

2022

HIRING TRENDS

& CHALLENGES

Introduction

The hiring landscape has turned 180 degrees in the last 24 months, evolving into an unrecognizable and continuously changing environment with challenges many executives could have never predicted. With more than 11 million open jobs in the U.S. today and a 4.2% unemployment rate - the lowest since the start of the COVID-19 pandemic - companies across nearly every industry are faced with a severe talent shortage as they attempt to grow their workforce to meet rising demands. This, paired with a record-high quit rate of 3%, means recruitment and retention efforts must dramatically shift in order for businesses to achieve success in 2022.

In November 2021, LaSalle Network collected survey responses from more than 250 Finance, Operations and Human Resources executives to understand their focus for the year ahead.

Our research uncovered 73% of businesses are planning to add headcount, yet 63% report an increase in employee turnover. With unfilled jobs leaving lean teams under even more pressure, how leaders strategize now to engage the current candidate market and attract talent is essential to company growth in 2022.

This annual report showcases year-over-year data comparisons from the last five years to best showcase 2022's hiring landscape and what has evolved.



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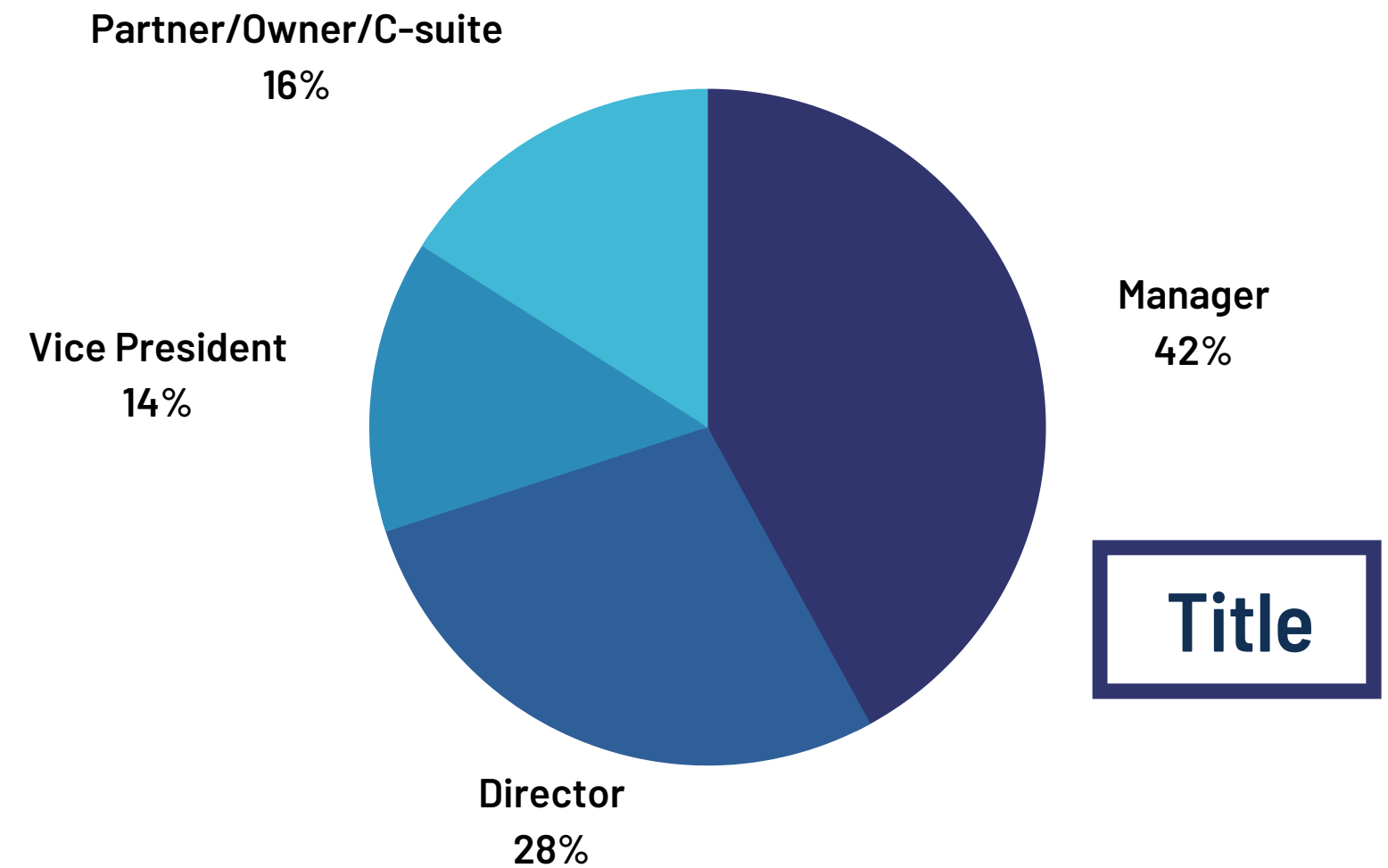
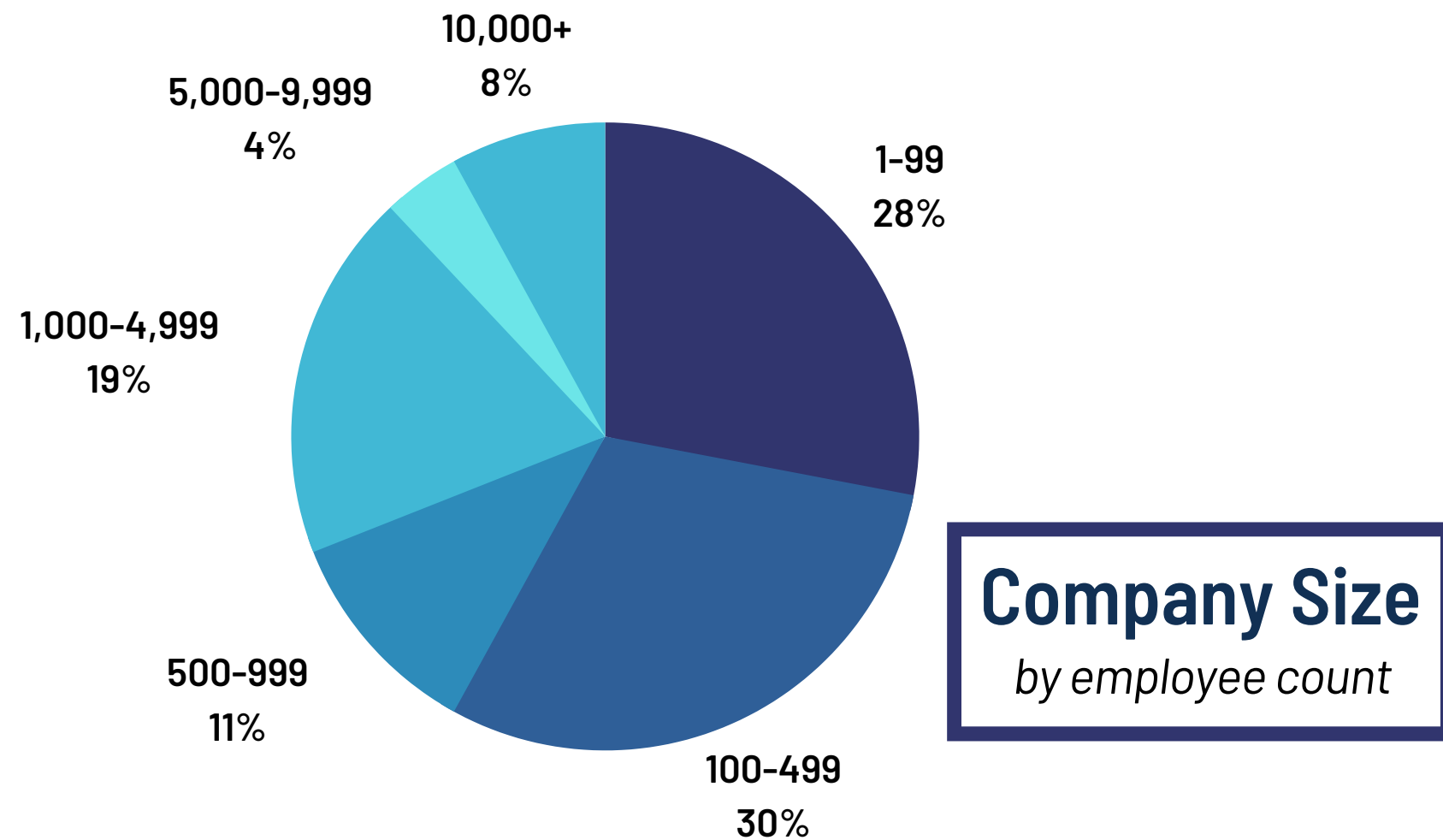
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Survey Demographics

