

Press release
September 2016

Inner resignation affects almost half of NZ businesses

- 42% of New Zealand businesses experience inner resignation among staff – rising to 45% of medium-sized organisations.
- 84% of CFOs and finance leaders take steps to prevent employees from mentally resigning from the company.
- The most popular measures to avoid inner resignation are employee recognition (35%) and ensuring the role fits the employee (30%).

Auckland, 7 September 2016 – According to independent research by specialist recruiter [Robert Half](#), almost half (42%) of New Zealand businesses have experienced ‘inner resignation’ – when staff members are present physically but have mentally resigned from the job. Inner resignation tends to be more common in medium-sized companies with 45% saying they have seen it happen versus 42% in large companies and 38% of small organisations¹.

More than half (53%) of Chief Financial Officers (CFOs) and finance directors in public sector organisations say their business is impacted by inner resignation – a figure that decreases to 40% in private organisations.

Businesses adopt multiple strategies to keep employees engaged

The vast majority (84%) of finance leaders use a range of strategies to prevent inner resignation. Over one third (35%) of businesses promote employee appreciation, rewards and recognition. This is followed by 30% who ensure the role matches the employee. Almost three in ten (28%) businesses foster open lines of communication and provide feedback to make sure they are aware if employees are doubting their decision to stay at the company, followed by one in five who provide personal development and training programs.

Initiatives undertaken to avoid inner resignation

Employee appreciation, rewards and recognition	35%
Ensure job fits the employee	30%
Foster open communication and feedback	28%
Provide personal development and training	20%
Avoid passing on pressure to employees	15%
Promote top employees	11%
Run internal employee survey	5%

Source: Independent survey commissioned by Robert Half among 100 New Zealand CFOs and finance directors – multiple answers allowed.

¹ Company Size Definitions

Number of staff in the respondent’s business

Small	50-149 staff
Medium	150-499 staff
Large	500+ staff

Megan Alexander, General Manager, Robert Half New Zealand said: *“When employees disengage from their workplace productivity decreases significantly, ultimately having a negative effect on the organisation’s bottom line.”*

“Employers must address any motivation concerns before it’s too late and staff begin to experience inner resignation. Once an employee has resigned from their role emotionally, it is most likely too late to get them motivated again – the success of the business is no longer important to them. That is why it’s critical for business leaders to maintain and uphold staff engagement, morale and motivation and recognise the early warning signs.”

“Employees who are experiencing signs of inner resignation need to take action to address the problem. They need to ask themselves: what would motivate me to perform at work? Is this something I could work on with my manager or do I need a fresh start with a new opportunity? The worst possible course of action is inaction, no one wins in that scenario,” added **Megan Alexander**.

Robert Half offers some tips for both employers and employees to avoid/address inner resignation:

For employers

- Foster a workplace where employees are able to express their views with confidence.
- Provide constructive feedback.
- Take an interest in your employees – and treat workplace complaints seriously.
- Emphasise common goals.
- Improve office culture by creating a positive work environment.
- Ensure salaries are adequate.

For employees

- Set personal goals.
- Challenge yourself.
- Speak up if you have concerns.
- Offer suggestions for positive change.
- Let your employer know what motivates you.

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Notes to editors

About the research

The annual study is developed by Robert Half and conducted by an independent research firm, surveying 100 Human Resources managers in New Zealand and 1,575 HR managers worldwide. This survey is part of the international workplace survey, a questionnaire about job trends, talent management and trends in the workplace.

About Robert Half

Robert Half is the world’s first and largest specialised recruitment consultancy and member of the S&P 500. Founded in 1948, the company has over 325 offices worldwide providing temporary, interim and permanent recruitment solutions for accounting, finance and technology in New Zealand. More information on roberthalf.co.nz

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