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Insights at Work: 2022

Identifying the concerns of the employers, employees
and technology to support change.

#A43insights22

By: Sarah White, Founder & CEO

A Shift Back to People.

What started a decade ago as a small survey called the Fast50 for a handful of my vendor and corporate clients has expanded into the survey we now call "Insights at Work." It has expanded far beyond the initial goal and this year had more than 1,000 people participating, indexing nearly 1,000 unique data points - looking at how life is impacting work, work is impacting life - and how tech is impacting both.

As we talked to employees, HR practitioners, hiring managers, business leaders, and tech companies from dozens of industries this past year the overarching theme was a need to shift back to the people that support them.

People are overwhelmed, burned out, and just exhausted- not just at work, but at home.

Companies and technologies that support people at work are realizing we need to do things differently than we have always done. To make a change, we have to understand where we can improve and where we are doing well. We also have to understand our options in a way that can have an impact.

For many organizations, this will mean bringing in new technology that will help automate repetitive tasks to support the limited teams. For others, it will be understanding how to better support the mental health and wellness needs of their employees or better connecting with a diverse candidate and employee base. And for some, it may just be having awareness as to what the top concerns are so they can start looking at their own teams and strategies in a better way.

In any event, the insights at work research is designed to be just that - insights.   We can't solve all of the issues (I wish we could) but we can help shift the voice back to the people for both company leadership and technologies to better support. We look forward to doing this research again later this year and hope you would consider being part of it.   Join our research panel here.

-Sarah

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Where our Data Came From.

1,020 survey participants were collected from January-April 2022.

85% Responses from North America, but six continents represented in the results.

30+ Industries represented - including tech, healthcare, professional services, manufacturing, & finance

20+ Departments represented - including C-Suite, HR, Recruiting, Operations, Sales, Marketing, Finance, IT, Procurement

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Employees are Overwhelmed.

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51% of employees in active burnout at work.

HR Professionals (excluding HRIS & Payroll) are higher than 62%

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Only 15% of Companies Consider Burnout a "Top Concern"

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Work-Life Balance isn't Working.

- 40% of employees are struggling to balance the demands of work and home

- Mental Health (36%) and Physical Health (35%) of themselves and their family are top concerns

- 30% rate "Work Stress" as a top concern in their personal life

- Individual Contributors and Managers carry significantly more stress than Directors and VPs

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1 in 6

employees want more mental health support at work

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Employee Wellness Needs to be a Priority.

An encouraging finding we had was companies seem to be listening. While they may not rate burnout as a top priority, they are still planning to take steps to address mental health.

- 30% of companies name employee wellness & mental health as a top worry for this year