LaSalle Network collected survey responses from 250 Finance, Operations and Human Resources executives across all industries and varying company sizes.

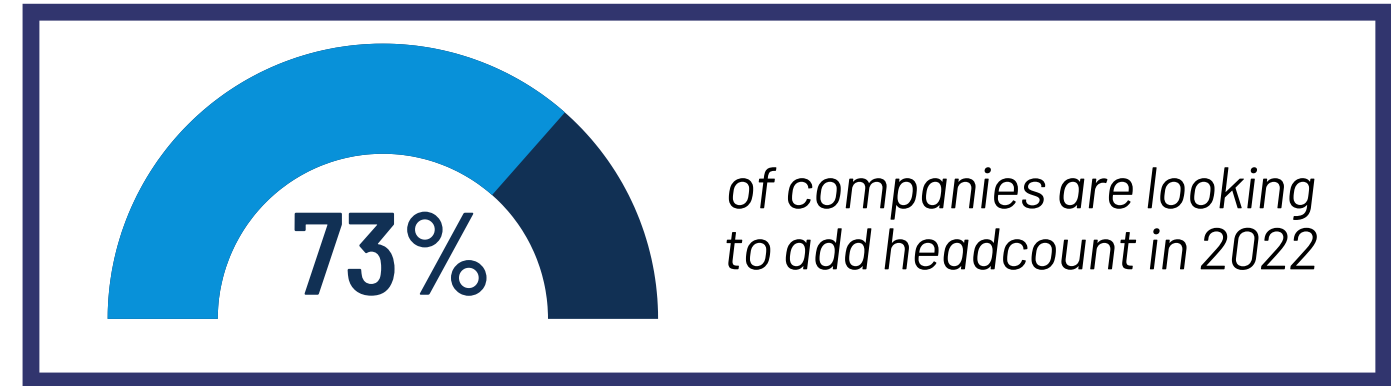
Here's the breakdown:



2022 Hiring Trends Overview



2 in 5 companies are planning to grow their workforce by more than 10%



Following the economic crisis in spring 2020, many leaders were forced to lay off large percentages of their workforce and now, amidst a rapid recovery, are searching for talent to meet rising demands. However, there are more than 11 million reported open jobs in the U.S. today and approximately 7.4 million unemployed persons - leaving more open roles than available talent.

With limited talent and increasing competition, the following is a brief overview of the current state of the hiring landscape in the U.S. today.

