Trends shaping the Workforce 2022

What Matters Now

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NE Workforce Availability: Not Business As Usual

- 53,597 Open Jobs
- 13,055 Job Seekers
- 68.4% labor participation rate, 2nd highest in US
- 1.7% Lowest in US
- 6.2% 2021 Avg. Hourly Earnings
- 9 – 16% anticipated pay increase to retain current talent

Source: NE Works February 2022 & Gartner
This will be the most significant reinvention of work in our experience.

There has been a fundamental severing of loyalty to jobs, employers, regions.
Burnout is Pervasive
76% of employees are currently experiencing burnout

Just how burnt out?
64% of employees said they would quit without another Job lined up!

Employees have more choices than ever before
65% are looking for a new job

44% of increase in turnover is driven by the rise of remote and hybrid work

Source: McKinsey, Sept 2021
Employers Trade Reduced Hours for Pay

Plans for Compensation Increase in 2022

- 35.4% Plan for Salary Increases
- 16.7% Will increase compensation for all employees
- 8.3% Will increase compensation for high performers
- 10.4% Will have a variable compensation increase for different employee groups
- 56.3% Do not plan to increase compensation for inflation

Source: Gartner February 2022
Disruptive Approaches: Pay with Time

- Shift to 32 hours / 4-day work with no reduction in pay
- Guarantee a maximum workload (e.g., hours, caseload)
- Offer adjusted hours/workload for adjusted pay (80% pay / 80% work) with full benefits
What matters MOST to employees has changed!

Employees don’t feel:
- Valued by their managers
- Valued by their organizations
- A sense of belonging

The thing people care about the MOST is how companies treat them.

Employees are going to go where they feel VALUED
71% will leave w/in 2 years due to poor leadership skills
Employee Voice on Fairness & Equity

86% not heard fairly or equally
75% don’t feel heard on basic topics
47% underrepresented not heard equitably

Source: The Heard & Heard Nots, The Workforce Institute (2021)
Belonging is Critical to Business Outcomes!

Organizations that report high feelings of belonging experience:

- 56% Increase in job performance
- 50% Drop in turnover risk
- 75% Reduction in sick days
- 167% increase in people willing to recommend or promote the company

Source: Harvard Business Review
It is not the strongest of the species that survives, nor the most intelligent; it is the one most adaptable to change. Charles Darwin

Resilient organizations have accelerated their adaptability in order to stay competitive.