built in GUIDE

# The Hiring & Recruitment Trends to Stay on Top of *Right Now.*

#FIND**YOUR**FORWARD

# Introduction.

If you're reading this, then we don't need to tell you: The recruitment game is tough right now (and has been for some time.) From navigating hiring freezes to adjusting to rising inflation to figuring out the best hybrid and remote strategy, there's a lot that talent leaders are trying to get a hold of.

Despite a news cycle filled to the brim with headlines about different, sometimes conflicting, elements of a tough labor market, tech professionals still hold much of the cards. And those cards change often.

We want to help businesses stay on top of whatever the ever-evolving labor market deals as 2023 approaches.

In this report, we'll go over a number of key trends affecting hiring and retention of late and what we expect will impact recruitment over the next few quarters. We hope that employers can take these insights and run with them to fortify their talent acquisition strategies heading into the new year.

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SECTION 1

# Layoffs Here and There Won't Stop Growth Everywhere.

Of late, the news has been full of stories chronicling the layoffs at tech companies large and small. And while those stories are important, the more persistent news is that the tech talent market is still blazing despite the challenges some businesses are facing.

It's crucial for employers to remain vigilant — no matter if they're on a hiring spree or freeze — in not only staying aware of what the talent market is like today but maintaining their branding so their recruitment strategy is always sharp.

## SECTION 1

There are many household names in tech that unfortunately let a percentage of their staff go in recent months. And there are even more companies that are implementing hiring freezes.

Many of these affected businesses expanded their teams aggressively based on hot, pandemic-fueled growth projections that have since cooled down significantly. However, a significant portion of the layoffs and hiring suspensions are also company-specific. For example, Meta froze hiring due to Apple's ad tracking changes that started costing the business billions of dollars. Other employers are tightening the recruitment belt due to overestimating pandemic-induced growth projections that have leveled out. Some companies are preemptively recession-proofing their business.

But despite those news stories, *many* companies are still hunting for tech talent and the unemployment rate for tech jobs hit 1.7 percent in July, down from 2.1 percent in May.

"The tech jobs market has repeatedly outperformed in the face of real and perceived economic weakness," said Tim Herbert, chief research officer at CompTIA. "The data confirms that for every layoff announcement there are other employers stepping in to take advantage of tech talent hiring opportunities."

Overall, the total number of tech postings in 2021 grew 81 percent in 2021. However, the number of median applicants per job decreased between 2019 and 2021. In fact, a record high of 42 percent of business owners had jobs they couldn't fill last year, with 90 percent of those entrepreneurs saying they had few or no qualified applicants.

## SECTION 1

Many economists expect this tight labor market (which has been competitive for a while now) will remain thanks to the continued speed of innovation, more retirement-age professionals leaving the workforce and other factors.

The moral of the story: Growth may be slow or paused for many companies but there are still ample opportunities for other businesses to continue scaling, especially in their tech department. The variable in this equation is finding talent.

Professionals that are generally always in very high demand are skilled technologists like engineers, data scientists, UX/UI pros, database admins and other technical experts. Businesses today are so rooted in software, webpages and data — all of which need maintenance and updates — that employers should always be thinking about how they can attract more of that talent, regardless of the state of their recruitment efforts. But how?

**81%**

**rate that tech postings in 2021 grew**

> People have to look at how much they've grown in the last, two, three, four years because of Covid. If they're growing at 30, 40 percent and then they go down to zero to 5 percent growth, they're still growing and they've already hired so many people.

**Terry Kramer**

**ADJUNCT PROFESSOR**

UCLA SCHOOL OF MANAGEMENT

## SECTION 1

Consistent investment in employer branding is a sure-fire way businesses can stay top of mind with technical experts in the talent market through both stable and uncertain periods. Even at a business who has paused hiring, technical work and the culture that produces it doesn't stop. Businesses can use these elements and others in employer branding content to nurture technical candidates in their pipeline.

