

2023 Trends to watch in HR & Business

Remember January 2020? Unemployment stood at 3.5%. Only about 6% of employed people worked primarily from home. Too busy to take time off, American workers routinely left about a third of their vacation time unused each year.

Fast-forward to March 2020. Businesses stopped or limited their on-site operations due to the global COVID-19 pandemic. Unemployment rose to 14.7% in April. By May, more than a third of those employed worked from home. Families that previously struggled to see each other for a bit at day's end suddenly found themselves together 24/7.

All of us are keenly aware of how life can change in a heartbeat. As 2023 approaches, we can look at where things stand and try to plan accordingly — knowing in the back of our heads that something could throw us for a loop.

If expert predictions are correct, that something could be a recession. If such an economic downturn happens, employers will once again need to evaluate circumstances and decide what measures are best for their organization. In the meantime, though, several other HR and business matters look to be top-of-mind as the calendar turns to a new year. Here, we look at six of them:

1. Filling positions will likely remain a priority

If a recession does occur, employers may need to save money through downsizing, laying people off, and initiating hiring freezes. But with the unemployment rate at a measly 3.7% as of November 2022, the emphasis at the start of 2023 looks to remain on securing human capital.

Employers experiencing ongoing difficulty meeting hiring needs will continue efforts to attract qualified talent.

Actions likely to gain steam include:

- Offering remote, hybrid, and flexible schedule options – both to satisfy potential job candidates and to expand the applicant pool by eliminating geographical barriers to employment.
- Improving employer brand to gain candidates based on company reputation.
- Encouraging current employees to make referrals.
- Considering candidates with relevant soft skills and training them on the hard skills needed to complete tasks.

The situation also may demand that companies learn to act quickly when dealing with potential talent.

“Entry-level hiring is fast-paced, and the best candidates seem to get snapped up in a heartbeat,” says Sophia Shedore of [Loop Support](#). An adjustment she has made is switching to texting candidates rather than sending emails. “This has helped me catch candidates’ attention, keep them engaged throughout the hiring process, increase my response rate, and reduce time-to-fill.”

2. Employee feedback will take on more importance

Just as significant as bringing aboard new hires is preventing current workers from leaving. While perhaps not exhibiting the same intensity as in 2022, experts contend that The Great Resignation is not yet over.

Smart employers learn why their employees stay and why they go. Companies then can use that information to make improvements that encourage retention, such as boosting pay, providing more flexible work options, or strengthening workplace culture. Knowing what workers find attractive about your organization also helps with the development of your employer brand – and ultimately enlarging your applicant pool.

Measures employers may take to solicit feedback include:

- Giving regular, anonymous surveys to current employees.
- Conducting thorough exit interviews to understand why individuals are leaving the company.
- Meeting one-on-one with team members to hear their perspectives and concerns.

As much as providing workers with a voice is a positive step, the true value comes from genuinely listening. Many employers are committed to focusing on that in the new year.

“In order for my team members to feel valued and to understand the direction of our company, it is important for me to communicate openly and honestly with them,” says Rajesh Namase, co-founder of [TechRT](#). “In 2022, I really learned about the importance of listening – listening to my team members’ needs and concerns, understanding their perspectives, and hearing out their ideas. This allowed us to develop better solutions for our customers more quickly, even when faced with unexpected challenges.”

3. Employers will seek adaptable employees

Speaking of facing the unexpected, the past few years have presented companies with plenty of disruptions to “business as usual.” While (knock on wood) we hope not to experience anything as catastrophic as a global pandemic again any time soon, finding employees capable of adjusting quickly, learning new things, and going with the flow has risen in importance.

“The world is changing rapidly, and businesses need employees who can keep up,” says Josh Wood, CEO and founder of [Bloc](#). “A few of my employees were great and adapted to so many changes and struggles in 2022 (like remote work and COVID). However, around 50% were really difficult as they didn’t have that kind of adaptable mentality. I now make sure we work it into any interview in the form of questions to find out whether someone has an adaptable nature.”

4. Employers will make better use of existing staff

In a similar vein, employers in 2023 may look to utilize team members in new or expanded capacities. Training workers how to perform additional tasks has a variety of benefits both to them and to your company.

If recession rumors prove true, workers proficient in multiple areas gain value should staff reductions become necessary. Also, when looking toward the future, many organizations worry about anticipated skill-gap problems. Identifying current employees with the ambition and ability to learn what will be needed creates a stronger workforce and takes away pressure to recruit outside the company.

Professional development opportunities also help with retention and engagement. Workers feel good about growth and their increasing importance to company operations. Learning new things challenges the mind and wards off boredom.

In fact, many employees view an employer's investment in their development as a reward. When asked the question "How do you prefer to be recognized for a significant accomplishment?" roughly half (47%) of respondents in a [Deloitte study](#) said "new growth opportunity." This answer beat out "salary increase" (23%), "high-performance rating" (21%), and "bonus" (10%).

"This year, I learned how important it is to encourage your employees to go further," says C.T. Price, CEO of [Life Grows Green](#). "From this, I will be taking further steps in the New Year. Not only will unique thinking and more collaborative efforts be encouraged, but I will also be focused on hiring based on a person's perspectives rather than just qualifications. Additionally, more training will be offered to employees so that they can upskill, reach higher goals, and be even better in their work."

5. Employers will continue to think outside the box

For employees looking to expand their horizons within a company, bring up new ideas, or institute a change, 2023 may prove the ideal year for action. In the aftermath of the pandemic, many leaders display an increased willingness to experiment. Things they thought impossible at the start of the 2020s, such as whole teams working remotely, have proven feasible. Instead of steadfast devotion to tried-and-true, employers are keeping an open mind to innovation, possibilities, and new ways of doing things.

"Businesses are redefining the meaning of value," says Andy Golpys, founder at [MadeByShape](#). "We are no longer obligated to many of our prior practices because of how we now function. This situation should be seen as a chance rather than a hindrance. The pandemic has given us the ultimate reason for trying a novel strategy, and we should carry on experimenting in the coming year."

6. Well-being will remain a top concern

Lastly, while 2023 will further remove us from the height of the COVID-19 pandemic, the mind shift developed during that time seems destined to remain. People redefined their priorities, reconsidered their relationship with work, and reclaimed their right to a better balance between professional and personal obligations. Many have no intentions of going back to long commutes, undesired overtime, missing dinner with the family, and a lack of time for self-care.

Employers unable or unwilling to address such concerns will likely experience problems. They will struggle to compete for talent against places offering remote or hybrid work, flexible schedules, on-site childcare, generous PTO, mental health coverage, and other benefits modern workers crave.

At minimum, employers who fail to devote proper attention and resources demonstrating their concern for the well-being of their employees run the risk of staff members [quiet quitting](#). Workers may not physically head out the door, but they will not be putting out the same sort of effort.

"Starting with the quiet quitting trend, I believe many CEOs like me have acknowledged that we need to deal with employee well-being and get to the root of the problems," says Jason Moss, co-founder of [Moss Technologies REI Marketing Solutions](#). "This year has taught us the importance of promoting mental well-being at workplaces and promoting a work-life balance. Retaining employees is extremely important for all companies. To boost productivity, we need to provide our employees with flexibility and autonomy at work. Along with that, we need to create a mutually supportive and cooperative work environment to help boost productivity and employee happiness at the workplace."