- 47% will be buying mental wellness programs or technology this year

- 38% are buying EAP solutions this year

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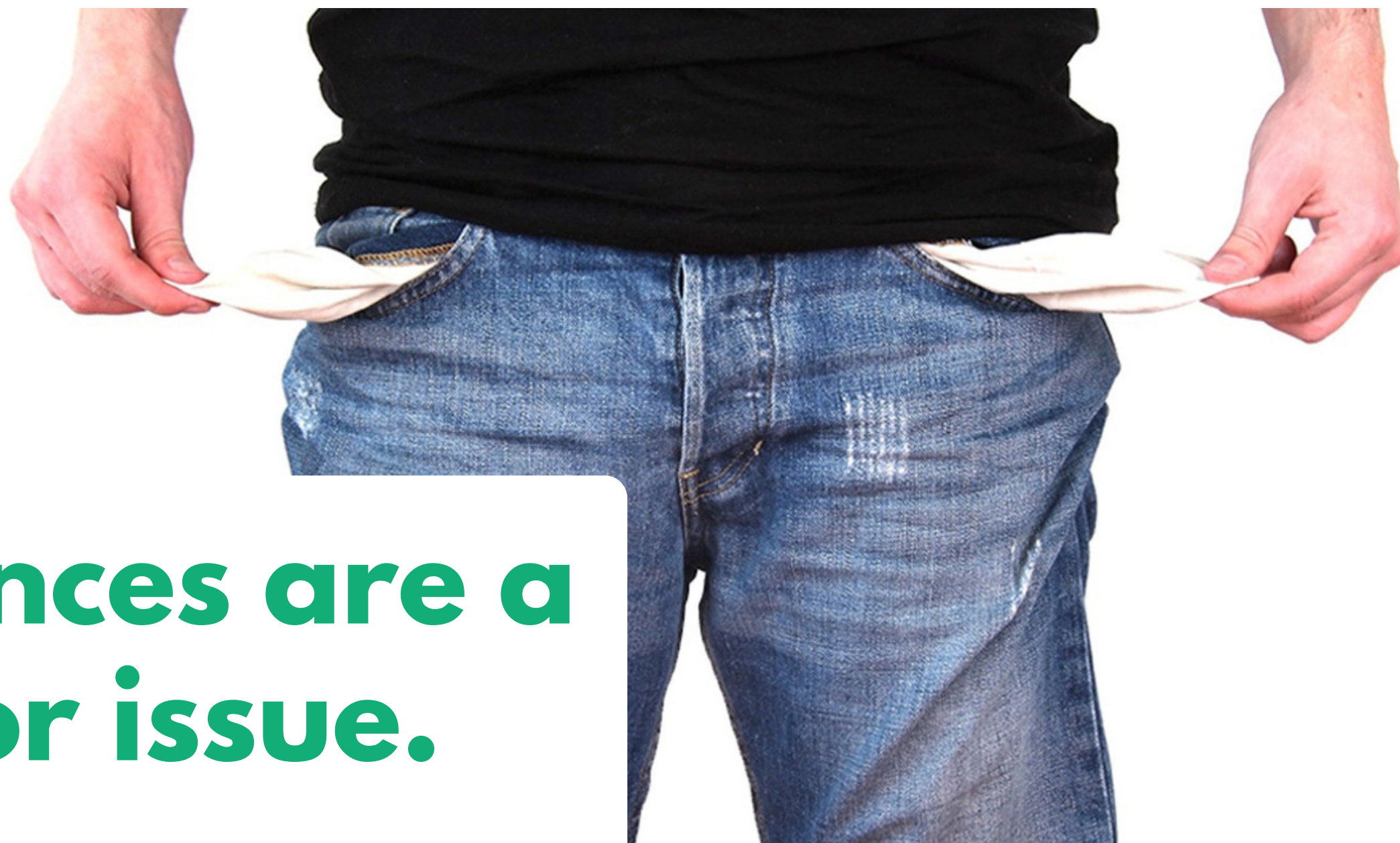
Finances are a major issue.

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41% of employees are worried about inflation.

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Pay is a big employee concern.

- Only 1/3 of workers have received a pay increase that keeps up with inflation.

- 42% say the best thing a company can do to support them is to adjust pay to align with inflation

- 27% of companies say they are losing candidates because they can't pay enough to attract workers

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1 in 5 expect pay adjustments to align existing employees with new hires

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Pay Equity & Financial Wellness is Needed.

While there is a lot of stress and concern about pay, there is also a lot of confusion by HR leaders & Executives about the tech available to help companies support their workforce.

- 41% of companies were unsure of what value pay equity tools could provide

- 52% are not even considering pay on demand, something that would be a huge benefit to many workers.

- On the plus side, 48% are buying financial wellness tools to help with education or support

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Employers are (correctly) concerned about retention & recruitment.

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Companies are Primarily Worried about Two Things:

Analyst Note: The increased focus on employee wellness & mental health as well as making employees feel engaged should help solve some of the hiring and retention issues being faced, but they will not have an immediate impact. Companies need to invest in these strategies now without expecting an ROI in the first 3-6 months. There is a trust factor that will be needed to correct relationships.

Retention/Turnover (56%)

Hiring (51%)

Big drop into the second set of priorities, but still impacting a large percentage of companies:

- Employee Wellness & Mental Health (30%)
- Making Employees Feel Engaged (28%)
- Growing the Company (27%)
- Employee Burnout (27%)
- Inflation/Rising Costs (26%)

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51% of employees have considered leaving in the past 12 months.

35% Interviewed for a new role.
Individual Contributors, Managers and Directors were most likley to do both.
This correlates with the higher levels of work stress they feel outside of work.

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Employees want companies to invest in them.

- 28% of individual contributors want promotion opportunities

- 15% want mentorship/coaching

- 55% want autonomy to work in a hybrid environment with more flexibility - Only C-Level executives primarily preferred an in-office work environment.

