





# Attraction and Retention Challenges

Since the onset of the COVID-19 pandemic, attracting and retaining employees has been a persistent struggle for employers and remains as such. Today, over **75%** of employers reported they consider attraction and retention a top-five business challenge for their organization, with over **80%** of respondents expecting this problem to continue through 2022.

These findings provide a general benchmark of today's labor challenges. They indicate that in addition to being a pressing HR issue, the difficulty of finding and keeping workers is an obstacle with a wide-ranging impact on an organization's ability to succeed.

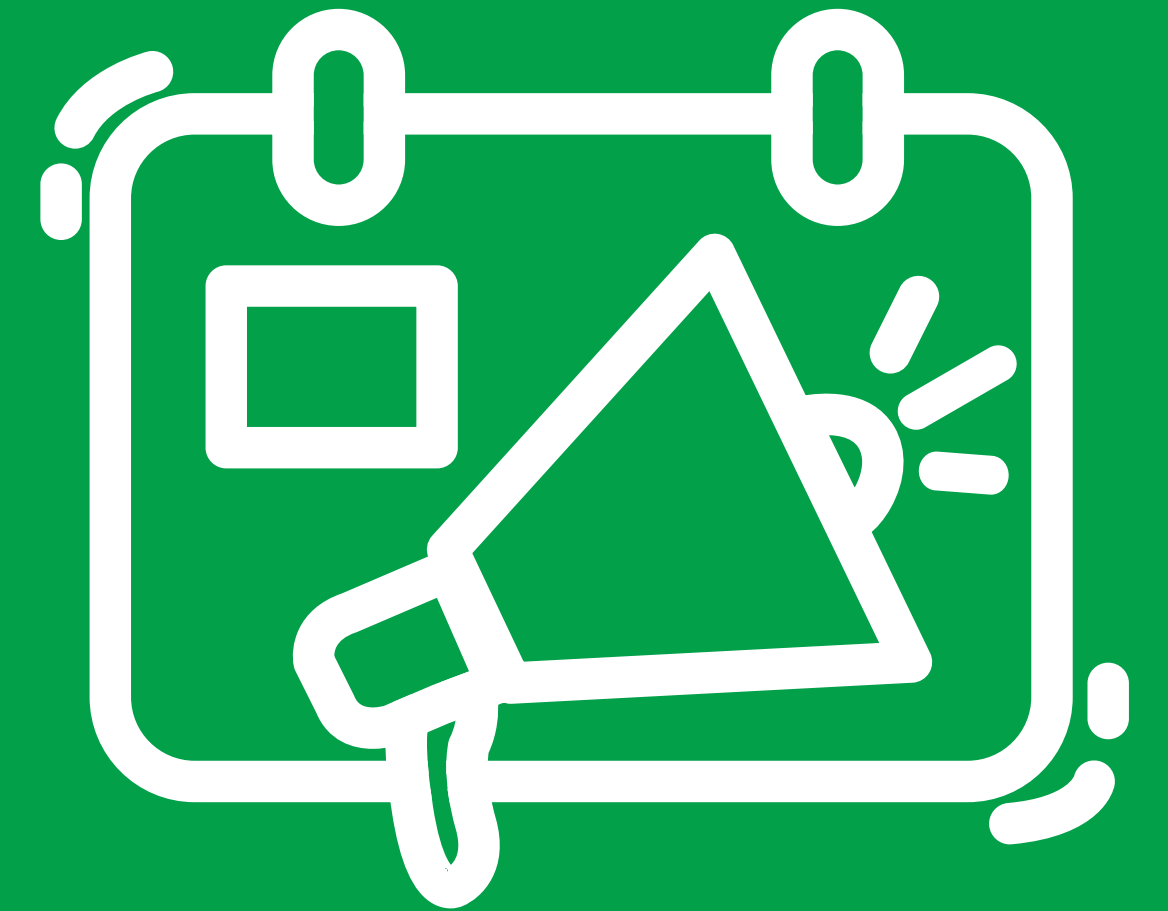
Here are some other key takeaways from today's challenges:

## Attraction Is One of Today's Top Workplace Challenges

Notably, employers reported struggling more with recruiting and hiring new workers than retaining existing ones. In fact, when asked if their organization has difficulty attracting new employees, over **85%** percent of employers responded yes (**47%**) or somewhat (**40%**). This total compares to the lesser **58%** of employers that responded yes (**12%**) or somewhat (**46%**) when asked if their organization struggles with retaining current employees.

Earlier in the pandemic, employers were concerned about employees leaving the workforce altogether in what economists called the "Great Resignation." Now, in what is being referred to as the "Great Reshuffle," workers are seemingly leaving one job for another that more closely aligns with their needs. The U.S. Bureau of Labor Statistics shows that total employment continues to trend up. However, there were still 11.5 million open jobs as of the last business day of March 2022, exceeding the number of available workers by 5.6 million. So, while workers are reentering and staying in the workforce, employers continue struggling to fill open roles.