Check out some of the basic principles of how to build employer brand content below:

- **Keep content relevant.** The deeper you can dive into one topic, the better. Get specific and don't be afraid to get in-the-weeds. Don't try to force too many ideas into one piece of content. For instance, you might want to highlight an innovative digital product the team is building. And through the lens of that project, you may be able to discuss the cutting-edge technology teams are using to build it. But try not to introduce more topics than that. If employees have a lot to say about the tech infrastructure they're using, maybe dedicate an entire branding asset to that conversation!
- **Always keep a tech-first mentality.** Lean into branding that will work to position your company as more of a tech-driven business whenever possible.
- **Focus on one audience at a time.** Always keep your target readership in mind and make sure every word resonates with them, and only them. You might be able to send messages to two audiences if they're closely related, like engineering leaders and engineering individual contributors. But don't deviate from the core audience too much.

## SECTION 1

In addition to branding, it’s equally important for employers to know where to look for technical talent. At a high level, 80 percent of applications for tech jobs over the last three years came from organic sources like job boards, company career sites and LinkedIn job posts. However, those sources accounted for less than half of all hires. The remainder came from inorganic sources like referral programs, prospecting and internal hires.

Front and backend engineers had the lowest rate of applications via organic sources — those applicants came from prospecting the most. However, for IT support, QA and UI/UX design roles, the inverse was true — they applied via organic sources the most and prospecting the least. On average, each tech candidate looking for a job is getting more than two employment offers.

“Now, with the influx of talent hitting the market, startups are experiencing a huge opportunity to set themselves up for efficient growth by picking up some of these recently laid-off developers,” said Matt Cohen, founder and managing partner at Ripple Ventures.

Once employers know where and how technical talent looks for jobs, they can put their employer branding content in front of them to keep them engaged, maybe even scooping up a former MAANG employee.

**BUILD AND MAINTAIN AN EMPLOYER BRAND IN UNCERTAIN TIMES**

SECTION 2

# The 4-Day Work Week and Fighting Burnout.

Corporate wellness is a huge concern for most companies today. It greatly impacts employee engagement and retention and can create a lot of leverage in a company's recruitment efforts.

The idea of a four-day work week and fighting burnout are two topics under the corporate wellness umbrella that have been discussed more frequently since 2020. There's a lot about these subjects that employers today should be aware of. We'll dive into the most need-to-know insights in this next section.

SECTION 2

# Keep the Week Short and Productive.

Almost half (48 percent) of respondents to our 2022 Built In Tech Worker Survey with Brandata said greater work-life balance would be the main reason they look for a new job. A preference for greater work-life balance is also evidenced by the fact that sabbaticals, unlimited vacation and flexible work schedules are consistently some of the most searched-for benefits on our site year after year.

The four-day work week is a newer development in talent conversations but one that lends itself to a much greater work-life balance for professionals. Just over nine out of ten (92 percent) people support a shorter work week, believing it would improve both their mental health and productivity. However, this practice is not merely beneficial for staff: there are multiple studies that point to the practice increasing employee productivity as well.

"A lot of people are working more than eight hours [a day] anyway, so you get the same amount of productivity and the employee looks forward to a nice three-day break, a nice recharge, and then the employee comes back for four days," said Chris DiPentima, president and CEO of the Connecticut Business and Industry Association.

Whether companies choose to do 40 hours in four days, or even 32 hours in that same period, it has the potential to be a powerful bargaining chip for employers. It can improve their odds of hiring and retaining employees they need in a hyper-competitive labor market. In fact, as of 2020, 32 percent of U.S. employers let their employees work 40 hours in four days while 15 percent of employers let staff work 32 hours or less during that time.

## SECTION 2

“What everyone’s trying to do is find a way to differentiate themselves,” said Douglas Folsom, CEO of Connecticut-based aerospace component producer Whitcraft that’s implementing a four-day week. “They’re looking for something to offer that’s more attractive than the next guy, and that isn’t necessarily just money.”

The four-day work week (and even 3-day work week) is being experimented with more across the U.S. The non-profit 4 Day Week Global hosts a six-month program where, so far, 38 North American tech, finance and other white-collar companies (including Kickstarter) have volunteered to reduce their work week to 32 hours over four days. Each company goes through virtual workshops to discover more efficient ways of working. They also get mentorship from businesses that have successfully implemented a short week as well as productivity and employee well-being assessments from researchers at Boston College.