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Dear Boss,

1 in 5 companies are seeing large numbers of new hires leave within the first 60 days.

I quit !

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DEI Programs are Having Mixed Reviews.

- 28% of companies claim their programs have limited results

- 25% of companies report their DEI programs as "only lip-service" or "bad"

- VP and C-Level leaders were significantly more likely to rate the programs as "ahead" or "market leaders" compared to individual contributors, supervisors, and managers.

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What Companies can do: **Retention**

Internal Mobility & Career Pathing.

Retention moved to the #1 spot this year for companies, but 44% of talent management pros don't understand why this technology would be helpful. We need to do a better job of recruiting our internal talent and showing them options available - not just promotions, but cross-training or even project teams to help them keep growing (and staying).

Employee Experience.

This is a bit of a "catch-all" technology category - but at its core is a wide variety of tools to make working for you a little better.   What are you offering not just in tech, but in processes, experiences, engagement, rewards & wellness to help the person - not just the employee at work.

Hiring & Onboarding

With so many companies struggling with turnover in the first 60 days, we immediately know there are onboarding and recruiting issues. Onboarding should start the day the person accepts the offer and continue their first 6 months. It is about more than forms (which are important) but includes socialization, culturalization, and engagement.

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"Our recruiting departments can't keep up w/business need."

Losing candidates during hiring process wasn't addressed this year (it will be for 2023), however, multiple companies wrote-in that bandwidth in TA was creating the hiring issues. Recruiters had too much on their plate and it was taking to long to fill roles or respond to the candidates that did apply.

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Hiring is a symptom of other issues.

- 49% of companies can't find enough applicants

- 29% are not able to pay what they need to recruit talent

- 18% of companies believe people choosing not to work is the issue

Only 15% of companies report no hiring issues.

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61% of recruiters didn't understand the value of internal mobility tools.

We have a retention issue in part because we have a recruiting issue.

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What Companies can do: Recruiting

Look at what Employees Want. Recruit both Internal and External Candidates with Purpose.

Employment branding should be looking at the candidate market using behavioral economics and data. An outside-in approach vs inside out. How do you tell a message your candidates (and employees) want to hear? Rewrite your job posts, have pay transparency, get rid of buzzwords.

Internal Mobility.

Recruiting teams seem to be oddly disinterested in internal mobility tools. Traditionally, internal candidates were expected to apply via an ATS and treated similar to external candidates and not seen as a big "win" or somehow easier. Companies need to better align their process & approach.

Look at your technology.

Hiring is taking too long. What are you doing manually that your technology should be doing. This isn't about buying new tech, sometimes it is about using the tech you already have in a smarter way. Look at what talent and people intelligence tools you may have in the company.

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Buying & Using HRTech is Still Frustrating for Many HR Teams

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64% of companies would replace at least 1 of their HRTech Vendors if they could.

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How HR feels about their current HR Tech?

Most frustrated by lack of integrations and poor service/support

63% Think it "Could Be Better" or "Mostly Work Around It"

The larger the company, the lower the vendor satisfaction

3:4 companies over 10,000 employees want to replace their tech vendors - SMB (under 500) tended to be the happiest with the tools. Given the more limited tech stack, there are fewer integrations and fewer issues.

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How intuitive a product is matters more than features or price for most buyers.

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Biggest Challenges when Making HR Tech Purchases

Finding Budget

For 45% of companies, finding a budget is a major issue. This is influenced heavily by the uncertainty of ROI and not having good resources for information and data to build business cases. HR teams need to shift budget conversations to be more focused on the business issues they are solving.

Gettting Trusted Information

Data is everywhere, but how do you find information that can help you make the right decisions, for nearly 30% of companies this is one of their biggest challenges. This number is likely high in part by the need for internal education - Nearly 1:4 companies struggle to make a purchase because senior leadership doesn't understand the technology.

End User Adoption.

28% of companies are concerned about end-user adoption after the purchase and don't have a plan for the change management side if they were to make the buy.

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You are over hearing about...

