

Ali Schultz: Let's talk about the Great Resignation and what we're seeing happen for our clients, and what opportunities there might be here.

Jerry Colonna: Well, let's... let's establish a baseline of what it is we're talking about. You know, um, the phrase, the Great Resignation, is really popular right now in the media. Because what they're really identifying is the number of people who are no longer seeking employment or figuring things out. And as far too many people have discussed, and I'm not qualified to comment upon the economy here, um, there's been all of this debate about what's behind the, uh, changing numbers.

We're sitting here the day before Thanksgiving, recording this and this morning the latest unemployment numbers are, I believe, the lowest that they've been since 1979, just around, I think, like, 130 thousand unemployed. This is contrasted with nearly 20 million unemployed at the start of the pandemic. So we've had this massive swing going on. Is it because of the economic policies? Or what? I'm not sure. But let's talk about what we're seeing.

Ali Schultz: Yes.

Jerry Colonna: And in talking about what we're seeing, I like to think of this as more the Great Re-examination, more than the Great Resignation.

Ali Schultz: Mm-hmm (affirmative).

Jerry Colonna: And to me the Great Re-examination encompasses, as a phrase, encompasses more than just the people who up and quit, but the vast majority of us, who said, "What life was like before the pandemic hit, I don't want that to continue."

Ali Schultz: Mm-hmm (affirmative).

Jerry Colonna: And I put myself in the same bucket. Right? All of the things that we saw going on before, I don't want to continue and that includes: I don't want to travel the way I once traveled. Right? You know very well what my life was before the pandemic hit and you know very well that my health is significantly better because I have not been spending the majority of my life on United Airlines seat 11C. That's a tongue-in-cheek reference to something much bigger going on, which is people are saying, "How I lived my life is no longer how I want to live my life."

Ali Schultz: Mm-hmm (affirmative).

Jerry Colonna: And that includes where I want to live, for whom I want to work, how I want to pay my bills, what do I want to prioritize? This is having a profound effect on our clients, on their ability to manage teams and their ability to recruit people.

Ali Schultz: I also think one of the questions is how do I want to work?

Jerry Colonna: Mm-hmm (affirmative).

Ali Schultz: And I think the remote or hybrid work environment is also bringing that up for a lot of folks as well, in terms of-

Jerry Colonna: Mm-hmm (affirmative).

Ali Schultz: ... Do I want to be in an office? Do I not want to be in an office?

Jerry Colonna: Let me give you a perfect example again, ripped from today's headlines. Right? The New York Times, this morning, reports, much to their aghast... The New York Times is often aghast at the world. Much to their aghast, that the traditional workers who have dominated what we refer to as Wall Street, which is really the finance industry based in New York, don't want to go back to the office.

Now, what's really interesting about this is having grown up in New York, having grown up in that space, having even briefly worked for JP Morgan. There's a bravado that bordered on machismo (laughs) that was associated with an entire work ethic, which was, you know, if I'm commuting from outside of New York City into New York City, I'm on the 5:00 AM train into the city and I'm, you know, at 6:00 grabbing a cup of coffee and I'm getting to my office at 6:30, 7:00 AM and I'm working til 7:00, 8:00, 9:00 at night. And if my company is wealthy, and most of them were, I'm taking a black car home, which is what we used to refer to things before there was Uber.

Ali Schultz: Hmm.

Jerry Colonna: Right? And maybe, if I'm really a youngster and it's my first job, when the senior partners are leaving, I'm ordering in Chinese food and I'm working until 11:00, 12:00, 1:00 in the morning. Right?

That was the norm. Now it's an extreme. I get you. But when people say, "Thank you very much, I actually don't want to commute." And they have... And let's acknowledge it, it's an economic privilege to be able to say that I have an office that I close my door to.

Ali Schultz: (Laughs)

Jerry Colonna: Right?

Ali Schultz: Yeah, yeah.

Jerry Colonna: When people are saying that and then they're choosing, even those who are most bought into the system, are choosing to re-examine how they're working and where they're working, and everything is up for grabs, and one of the most important ways that

we're seeing this, and every one of my CEO clients is struggling with, right now still, do you have a remote-first policy? Do we have a hybrid policy? Do we have an office? If we have an office, is it a hoteling concept, where I bring my laptop and I take the nearest available seat?

And by the way, what does that mean for sales team gatherings? Or what does it mean for whole company meetings? What does it mean for the employees who don't have a work-from-home setup that's comfortable? What does it mean for those who have all sorts of freedom and flexibility? What state are they working in?

So when we talk about the Great Resignation, as I said before, I think it's really important to talk about this Great Re-examination going on. And I don't know what the short-term answers are. I can tell you what my long-term wishes are. Right? My long-term wish here is that people settle in and they get back to putting humans first and they really use that human first mindset to then determine whether we're a remote-first workforce, we're a hybrid workforce. Right? Because if you start with that premise, then things start to become a little bit easier.