The non-profit wants its participants to achieve a 100-80-100 model: employees get 100 percent of their pay for 80 percent of the work while achieving 100 percent productivity.

“It’s inevitable we’ll see bigger companies doing this,” said Joe O’Connor, CEO of 4 Day Week Global. “This is my message to CEOs of big companies, where there’s a huge amount of competition: The biggest risk isn’t trying this out and it not working. Your biggest risk is your competitor doing it first.”

## SECTION 2

Getting a four-day week set up takes planning and dedication but it's entirely possible and beneficial for businesses looking to get ahead in the talent market.

"A lot of it is better management and being focused on the priorities and expectations of work so teams don't spend as much time navigating ambiguity," said Kickstarter Chief Strategy Officer Jon Leland. "When [employees] do show up, they know exactly what they can do, they can do it, and then they can leave and go back to their families."

# 92%

**professionals that support a shorter work week**

## SECTION 2

Here are a few guidelines on how establish a four-day week:

- **Clarify the specifics of the new infrastructure and expectations.** Are employees working 40 or 32 hours in four days? How will vacation and employee leaves be affected? Clearly discussing the new policy and all its minutia with your team is a fundamental first step. Then set expectations on productivity and how it might be measured. From there, let employees and their managers determine how team-specific processes should change to adjust to the new setup.
- **Consider customer impact.** Will the fifth day be a full OOO shut down or will some employee schedules be staggered to accommodate potential customer communications? Can employees adjust their schedule to around peak hours or times of the year? Will customers be notified of the change? Figure out how your customers will be affected by this change and whether any additional adjustments are necessary based on those findings.
- **Assess how policy and wage laws impact this initiative.** Do you have part-time employees, or those that can earn overtime, who will be affected by this policy? If so, how? Does your state have laws against employees working more than a set number of hours? Investigate any potential policy complications that may arise with the new work week.
- **Do a test run before making a permanent shift.** Test the new week structure for a few weeks or months. Analyze its success across productivity and employee engagement, then determine where adjustments need to be made. With a clear view of what an optimal short week should look like, you can take steps to make the practice permanent.

**SECTION 2**

# The Battle Against Burnout.

Mental wellness is getting a huge level of investment from companies: Four in five HR leaders worldwide say mental health and well-being is a top priority for their organization. But even with so much investment in mental wellness, 28 percent of U.S. employees report experiencing burnout symptoms sometimes, often or always — tied for the 4th most in the world. And people experiencing burnout are six times more likely to leave their employer in the next three to six months.

Burnout absolutely falls under the umbrella of mental wellness and it's an unfortunate happening that employers should be constantly aware of. Research has found that employees attribute diminished mental health and feelings of well-being to a number of aspects of their jobs: the feeling of always being on call, unfair treatment, unreasonable workload, low autonomy and a lack of social support.

All of those elements are characteristics of a toxic workplace, which is the biggest driver of employee burnout and turnover. Offering a wellness app as a benefit or doing a lunch and learn on the value of mental wellness is great, but those initiatives don't solve for a toxic workplace. In fact, it's been discovered that trying to treat employee well-being through solutions that target the individual rather than attacking systemic solutions, organizational issues is not very effective.

So in short, a toxic workplace is often one rife with burnout and high turnover. And leaders that are seeing this taking place in their organization need to take action and work toward positive change in their business. Cleansing a potentially toxic workplace and reducing burnout is not easy nor will it happen overnight. There's also no silver bullet solution that is guaranteed to work for every employer. Leaders need to assess where the faults in their business and in their teams might be and start working upward from there.

## SECTION 2

The McKinsey Health Institute offers a series of self-reflections to help you get started on building a more engaging, toxicity- and burnout-free workplace. Start rebuilding your culture by answering these questions and getting to work if any of the answers are “no”:

- **Do we treat employee mental health and well-being as a strategic priority?**
- **Do we effectively address toxic behaviors?**
- **Do we create inclusive work environments?**
- **Do we enable individual growth?**
- **Do we promote sustainable work?**
- **Are we holding leaders accountable?**
- **Are we effectively tackling stigma?**
- **Do our resources serve employee needs?**

SECTION 3

# Hybrid Work Is Changing the Employee Experience.

Many companies today are investing in some form of hybrid work, which can mean allowing teams to work remotely even one day a week. But what if employees dread that one day of remote work because their tech tools or processes are inefficient? That can't bode well for long-term retention numbers.