The Great Resignation

The "New Normal"

Millenial

"Just some housekeeping items" at start of webinar

ANYTHING COVID

"Seat at the table"

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You want more meaningful connection to help you make decisions.
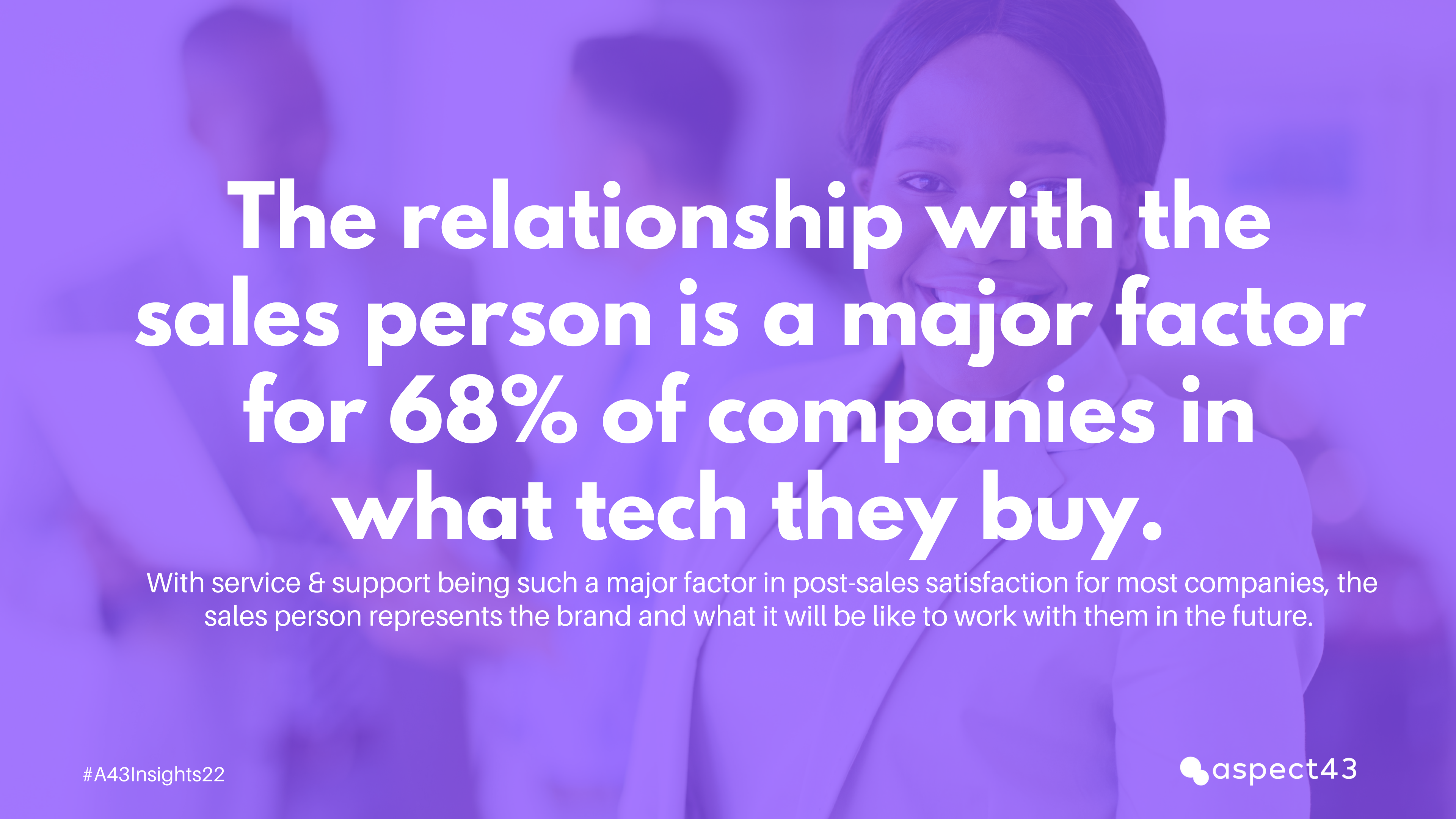
On-Demand Video Product Demos (84%)

Expert Webinars (82%)

Video Case Studies (79%)

In-Person Events (77%)

And less social media.

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The relationship with the sales person is a major factor for 68% of companies in what tech they buy.

With service & support being such a major factor in post-sales satisfaction for most companies, the sales person represents the brand and what it will be like to work with them in the future.