2022 Hiring Trends Overview

Top Roles Companies Project Hiring For in 2022

Customer Service 33%

Accounting & Finance 32%

IT 31%

Sales 30%

Marketing 29%

Increased demand for Customer Service, Sales, and Marketing typically indicates a strong market for the next 6-18 months, as these roles' functionalities are to attract and retain new and existing clientele to a business. Increased Accounting and Finance and IT roles are needed to support a growing workforce and to track and project fiscal performance.

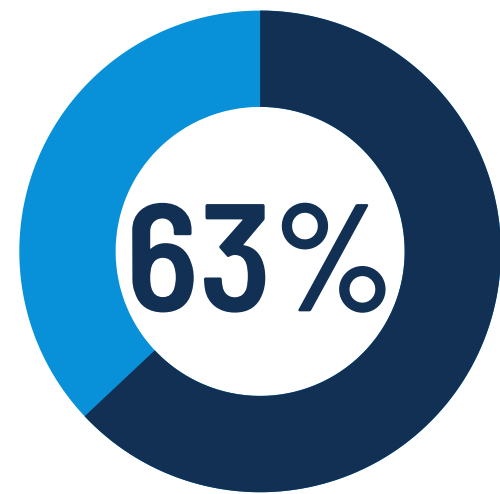


Customer service personnel represent the brand to customers needing support, and directly impact the Net Promoter Score (NPS) of a business. This means hiring top customer service professionals is a key way to promote the business and increase the likelihood of current customers referring others to the organization, as well as become repeat buyers. For key elements to look for when hiring customer service representative, [click here](#).



Addressing the 'Great Resignation'


After hitting its lowest level in the last 9 years in December 2020, the voluntary quit rate has since skyrocketed to a record-high 3%. While some businesses have already felt the pressure of a lean workforce for months, economists say the "Great Resignation" is likely to continue well into 2022, making retention one of the most important factors leaders should address now.



of respondents stated their business experienced more turnover in 2021 compared to their average year

11%+

2 in 5 respondents stated their business reported more than 11% of jobs going unfilled in 2021 due to lack of talent



A recent survey by SHRM found following their former coworkers' departures, 52% of employees who have not quit or changed jobs said they took on more responsibilities, 30% struggled to get necessary work done, 27% felt less loyalty to their organization and 55% questioned whether their pay was high enough. This type of pressure may lead to increased rates of employee burnout and continued turnover in 2022 if it goes unaddressed.

Addressing the 'Great Resignation'

What businesses are doing to help prevent excessive turnover in 2022:

53%

**Allowing staff to work remotely
some or part of the time**

30%

Increasing benefits offerings

42%

**Investing in growth/development
opportunities for staff**

30%

**Investing in team and
culture- building activities**



The first step to addressing turnover and preventing it from spreading is to start a dialogue regarding what the business is doing to support employees and how they will handle the increased workload if there is turnover on the team. Discussing a plan for how teams will adapt to changes can help increase employee confidence in leadership and keep staff engaged. For more tips on retaining talent, [click here](#).

2022 Hiring Challenges Overview

With 73% of respondents stated their business plans to add headcount in 2022, it is important to look at relevant challenges and how the hiring dynamic has changed. According to respondents, the most difficult aspects of the hiring process they face now are meeting compensation requirements, followed by candidates dropping out of the interview process, and finding skilled workers.