In this next section, we'll take a look at some internal and external research that uncovers some of the biggest challenges hybrid employees face in their workplace experiences. Then, we offer some guidelines on how employers can tackle those challenges.

## SECTION 3

Built In's research on remote work found that about one in two employees today (49 percent) see hybrid work flexibility as a non-negotiable offering. But that doesn't mean they're willing to put up with a poor experience as a digital-first worker, even if they only work that way part-time.

Technology has increasingly become the dominant method for communication, collaboration and cultural connection at work — aka the holistic employee experience. And if that technology, or how it's used, is inefficient, it can be frustrating for employees and grounds for them to look for other opportunities.

### The 5 Biggest Hybrid Work Challenges Talent Experiences

**57%**
Keeping teams aligned

**49%**
Streamlining communications

**45%**
Scheduling

**35%**
Tech used for meetings

**30%**
Company Culture

## SECTION 3

In addition to these challenges, 42 percent of employees don't have essential office supplies at home and one in 10 don't have an adequate internet connection to do their job. Solving those issues can create big engagement- and retention-driven wins for employers. Employees are 230 percent more engaged and 85 percent more likely to stay longer than three years in their roles if they have the tech to support them at work.

When businesses build an efficient hybrid/remote technological infrastructure, they create a greater workplace experience for their team members.

Check out these best practices on how you can evolve your hybrid work infrastructure and boost your odds at hiring and retaining remote-minded professionals.

### Best Practices To Optimize Hybrid Work

- [ ] **Define options & expectations** around the business's hybrid policy
- [ ] **Make flexible working hours** part of the culture & prioritize asynchronous work & communication
- [ ] **Audit communication & workflow tools** to ensure efficient distributed work
- [ ] **Train managers to identify biases** in performance reviews of remote workers so distributed staff aren't disadvantaged
- [ ] **Survey employees** to discover their preferred remote & in-office perks
- [ ] **Establish a culture that is connected** & treats remote staff as equals despite the distance

## SECTION 3

However, with all that being said, employers need to keep Gen Z in mind.

Gen Z places the *least* value on remote work at a priority rate of 30 percent, whereas the average priority rate for employees aged 25-54+ is 50 percent.

In-person work is very important for younger individuals whose professional lives started just before or during the pandemic. Many don't like having all their professional interactions take place via Zoom and they want to get some of the same in-person connections, networking and mentorship opportunities their older peers got pre-pandemic.

This idea is important for employers to consider as some of their talent starts to age out of the workforce. Even for fully-remote teams, there should be opportunities for people to meet in person from time to time. And hybrid employers should work to keep cultural engagement high for in-person staff.

**How to Create a Successful Hybrid Work Environment**

SECTION 4

# Pay Transparency and Wage Growth.

Money is always an important topic but discussions of it have been especially pressing in light of rising inflation rates, fears of a potential recession and DEI reckonings since 2020. Pay transparency and wage growth specifically are two battlegrounds that employers can't afford to be on the sidelines of today.

Let's dive into what's driving the popularity behind these two topics and what employers can do to get ahead of their changing tides.

SECTION 4

# Pay Transparency.

Six in 10 U.S. professionals, out of a survey size of 1,000, said they would switch companies to one with more pay transparency. This transparency translates to a number of areas: getting more insight into a position's salary in the job description, knowing pay ranges for other roles at the company, understanding how salaries are calculated and being aware of (and fighting against) the gender pay gap. Even acts as simple as candid conversations about pay between managers and employees or payroll audits can create more of the transparency employees demand.

That demand is also being supported by legislation around the country. California, Connecticut, Maryland, Nevada and Rhode Island have laws already in place, or upcoming, that require salary ranges to be made available either at an applicant's request or at a specific time in the application and interview process. Last year, Colorado enacted the Equal Pay for Equal Work Act to prevent gender-based wage discrimination.