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"What tech makes your life easy?"

We asked about product type but several vendors were mentioned by more than one company in the comments, showing service and relationships matter.

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"What tech makes your life easy?"

SmartRecruiters · hireEZ · Leapsome · LEVER · CERIDIAN · Hire Vue · NEEYAMO · JOBVITE · Avature · cornerstone · Gem · greenhouse · 15five · Taleo · Lattice · UKG · ADP · indeed · SilkRoad TECHNOLOGY · ZipRecruiter · bambooHR · Linkedin · icims · SAP SuccessFactors · seekout · workday · paylocity · ORACLE

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"What tech makes your life harder?"

140 companies wrote in responses.
Naming names. And not just company names, employee names.
The OVERWHELMING issue was support and customer success. Not product.

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You didn't think we would actually share that, did you?

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But they are still investing.

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Interesting Trends in Technology Moves

Our market movement number looks at replacement and first-time buying numbers to understand what is popular or seeing growth.

Uncertainty looks at a number of factors including understanding of value and interest.

There will be a lot of movement in HR tech this year - led by Talent Management tech.

While talent acquisition is strong, with all 24 categories surpassing a 25% move rate, there are more than five categories of talent management with 50% or more movement expected.

Buyers are uncertain about many products across TA, TM & Core.

Vendors are confusing buyers with all of their buzzwords and heavy-handed sales and marketing approaches. Some categories have higher than 60% of buyers who don't understand what the technology does. Key products like intelligence tools are falling into this mix.

Even though there isn't a clear focus on certain issues, we are seeing companies invest.

DEI seems like a clear example here. It didn't break the top 5 concern list for most companies, but 41% will be investing in some type of technology to support the efforts.

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Talent Acquisition Buyers

229 Buyers of Talent Acquisition Solutions responded about use of or interested in 24 categories of recruiting technology this year.

Biggest Market Moves

- Job Boards (43%)
- Onboarding (43%)
- Recruitment Analytics (43%)
- Sourcing/Outbound Recruiting (42%)
- DEI Tools for Recruiting (41%)

Most Replacements

- Job Boards (30%)
- ATS (28%)
- Onboarding (28%)
- Background Checks (27%)
- Sourcing (27%)

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Talent Management Buyers

158 Buyers of Talent Management Solutions responded about use of or interested in 22 categories of technology this year.

Biggest Market Moves

- Succession Planning (50%)
- Reward & Recognition (50%)
- Performance Management (50%)
- Coaching /Mentoring (50%)

Most Replacements

- Onboarding/ Reboarding (32%)
- Perf. Mngmt (29%)
- Reward & Recognition (28%)
- Collaboration/ Communication Tools (27%)
- Goal Mngmt (27%)

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Core HR, Payroll & Workforce Buyers

198 Buyers responded about use of or interested in 11 categories of technology this year.

Biggest Market Moves

- Time and Attendance (39%)
- Payroll (38%)
- Compensation (37%)
- Workforce Planning (37%)
- Scheduling (35%)
- Core HRIS (35%)

Most Replacements

- Payroll Software (32%)
- Time and Attendance (31%)
- Core HRIS (24%)

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A lot of the issues facing companies this year can be addressed through better understanding the needs of candidates, employees & business.

People Intelligence and Talent Intelligence tools have high uncertainty rates from buyers (60%+) but could create insights and data that allows for a much more strategic approach to hire, manage and retain talent. Giving you the ability to do more, in a more meaningful way, far more efficiently than has ever been possible. Many of these tools cross out of "HRTech" at this point into true WorkTech. We see this as one of the most influencial areas of tech in the coming years.

In the interim, if you can not buy this tech quite yet - try asking, listening and making changes to your processes, programs and culture based on what you are hearing - not what you have always done.

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**Do you want to participate in the next Insights at Work Survey?
It will be moving to fall this year with results sent to you early January
Register here to get an email invitation.**

Are you a vendor looking for more detailed insights? email sarah@aspect43.com

Aspect43 is a leading analyst, advisory & strategy firm - and the experts behind the biggest names in HR and Work Tech.

Each year we research hundreds of organizations to help understand the needs, goals, and challenges in hiring, managing, and retaining their workforce - and where technology is falling short in the product, sales, and service.

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