53% Meeting compensation requirements

41% Candidate fall-off

34% Finding skilled workers

30% Candidates turning down offers

29% Identifying candidates who fit the culture

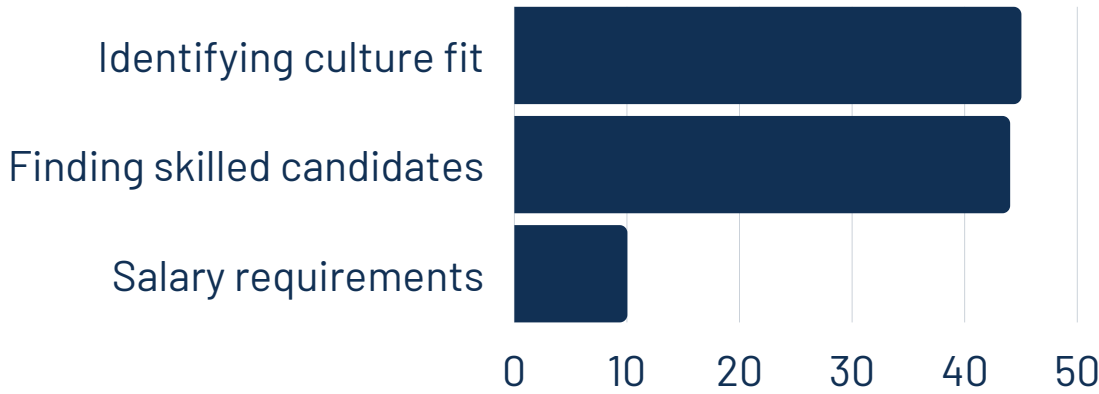
2022 Hiring Challenges Overview

Through the Years

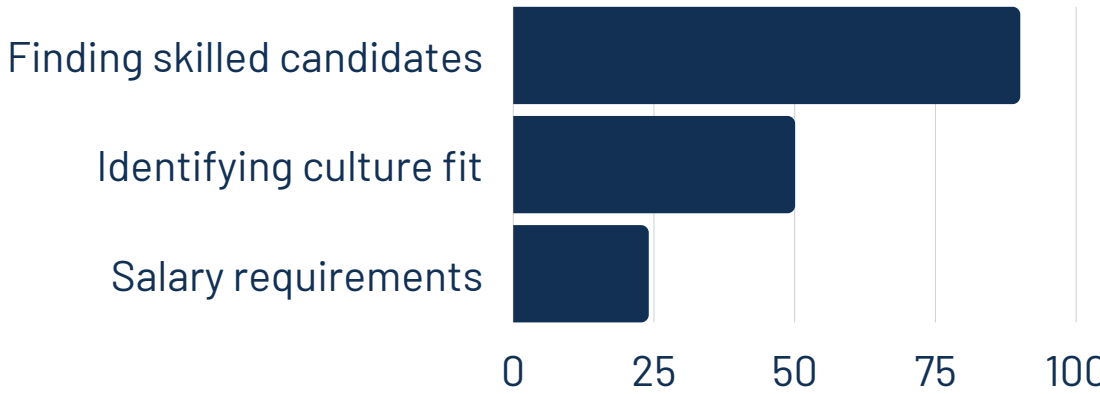
While finding skilled candidates has been the No.1 challenge for many employers since 2016, this was overturned this year.

Below are year-over-year top hiring challenges:

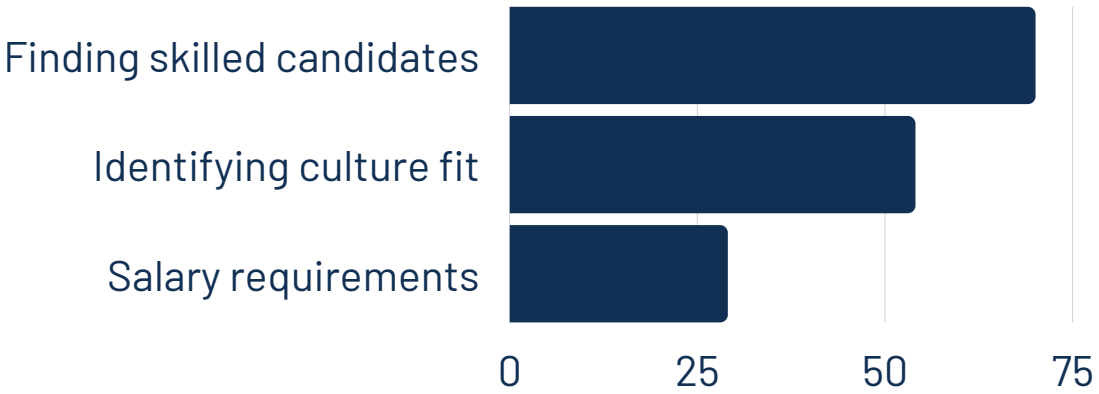
2015 Challenges



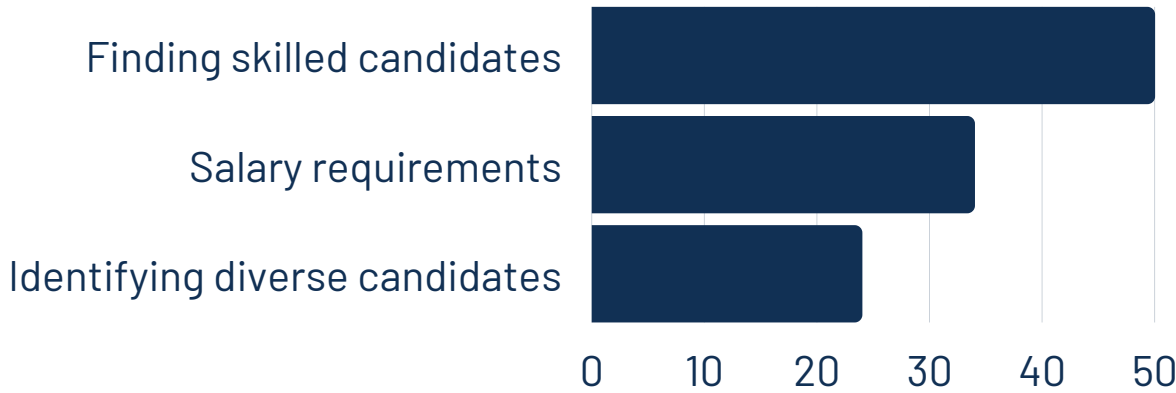
2016 Challenges



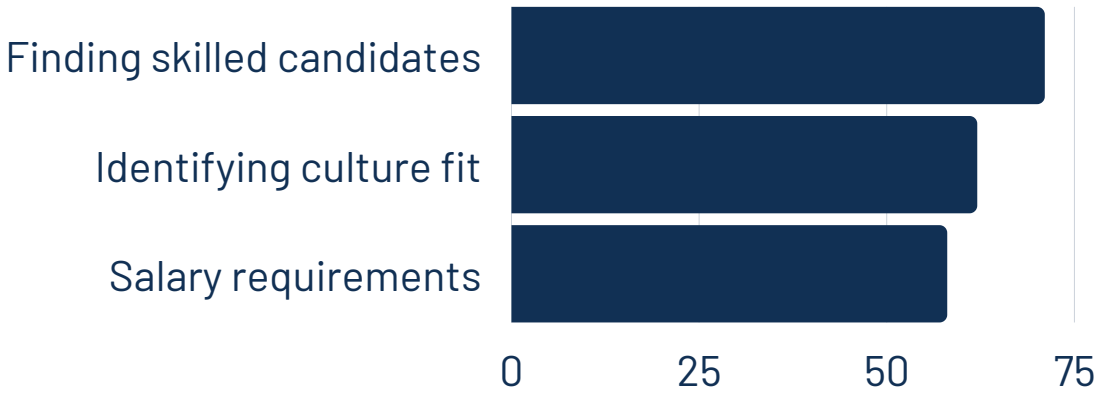
2017 Challenges



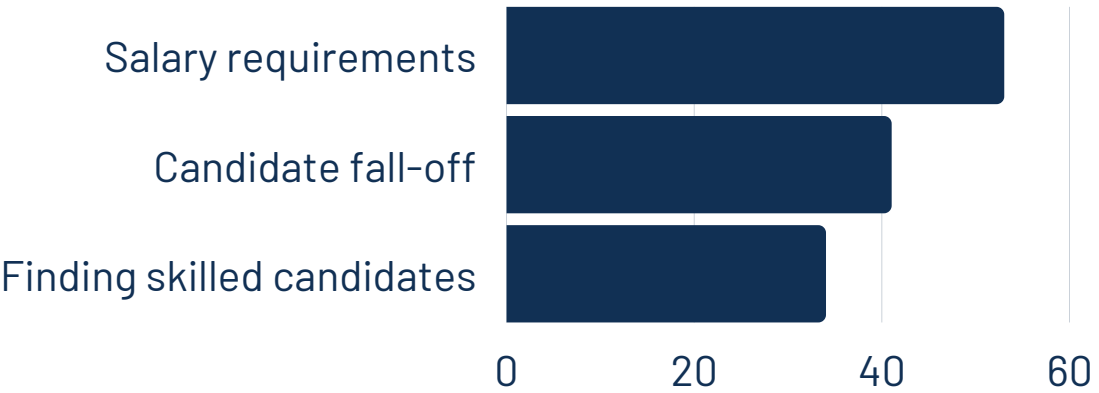
2018 Challenges



2019 Challenges



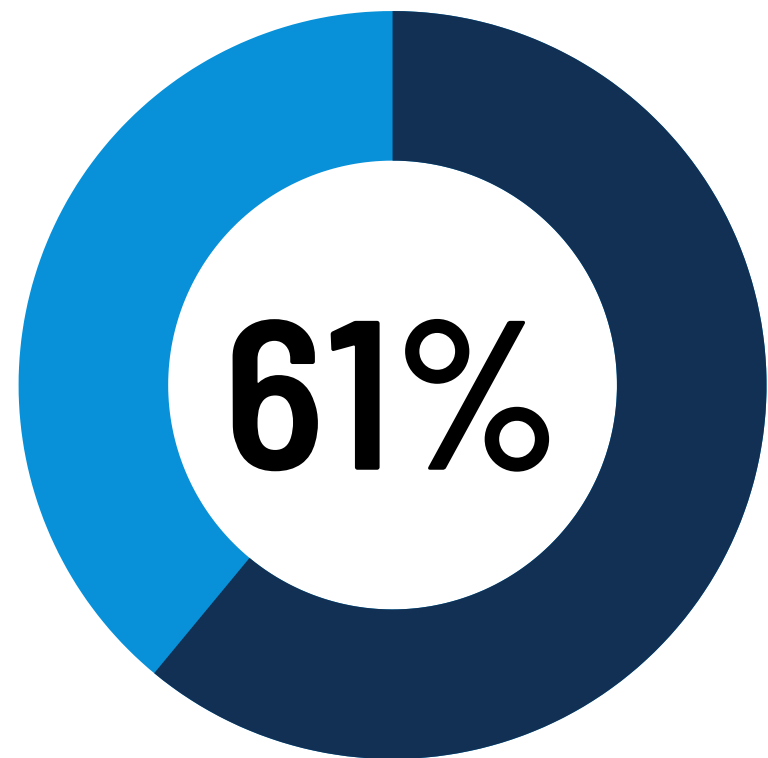
2021 Challenges



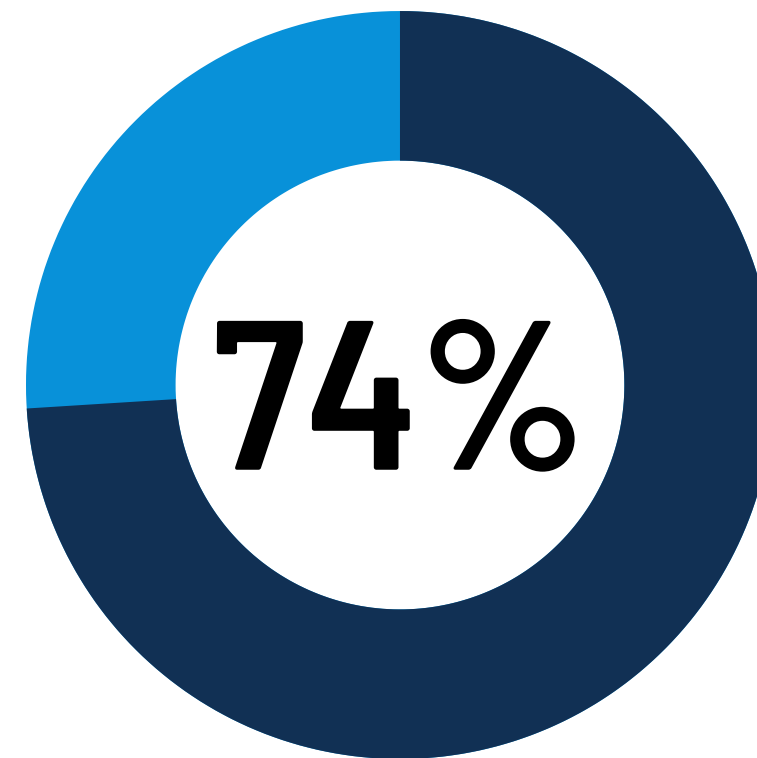
*Due to the sensitive nature of 2020, LaSalle Network did not collect data at that time.