New York City has a salary transparency law set to finalize in November 2022 that will require employers to include a "good faith salary range" in job ads for hourly and salaried positions.

Lastly, Microsoft announced it would start publicly disclosing salary ranges for both internal and external job postings no later than January 2023. The company is headquartered in Washington state and this move coincides with amendments to the state's Equal Pay and Opportunities Act. However, Microsoft's policy extends transparency to its job postings nationwide.

## SECTION 4

Employers that get ahead of the increasing demand for pay transparency will have a leg up in the talent race. Here's how you can get started:

- **Determine where your company currently falls on the pay transparency spectrum**. What does this practice currently look like in your business? Then determine where you want your policies to be in the next six to 12 months.
- **Survey your team.** Find out what employees want to know about their salaries, promotions, market valuations and how those factors are calculated.
- **Develop a pay philosophy that aligns with your talent strategy and culture.** What do you value in new hires? Which behaviors do you want to incentivize? The size and maturity, along with other factors, of your company influence your pay practices and ultimately, the types of talent you attract.
- **Clearly define roles and responsibilities, and use market data to set salary ranges.** This helps to eliminate bias and create a less subjective pay structure.
- **Conduct a payroll audit.** Identify and resolve salary discrepancies, like why an employee is being under- or over-paid for their position and responsibilities.
- **Communicate.** Offer a company-wide presentation on how the employee pay is calculated. Train managers to have proactive salary conversations with employees. Ensure that managers are well-equipped to answer detailed questions on all things pay (or that they can get quick answers if they are unsure.)

SECTION 4

# Wage Growth.

As of June, the U.S. inflation rate reached 9.1 percent — the highest rate since 1981 and an increase from 8.6 percent the previous month. And a January study from consultancy WTW found that one in three U.S. employers boosted their salary increase projections for 2022 to account for tight labor markets and rising inflation.

However, inflation-fueled wage growth is only part of this story. Since the pandemic, wages have consistently been higher than pre-pandemic levels for tech jobs because of a scarcity of talent, an abundance of open roles and the speed of innovation (however, that growth is showing signs of decelerating.)

# 60%

of professionals would **switch companies** to one with **more pay transparency**

## SECTION 4

Wage growth accelerated more in certain sectors, geo and for certain roles compared to others. For example, cloud architects got an average salary increase of 25 percent between 2020 and this year while software engineers saw an average increase of 11 percent during the same period. Tech wage inflation across the industry grew by up to 20 percent and wages in Austin, TX — a white-hot tech market — ballooned by up to 30 percent.

But the numbers aren't that big everywhere. Salary increases for tech service roles at AT&T and Cisco Systems saw a 5 percent increase, for instance.

Businesses with the capital to put up the big bucks for the most in-demand roles out there — like cloud computing architects, data scientists and machine learning experts — do stand a better shot at securing talent than those that can't.

However, it's still possible for everyone else to compete. Employees want their spending power to remain the same, so adjusting wages to balance the uptick in inflation rates is a wise move. Additionally, businesses should do what they can to continue awarding bonuses (potentially in light of full salary increases), merit increases and similar financial rewards that their team members have come to expect.

# 1 in 3

**employers boosted their salary increase projections for 2022 to account for tight labor markets and rising inflation**

## SECTION 4

Here are some additional tips on how to keep manage wage growth in your business:

- **Track data on wage trends.** Use a tool like the Bureau of Labor Statistics' Employment Cost Trends Index to track wages and benefits across hundreds of roles and industries. Or use a wage growth calculator to keep an eye on where your wages fall.
- **Be transparent about your budget.** If an employee asks about inflation- or merit-based wage growth but your budget only allows for a 3 percent increase, let them know. Be upfront with staff members in confidence so they don't feel like they're being forgotten. Transparency helps them manage their expectations in a healthy way.
- **Validate higher wages.** If higher wages for the sake of hiring and retention is the outcome, try to justify that end with an increase in productivity. However, don't just make employees work more — determine where you can increase output by streamlining best practices (via automation, for instance.) Hire for roles that will provide outsized increases in productivity that will offset wage increases.
- **Spend money on other initiatives.** More money for employees individually is not always the answer. Some employees want better tech tools or more DEI initiatives at the company. Invest in other elements that employees want (ask what matters most to them!) to balance wage growth.