In today's competitive labor environment, employers are worried about meeting workers' demands and losing employees to other organizations that may offer the employment opportunities they desire.

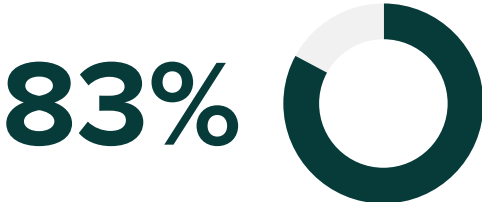


# Attraction and Retention Challenges (Continued)

## Workers Desire Competitive Compensation and Benefits

Employers were asked what they found to be the top priorities of workers during the hiring process and were directed to select their top three choices. The most common selections were:

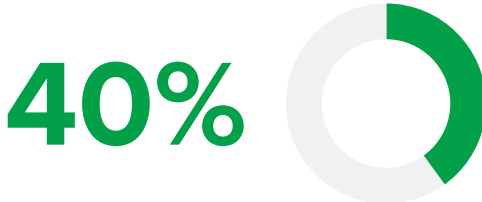
Competitive compensation:



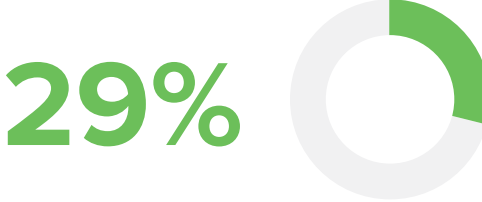
Competitive benefits:



Flexible schedules:



Career development opportunities:



Strong company cultures:



In addition, employers reported that workers desire remote (14%) and hybrid (14%) work arrangements.

The most significant takeaway is that competitive compensation and benefits are the most important factors to workers in today's worker-friendly labor market. This comes at a time when workers are dealing with the highest inflation rate in several decades, and costs for everyday expenses are soaring. This finding indicates that workers deeply care about benefits offerings; the COVID-19 pandemic highlighted the importance of benefits such as health care and resources such as telemedicine and mental health support. Moreover, this finding highlights other top desires of employees when seeking new opportunities, such as finding workplaces with career development opportunities, strong cultures and flexible work arrangements.



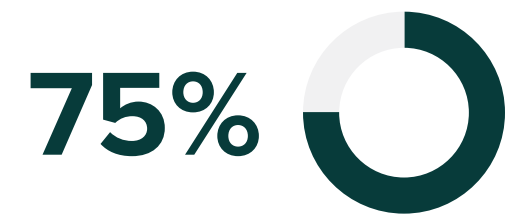


# Attraction and Retention Challenges (Continued)

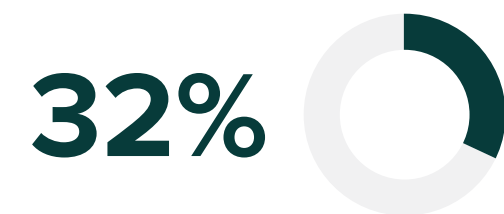
## Compensation, Skills Gaps and Flexible Workplaces Are Top Challenges for Employers

Employers were asked what they consider the top three most significant attraction and retention challenges for their organization. The most common selections were:

Increasing compensation to meet current demands:



Meeting desires for flexible work arrangements (e.g., remote, hybrid, flexible hours):



Addressing current and future skills gaps:



Addressing increased benefits demands:



These responses suggest that while employers are able to identify the general demands of workers, the corresponding solutions present a challenge, as they aren't always feasible or the challenges aren't easy to overcome. For example, increasing compensation to meet market demands isn't realistic for every organization.

In addition, employers report struggling with allocating resources effectively to meet staffing needs. This is illustrated by employers also identifying issues such as meeting an operational demand to maintain a higher number of employees (**27%**) and designating sufficient resources to address labor challenges (**18%**), including hiring more recruiters and developing internal initiatives.

In general, these findings show that employers have the dilemma of overcoming multiple attraction and retention issues at the same time. While employers navigate the ever-changing demands of workers, it's also a struggle to find the resources necessary to effectively attract and retain the workers they need.









# Employer Takeaway

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These survey results suggest that, just as it has been throughout the pandemic, attracting and retaining employees continues to be a top workplace challenge for employers. To no surprise, it appears that topics such as compensation, benefits and workplace flexibility are the top priorities for today's workers, creating a competitive environment for organizations to vie for talent. But, in addition to addressing these demands, employers are also struggling with the operational nature of attraction and retention, such as finding the right recruitment strategies and retention initiatives.

The good news is there are impactful strategies for employers to attract new talent and retain their employees. The best actions will vary by workplace, as employers are challenged to meet the desires of today's workforce while pursuing feasible strategies that make sense for their organization.

Employers can stay one step ahead by understanding today's labor challenges and monitoring talent trends, which can inform strategies to effectively and meet the unique needs of current and prospective employees.

Contact us today for resources on attraction and retention, benefits, workplace flexibility or any topics discussed in this benchmarking overview.