Challenge #1: Meeting Compensation Requirements

The No. 1 hiring challenge the majority of survey respondents (53%) stated they were facing in 2021 was meeting compensation requirements. Now, majority of respondents stated their companies plan to raise wages in the coming year. Almost three-fourths of businesses are surpassing the standard annual 3% cost-of-living salary increase, opting for higher wages.



of respondents stated their companies will increase wages in 2022



of respondents stated their companies plan to increase wages by more than 3%

Meeting Compensation Requirements

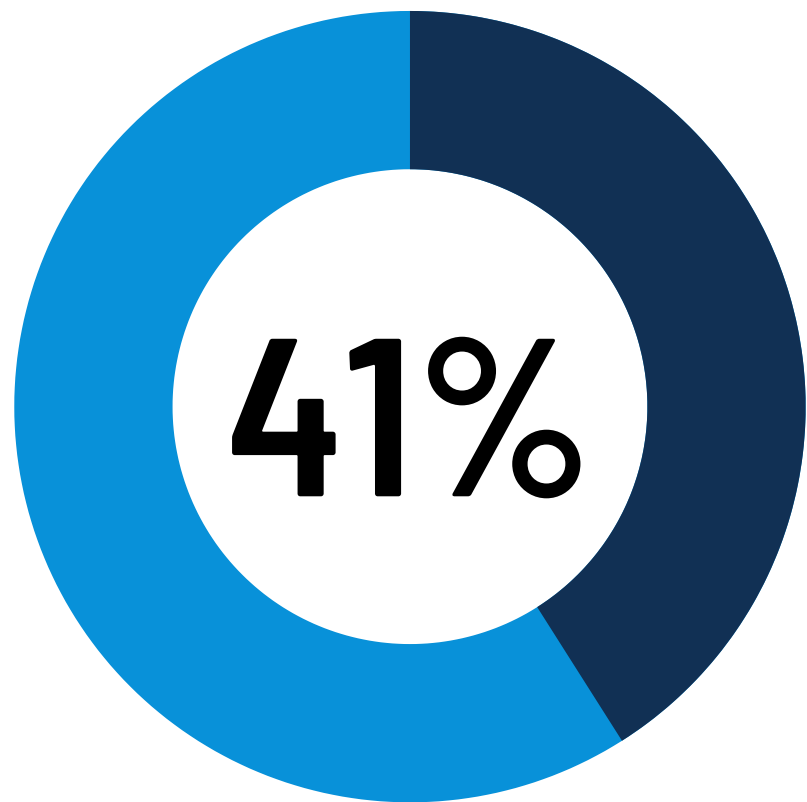
With salary demands increasing, remaining competitive in today's hiring landscape has gotten more challenging – and expensive – for employers. However, with today's rising prices, higher salaries still are not likely to keep pace with inflation as it reaches 6.2%, the highest in more than three decades. This means salary negotiations are likely to continue throughout 2022.

In some businesses, increasing salary offerings to attract candidates is leading to serious pay inequity between new employees and existing staff. Hiring professionals at high wages without leveling up existing teams is likely to cause friction between employees and leadership, which could result in turnover.



For many businesses, this level of salary increase may not be sustainable, and as the market settles, so will salaries. Leaders should prepare to utilize alternative methods of attracting top candidates beyond salary increases, such as a strong company culture, growth and development opportunities, and other perks and benefits. For more ideas on showcasing non-monetary incentives during the interview process, [click here](#).

Challenge #2: Candidate Fall-Off or 'Ghosting' During Interviews



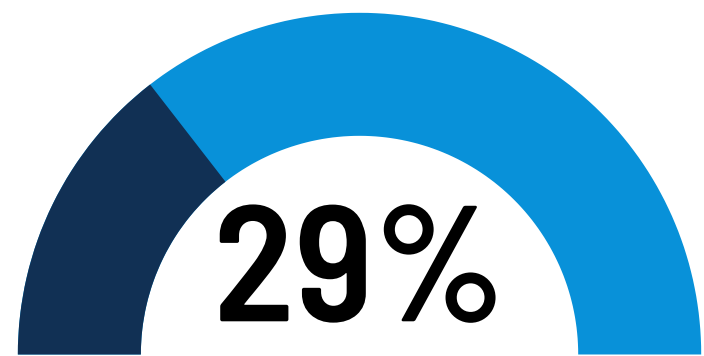
of respondents stated candidate fall-off during interviews as a top challenge

The second most common challenge leaders experienced while looking for talent in 2021 was candidate fall-off during the interview process, or 'ghosting.' This refers to when a candidate agrees to an interview, but does not show up or answer calls or emails following the missed appointment. This leaves hiring managers with no explanation regarding what happened and why.

Candidate Fall-Off During Interviews

Because many candidates do not explain their reasoning for ending the interview process suddenly, recruiters and hiring managers should preemptively ask questions regarding hesitations candidates may have and their motivating factors for applying to the open role early on in the interview process.

By ensuring candidates' motivators and concerns are addressed adequately, as well as personalizing conversations during the interview based on the candidate's priorities, is a key way to keep candidates engaged.



When asked the reason for candidate fall-off, 29% stated their companies were losing talent due to the length of their hiring process

In today's competitive jobs market with more than 11 million open positions, candidates often have many choices. Trimming the length of the interview process may help keep candidates engaged for the entire duration.

For more tips on improving the candidate experience to reduce fall-off, [click here](#).

Challenge #3: Finding Skilled Candidates

While finding skilled candidates was the No.1 challenge for companies for four consecutive years, this year, it has fallen to No. 3. However, still more than 1/3 of leaders reported a struggle to find candidates with the correct skill sets.