SECTION 5

# More Accountability on Values and Positive Action.

Environmental, social and governance as well as sustainability and corporate social responsibility — aka positive, value-driven — corporate action and are increasingly prevalent topics in the news cycle. These subjects are especially important when discussing employee engagement, retention and recruitment. Professionals today, and even investors, pay close attention to how companies respond to issues in the world and what their values are.

Employers should be aware of how much weight their statements, actions and values carry with talent today, and we'll explore just that in this next section.

## SECTION 5

Here are some powerful statistics to consider when thinking about the ways investments in your values and stances on environmental, social and governance and corporate social responsibility (or lack thereof) could impact your workforce.

- **48 percent of millennials and 49 percent of Gen Z** say they would not accept a job that didn't align with their stances on social and environmental issues
- **40 percent of millennials and 42 percent of Gen Z** say they wouldn't mind earning less if they felt their job contributed to the world or society
- **75 percent of employees** expect their employer to take a stance on current societal or cultural issues, even if they have nothing to do with them directly.
- About **51 percent of U.S. employees** say they would consider switching jobs for a business that had executive compensation tied to ESG initiatives and a greater focus on sustainability and corporate social responsibility initiatives.

It's clear that businesses could face consequences across their hiring and retention efforts if their values, ESG and CSR investments are not up to par. Employee activism to support ESG and CSR even make headlines at bigger tech companies. For instance, 4,000 Salesforce employees signed a petition calling on a number of c-suite executives to ban the National Rifle Association as a customer following a mass shooting at a school in May 2022. And hundreds of Netflix employees staged a walkout in protest of a controversial Dave Chappelle comedy special in October 2021.

Even federal regulators like the Securities and Exchange Commission and investors are increasingly scrutinizing employers' ESG practices.

## SECTION 5

"Our research points to an increasing expectation from businesses to take a stand on social and environmental issues, which is unsurprising given the rise in employee activism many business leaders have experienced," said Sander van't Noordende, global CEO of HR consulting firm Randstad. "Companies that fail to do so face an increasingly uphill battle when it comes to hiring and keeping talent."

More businesses are starting to get the hint: 88 percent of publicly traded companies, 79 percent of VC and private equity-backed companies and 67 percent of privately-owned companies have ESG initiatives in place as of 2020. However, there's still room for improvement, as only half of companies believe they perform very effectively against environment metrics, only 39 percent think they perform well for governance. And a mere 37 percent feel they do well for social issues.

# 75%

**employees that expect their employer to take a stance on current societal or cultural issues, even if they have nothing to do with them directly.**

## SECTION 5

How can businesses work to improve these figures, and their recruitment and retention efforts by extension? Here are a few places to get started:

- **Be transparent about values and investments.** Highlight your values boldly across internal and external channels. Detail your present ESG and CSR initiatives and future plans. Be vocal about all that you're doing in these areas in employer branding content, conversations with employees and anywhere else you see fit. But prioritize authenticity; don't speak for the sake of simply being heard.
- **Don't be afraid to change course.** ESG and CSR waters can sometimes be murky and it can be challenging to know what, how and when to do or say something. And a consensus on a topic can change from time to time. Always be ready to make updates to statements and policies based on what's relevant and just.
- **Partner with other organizations.** Get outside help on the ESG and CSR initiatives you can invest in that make sense for your business. Build alliances with non-profits. Work with an agency or consultancy that can help you evolve your values or statements on world issues as they pop up.
- **Tap team members for inspiration.** Ask employees what issues they care about and how your business can help support them. Build an ESG and CSR committee that sources thought leadership from members of your team.

### Less Office Time = More ESG Compliance

A shorter workweek (or more remote work) can also make companies more environmentally friendly by reducing their carbon footprint with fewer workers commuting to a physical work site.