Ali Schultz: It's like there's been a values shift over the course of the pandemic.

Jerry Colonna: Yeah, I think you're right. I mean, you can look at it either as a priorities or values. They're reflections of the same concept. It really comes down to, you know, we have our mutual friend, brilliant coach in New York, Ray Foote, and uh, shortly after he had some, uh, medical work on his heart, he shared with me something that his doctor said to him, which is how do you want to spend your minutes? And my goodness, isn't that the right question?

Ali Schultz: I know, right?

Jerry Colonna: How do we want to spend your minutes?

Ali Schultz: Not on that 5:00 AM train (laughs).

Jerry Colonna: And... and... and you know, I mean, it's been a long time since we talked about this, but you remember that I used to live on Long Island and commute into Manhattan. And for 20 years, I was on those kinds of trains. Now, I wouldn't take the 5:00 AM train. I would instead drive in because the traffic was so awful that it would take two hours to drive 16 miles, but it was just insane. And to beat the traffic I would leave at 4:30 in the morning. Like, what the hell was I doing?

Um, and you know, as I talk about this, it reminds me of that story I tell in the book, in my book, about flying back and forth to the West Coast and coming back into the house and collapsing in front of my daughter and then going to my therapist and she's like, in effect, saying to me, "Like, what the fuck are you doing?" (Laughs) and in a sense, I think there are a lot of people, millions of people, who sort of, in effect, had that kind of a

moment, where they walked into the house and spun around and collapsed on the floor and said, "What am I doing?"

And if they have the capacity to change the economic demands on their life, the economic requirements of their life, many, many people are questioning that. Now, you know, as an armchair philosopher and someone who is super, super, you know, excited about self-reflection and inner reflection, I'm excited. I think that that's great work, and as a CEO, it also freaks me out. Right? Because we got work to do (laughs). We have things we have to do. We have to go down a path of, like, we have commits we have to make.

And so one of the first things that arises is do I need to hire new people? Do I need to replace people? Right? I've got a client company, for example, where during the pandemic, there was a diaspora. Right? Everybody just fled out of midtown Manhattan. CFO went down to Florida. Uh, you know, the head of corporate development went back to Utah. You know, all these different places and I don't want to come back. Do they fire them? Do they replace them? Because as we all know, Zoom is great, but it doesn't... it doesn't fill all of the needs that we have.

Ali Schultz: It's an interesting moment for sure.

Jerry Colonna: Mm-hmm (affirmative). It's an opportunity in this moment though, isn't it?

Ali Schultz: I think on both sides. It makes employers really get serious about how are we treating our people and putting people first. What are we offering? What is it to work here? How do you take care of all of these aspects of what it means to have an organization that people want to work for, all the way from psychological safety to good benefits and... and adequate and appropriate pay.

On the other side, how does that also, meet and merge with people who are really re-evaluating for themselves what is it to... what is it to work? How do I want to do this now?

Jerry Colonna: You know, hearing you makes me think back to some of the work that we do with senior leadership teams. And you know, that... that when we'll gather a team together, we may start off by saying things like, "Okay, let's sync up on a definition of success. Let's sync up on a definition of failure." Right? What do we mean by success? What do we mean? What... what would, uh, qualify as a failure in our objectives? And sometimes that's a discussion that needs [inaudible], but more often than not it ends up in a discussion about values.

Ali Schultz: Mm-hmm (affirmative).

Jerry Colonna: Right? And so my infamous questions that I tend to prompt things like, what kind of company are you building? What kind of company do you want to work for? Because you're building that every day. And if your child came to work for your company, how

would you feel? Right? These sorts of culture-defining questions. Well, in a sense, the Great Re-examination, as we're calling it, doesn't this prompt an even wider call for this. Right?

So we start to say, "Is it enough that we build a company that is financially successful?" Or do we have an aspiration to do something even further, something deeper? Because sometimes they're leaving their job not because they don't like the company-

Ali Schultz: Mm-hmm (affirmative).

Jerry Colonna: ... but because they want something else in their job. Right? You know, now I'm thinking of Patty McCord. And Patty, um, our good friend and former podcast guest, former head of HR at Netflix, used to say about Netflix that Netflix aspired to be a great company to, uh, have worked at. And in a sense, uh, if we presume that people are going to re-examine their lives and make choices based on their own human needs, and we build that into our expectation, we no longer have to think of that as our failure as leaders, but in fact, a normal part of the process of our growth and development as a company.

And isn't that lovely, if we re-frame it? If we build in the expectation that people will move into our lives and our companies and move out and move on, and we define that as part of the success, we can re-align right around our values and our principles.