According to a study by [Emeritus](#), top in-demand skills businesses are seeking today include:

Technology

Management and Leadership

Analytics



Finding Skilled Candidates

Technology

This includes a need for professionals familiar with and able to lead A.I. and machine learning efforts, managing data analytics, automation, UX/UI design, and data science. With today's accelerating focus on digital innovation, IT professionals are not the only ones expected to ascertain stronger technological skills, but marketing, financial, and operational professionals, as well.

Management and Leadership

According to a LinkedIn [report](#), 61% of employers offer no formal leadership training for their employees, yet 34% of professionals identified leadership as an upskilling need for their teams or organizations.

Analytics

Extracting actionable insights from complex datasets can help businesses make better decisions. Specifically, business analytics, data analytics, and marketing analytics are skills in demand for teams and organizations.

Finding Skilled Candidates

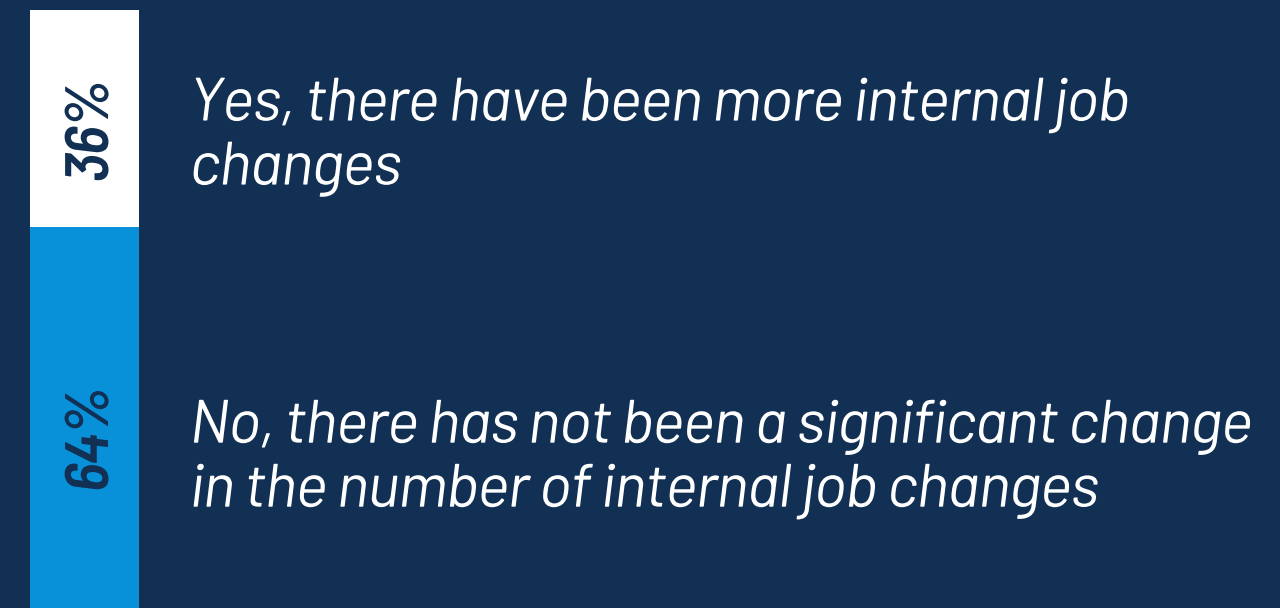
As leaders struggle to find skilled candidates, they may consider 1. hiring inexperienced candidates and investing in training and ongoing development, or 2. consider the internal talent pool, first.

Providing growth and upskilling opportunities for employees is one key way to keep employees engaged and improve retention, while developing essential skillsets.

To promote internal job opportunities, leaders may:

- Share internal job opportunities on a company intranet homepage, via e-mail, or discuss open opportunities in meetings to increase awareness
- Request nominations from managers of high-performing employees
- Develop strong succession plans for high-potential employees

When asked if businesses experienced more or less internal job changes and/or promotions this year than normal, respondents stated:



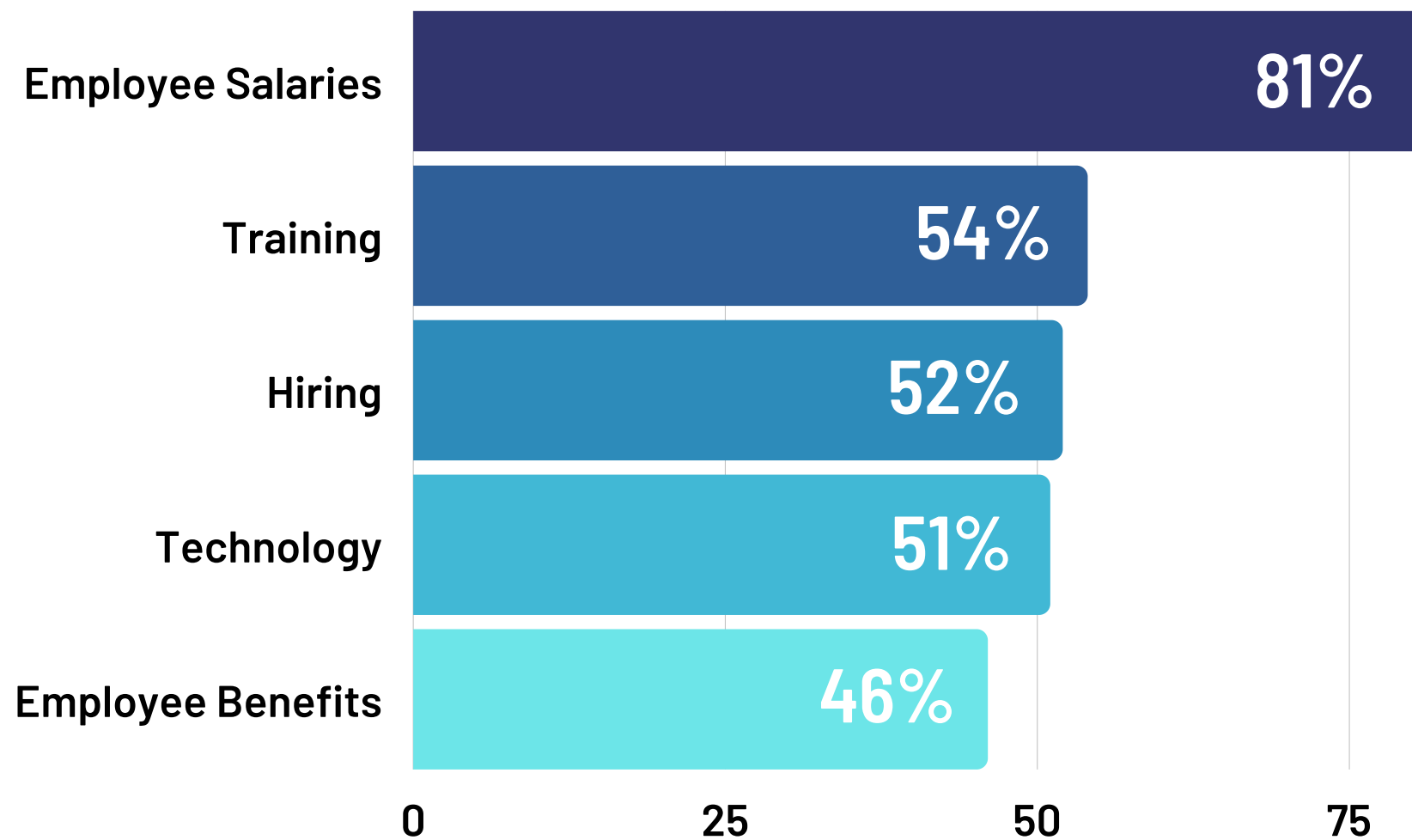
According to the [Work Institute](#), the desire for career development has been the No.1 reason employees have left their jobs for the last 10 years. Providing opportunities for growth and development – such as internal job changes and upskilling – is a powerful tool to aid retention.

Increasing Spend

With heightened competition in hiring and high turnover rates continuing into 2022, it is important leaders assess how they are investing in their workforce to best retain and attract talent.

However, especially while many businesses are still recovering from the economic crisis of 2020, there may be limited resources available with which to invest, which means executives must be strategic about where and by how much they increase spend this year.

Where Companies Plan to Increase Spend in 2022



Where leaders have chosen to increase company spend in 2022 indicates a focus on attracting talent to their organization and training them to perform.

Showcasing an investment in training and development is one way to keep employees and candidates engaged, as opportunity for growth has been a top quality many job seekers seek in a future company, according to a separate LaSalle Network survey. Discussing available training resources can help professionals feel valued and increase engagement.

Key Workplace Trends to Watch in 2022: Benefits

1/3

of companies surveyed are adding benefits/perks in 2022, with the 3 most common being:



PTO



Flexible Hours



401(k) Matching

Key Workplace Trends to Watch in 2022: Remote Work

ARE COMPANIES PLANNING TO ALLOW REMOTE WORK IN 2022?

41% 


STATED ALL OR MOST STAFF ARE ABLE
TO WORK REMOTELY PART OF THE WEEK
AND IN-OFFICE PART OF THE WEEK

15% 

STATED SOME STAFF WILL WORK ON-SITE FULL
TIME AND OTHERS WILL WORK REMOTELY FULL
TIME

29% 

STATED ALL OR MOST STAFF ARE
ABLE TO WORK REMOTELY

15% 

STATED ALL OR MOST STAFF
ARE REQUIRED TO BE ON-SITE

Remote Work

While there are many benefits and drawbacks to remote work, with different work styles are more suitable for some businesses than others, many companies today are considering continuing the option to work remotely for the foreseeable future. Remote work may not only serve as a safety precaution, especially as the COVID-19 pandemic continues to evolve with new variants introduced, but it could also be a hiring and retention tool.



In a separate survey to more than 1,700 professionals in August 2021, 41% of respondents wanted to remain working remote full time, and another 31% stated they wanted to work from home at least part of the time.

Of the employees wanting hybrid work, the majority reported they would like the option to work from home 3 days a week.

83% of survey respondents stated they would accept a new role if offered similar compensation and benefits, but with the ability to work remotely or on-site as desired.

Key Workplace Trends to Watch in 2022: Vaccination Requirements

ARE COMPANIES REQUIRING EMPLOYEES TO BE VACCINATED IN 2022?

47%

43%

10%

Candidates are not required to be vaccinated to be hired by my organization

All candidates must be vaccinated to be hired by my organization

Vaccinations required to work onsite, but unvaccinated candidates can work remotely

At the time of publication for this report, the Biden Administration and OSHA had issued an Emergency Temporary Standard (ETS) that requires employers with 100 employees or more to ensure that all employees are vaccinated against COVID-19 or, in the alternative, submit to weekly COVID-19 testing. The status of the ETS continues to evolve. To check for local and federal mandates and recommendations, visit [OSHA for more information.](#)

****Note many businesses surveyed were small-to-mid sized. Of businesses with more than 100 employees, 49% are requiring employees to be vaccinated.***

About LaSalle

LaSalle Network is a national staffing, recruiting and culture firm with business units that specialize in accounting and finance, administrative, call center, healthcare revenue cycle, human resources, management resources, marketing, sales, supply chain, technology and executive search.

Since inception in 1998, LaSalle has worked with thousands of companies and placed more than 85,000 candidates in temporary, temporary-to-permanent and permanent positions.

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