Candidates are going to want to know the social views of the organizations they're applying to. People have not spent the past year or longer of their lives sheltering, masking, worrying, caregiving, etc. to go work for a company that doesn't align with their values.

**Sharlyn Lauby**

**FOUNDER**

HR BARTENDER

SECTION 6

# Invest in More Professional Development.

Tech professionals today don't want to stop learning. Many are sponges, always ready to soak in new knowledge and skills that will help them reach their long-term professional goals or set new ones. And whether or not an employer will help them in this effort plays a significant part in their decision to move to or stay with a business. Let's dive a little deeper into what employers need to know about professional development in this employee-first talent market.

## SECTION 6

Just under three out of four professionals (70 percent) say they may be likely to leave their current job to work for an organization known for investing in employee development and learning. Not only that, 76 percent say that a company would be more appealing if it offered additional skills training to its staff. And overall, retention rates have been found to rise between 30 and 50 percent for companies with strong learning cultures.

Our findings support these sentiments as well. In research done for our 2022 Total Rewards Candidate Insight Report, a number of age groups listed tuition reimbursement and continued education in their top 10 most valuable rewards overall.

**Most valuable benefits for tech professionals (out of 10):**

- **Continued education**
  - #9 for 45-54 year olds
  - #10 for 54+ year olds
- **Tuition reimbursement**
  - #10 for 45-54 year olds
  - #10 for 25-34 year olds

Developers in particular take professional development seriously. And since they have some of the most in-demand roles today, employers should take their professional development seriously as well.

- 43 percent prioritize opportunities for professional development in their job search
- 56 percent say professional development is their reason for staying at their current role
- 53 percent say the lack of professional development is cause for leaving their job
- An average of 26 percent said they don't know whether their company offers any upskilling or reskilling initiatives, which is cause for employee disengagement

## SECTION 6

"To overcome the developer skills shortage, software engineering leaders need to upskill and reskill their existing employees and new hires," said Bill Swanton, a VP analyst at Gartner. "The focus should be on developing each employee's skills ahead of demand so that they can play a broader range of roles and continue to enhance an organization's technical capabilities."

To meet this demand, an average of 58 percent of recruiters are already upskilling and reskilling employees to meet their technical needs. Zooming out, roughly 60 percent of global businesses worldwide offer mandatory training and/or professional development for technical or soft skills.

Because of a tight labor market pre-pandemic, made even more competitive by the pandemic-induced Great Resignation and Reshuffling, 64 percent of learning and development professionals said employee skills growth initiatives advanced from "nice to have" to "need to have." And 59 percent of HR leaders said evolving employee skills and competencies is a top priority for 2022.

This increase in skills training is paying off, however. Of businesses with employee reskilling programs in place:

- **73 percent** report greater employee satisfaction
- **70 percent** report greater instances of employees in new roles
- **55 percent** report better brand perception among staff
- **50 percent** greater employee retention

# 70%

of employees are more likely to **leave their current job for an organization known for investing in employee development and learning**.

## SECTION 6

Now you're aware of the growing importance of investing in professional development programming for your current and future team members. For businesses that don't yet have this programming in place, let's look at ways you can start building some:

