to stay or go. Trustworthy organisations adhere to a high level of ethics and honesty, are transparent about why changes occur, and involve their managers in developing strategies and plans. Interestingly, older workers value reduced stress, improved well-being, and a more positive and inclusive work environment.

A bit of a surprise for younger managers

Surprisingly, our research found that respondents younger than 35 did not rank career development and growth opportunities higher. Although important, a work environment that values flexibility, well-being, inclusivity, and trust are seemingly more highly valued. We expected growth and development to be a stronger pull for younger managers in New Zealand (which we see in the US and other markets).

Don't take your middle-aged managers for granted

Our New Zealand research findings suggest that companies wanting to retain their managers aged 30 to 45 should emphasise trust, competitive salaries and benefits, flexible work schedules, and an investment in reducing stress and improving well-being. Based on our experience working with various New Zealand and Australian organisations in the past year, we recommend the following best practices to support middle-aged managers.

Activities to Support Your Middle-Aged Managers

- Foster more trust by providing greater transparency on company objectives, involving them in developing plans, and sharing more insights into why decisions are made.
- Ensure their salaries and wages are competitive for the industry, their role, and experience. Use wage comparison studies and be transparent with them about their rate. Use bonuses and other reward mechanisms to provide performance incentives so managers can earn an above-market income.
- Create a hybrid work model that allows middle managers to work from home one or two days a week to remove or reduce commutes and allow more time with family. Set them up with the right technology to support a virtual office.
- Set clear guidelines and expectations on not being available after certain hours and on specific days. Prioritise their personal time. Consider eliminating meetings on one day each week.

At the very least, we recommend meeting with and discussing with your managers their needs and what you can do to meet their needs and expectations at work. While you need to have a pulse on your employees' experience, our research also highlights the need to do the same for your managers, regardless of level or age.

Middle Managers Need Your Attention Now!

Our findings show middle managers are far more likely to look for a new role in 2022. While it would be easy to assume middle-age means middle management, we found some important differences based on management level to consider. The graphic below shows that middle managers are less concerned with work flexibility and more concerned with career development and growth opportunities compared to middle-aged managers.



Career development and development opportunities can make a difference

Our interactions with New Zealand businesses and our 2021 research have identified a lack of investment in management training and leadership development—particularly compared to the US (where we have been working for the past twenty years). A lack of strong management skills and leadership habits has a ripple effect on the employee experience and company culture. An individual's or team's direct manager has the most significant impact on team culture and how employees feel about what they do and whom they do it for. That means poor awareness or failure to develop critical leadership skills could be detrimental to your business. It may also be the reason your middle manager is getting ready to leave you.

What are you doing today to invest in your middle managers' career and development?

A Focus on Middle-Manager Career Development and Growth Opportunities

- Involve them in strategic planning sessions with the executive team. Provide them access to the company's big-picture so they can expand their view of the business.
- Involve them in a project improvement team or give them a specific metric to improve or goal and ask them to put together a small team to brainstorm ways to improve it.
- Give them access to a company executive or owner who is willing to share their expertise and experience.
- Have a career conversation with them that outlines their development needs over the next twelve months. Identify skills or habits they need to improve. This insight should come from conversations with their direct report and their own admission. Look for training that is available through third-party vendors that will address the needed skills and development.

Managers at all levels are just tired

Our work with different organisations during 2021 has shown that many managers, especially those on the front line, are tired. They have had to wear many hats as they have stepped in during staff shortages and constantly had to adjust strategies during each wave of the pandemic. You must acknowledge your frontline managers' efforts and work as they have worked so diligently and given so many long hours. Do not take them for granted because—as our research indicates—your frontline managers and supervisors are greatly emphasising reduced stress and improved well-being in 2022. We suggest acknowledging their efforts, providing a reward that is meaningful or includes some monetary value, and giving some flexibility in their hours so they can have time for the other priorities and passions in their life.

Managers need your attention now

Although there is so much focus on employees right now, the people responsible for them are most critical to your success. Yet, these managers can often be taken for granted. We have been involved with elevating business performance for over 20 years, and we always focused the most on engaging and coaching managers on their leadership responsibilities and habits.

Don't delay talking to your managers and asking them how they are doing and what they need from the business right now. Consider some of the suggestions we have made or reach out at connect@sgenz.com.

2022 is already well underway, and, based on our research, you probably have managers looking at another job opportunity today.

SGEnz

SGEnz is a subsidiary of SGEi, a global consulting and training business founded by Shane Green, a world-renowned consultant, keynote speaker, author of *Culture Hacker*, and television personality. SGEi works with global Fortune 500 leaders and innovative start-ups on customer experience, organisational culture, and leadership. They have worked with brands like the NBA, W Hotels, Westfield, MGM Resorts International, Foot Locker, NetJets Inc., Cisco Systems, United Airlines, and BMW to reprogram their employee experiences to elevate performance and deliver better customer experiences. When Green relocated back to New Zealand, he established SGEnz to work with and support companies and leaders on this side of the world.

Stickybeak

Stickybeak is a New Zealand start-up launched globally two years ago. It uses chatbots to make quantitative market research more conversational and less boring for respondents and faster and less expensive for companies. Unlike conventional research, which uses professional paid responders' panels, Stickybeak recruits unique respondents fresh for each survey via social media. The company is based in Auckland and is backed by some of the country's most successful investors. Global clients include the World Health Organisation, Dole, SCJ, Tetra Pak, O2, Vodafone and Costco and global agencies like Ketchum, Fleishman Hillard and Golin. New Zealand clients include Tasti Foods, The New Zealand Nurses Organisation, The Spinoff, and agencies Acumen and Anthem. Stickybeak polls have been cited by media like CNN, The Guardian, The New York News, Stuff, The New Zealand Herald, Business Desk, and trade publications like PR Week and PRovoke Media.

About the Research

Results in this report are based upon questions asked in a Talbot Mills Research nationwide online survey. The sample was nationally representative of 1,185 respondents in New Zealand 18 years of age and older. However, this report focuses on the n=269 respondents who said they were either a supervisor or manager. Fieldwork for the latest online survey was conducted between the 14th and 28th of January 2022. The effective maximum sampling error for a sample size of 269 at the 95% confidence level is $\pm 6.0\%$. All numbers are shown rounded to zero decimal places. Hence specified totals are not always exactly equal to the sum of the specified sub-totals. The differences are seldom more than 1%. (For example: $2.7 + 3.5 = 6.2$ would appear: $3 + 4 = 6$).