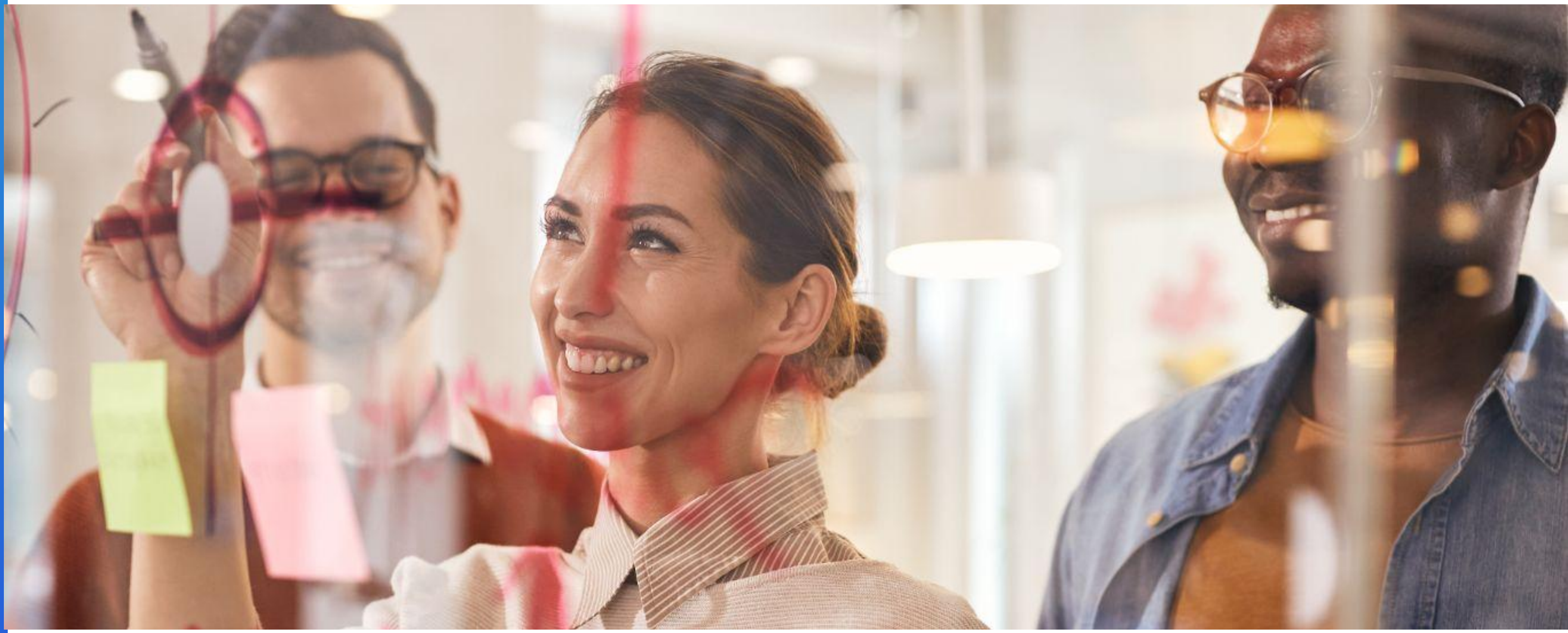
- **Assess what you, and your employees need.** Do you have major skills gaps that need filling quickly? Build a program that advances employee skills in those areas. Do employees want specific programming or the freedom to get sponsored to pursue learning their way? Ask them and consider investing in what they think is most important as a way to boost their engagement.
- **Look past your own capabilities.** Mckinsey recommends, "Because organizations may need to cultivate a broad range of workforce skills, they will likely need to assemble learning resources from multiple providers — for example, online platforms, universities and technical organizations." Think about partnerships that will give your team the greatest breadth of development possible.
- **Foster a culture of learning.** Continuously reinforce the value of skills development to your team — not just through the lens of making them more valuable to your business but so they can invest more in their careers and aspirations. Create opportunities for employees to integrate learning into their day-to-day or week-to-week workflow rather than making them learn after hours. Celebrate employees that successfully reap the benefits of skills development initiatives.
- **Communicate.** Remind employees of the learning and development resources they have at their disposal. Train managers to speak with their reports about how L&D can help them advance in their role, or get them closer to a new rung in their career ladder. Make L&D part of the performance review cycle if necessary.

# Conclusion.

2022 has been a rollercoaster year — not quite as unpredictable as 2020 but still full of twists and turns. As such, there's a lot that employers need to be aware of as we round the corner heading into 2023.

The labor market is pretty much guaranteed to keep changing in the coming months. But with the help of these insights, employers can start evolving their recruitment and retention strategies in ways that can give them a competitive edge over the rest of the talent market. Because as the old saying goes, knowledge is power. And with this knowledge, employers have the power to finish 2022 strong and get ahead of the curve next year.

Not only that, we believe many of the trends and insights outlined here — like a shorter work week, evolved pay conversations, value-driven corporate action and more — are sure to continue making waves for the foreseeable future.



# United We Tech.

Built In helps tech professionals stay on top of trends and news, expand their networks and carve out futures at companies they believe in.

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