



Embracing 2022's Biggest HR Trends



Making Resolutions & Setting Goals

Creating a Roadmap for Better Employee Experience



Ninety-two percent of human resources (HR) leaders said they were prioritizing employee experience (EX) in 2021,¹ yet the majority of employees rated their experience as average for the year. This highlights a clear disconnect between leadership teams and the rest of the workforce. So how can both parties get on the same page in 2022?

First, it's imperative to understand that EX is an HR trend that isn't going away. The pandemic brought a lot of recruitment and retention challenges to the employment landscape, and better EX is one of the best ways to attract talent and keep workforces happy. Initiatives to improve experience, however, must be felt by every employee within an organization to be truly successful. As such, improving EX is likely to be a New Year's resolution for most HR departments. To ensure the success of this resolution, department leaders need to set specific EX goals and create a roadmap on how to attain those goals. The good news is that many of the year's top HR trends will play a supporting role in achieving better EX, including:



Cultivating a Healthier Culture



Reimagining Talent Acquisition



Refining COVID-19 Protocols



Retaining Through Engagement

To provide insight into these trends, isolved surveyed more than 675 full-time employees based in the United States at the end of October 2021. Employees ranged across job titles and industries. The results highlight employee experiences in 2021, as well as their expectations and priorities for 2022.

[Trend]

Cultivating a Healthier Culture

Positive EX can't exist without healthy company culture. Culture represents the sum of values and beliefs that a company promotes and performs, while EX encompasses every interaction an employee has with their employer. But what is the best way to improve culture?

21% of employees say the best way to improve company culture is by paying employees market value.

It's not a surprise that employees want competitive compensation, especially with research revealing salary is the top motivator for employees when deciding to accept a job offer.² However, this data suggests low wages are having a bigger impact on culture than many organizations may realize – especially during a time when inflation is rising, as many are facing financial hardships and employees know they can make more in a new position.

While better compensation is high in demand, 15 percent of employees say culture can be improved with flexible working environments and 14 percent say better internal communications would have a positive impact on culture. These responses align with what HR leaders said in early 2021, as they rated flexible working arrangements and better internal communications as the second and third best ways (behind employee engagement programs) for HR teams to improve company culture.¹ This also highlights how the pandemic is still impacting the workforce – with the need for flexibility and transparency being key for the entire workforce.



How can HR teams improve company culture?

2%

Improving diversity, equity and inclusion commitment

11%

Offering more paid time off (PTO)

6%

Enhancing transparency among leadership and employees

7%

Reacting to employee feedback

21%

Paying employees market value

9%

Work perks (yoga, dry cleaning, commute vouchers...)

15%

Providing a flexible work environment

7%

Investing in training for all employees

8%

Employee engagement programs

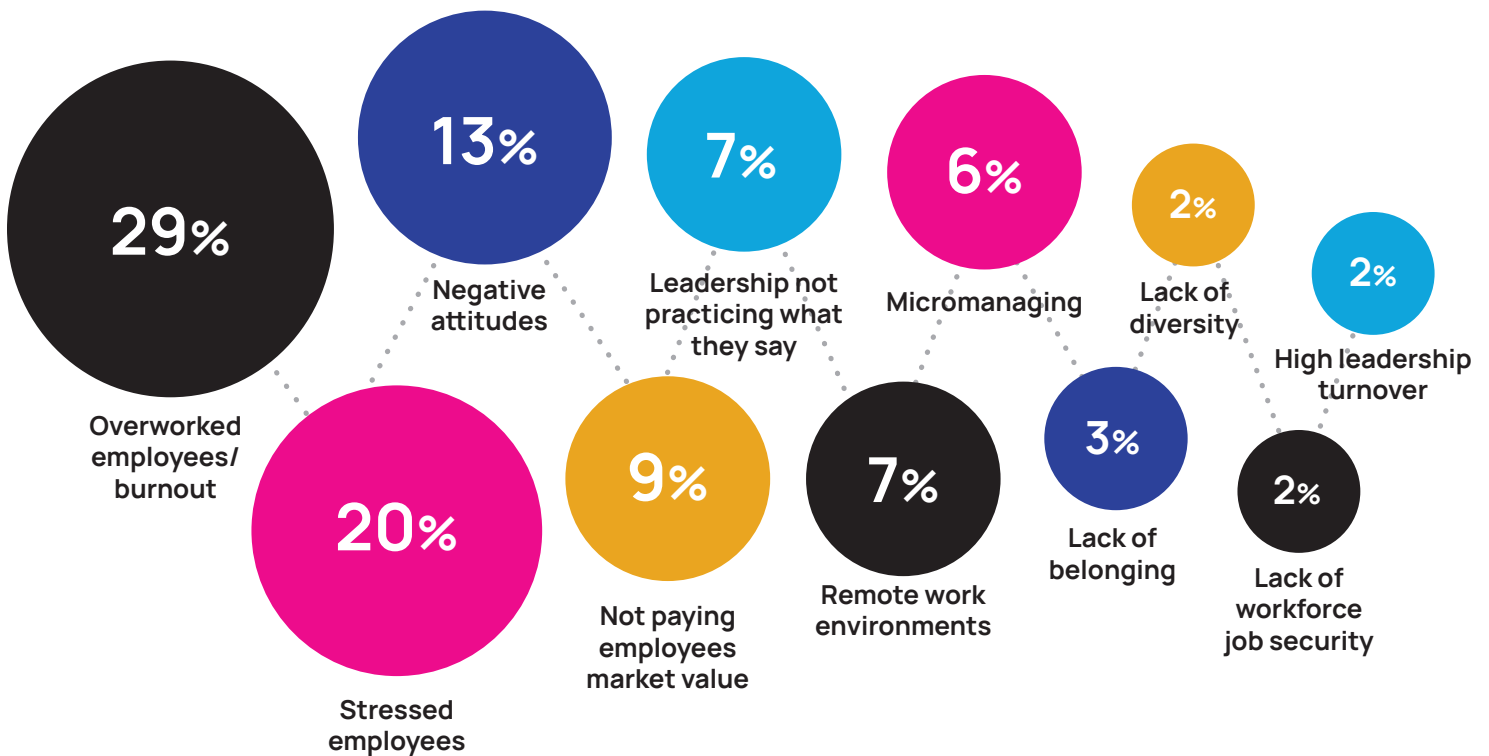
14%

Improving internal communications



In addition to asking employees the best ways to improve company culture, we asked them to identify the biggest threats to a positive culture. Topping the list was 1) Overworked employees/ burnout; 2) Stressed employees; and 3) Negative attitudes. It's simple to understanding how all three can negatively impact culture, and HR leaders agree... at least for the most part.

What are the top threats to a company's culture?



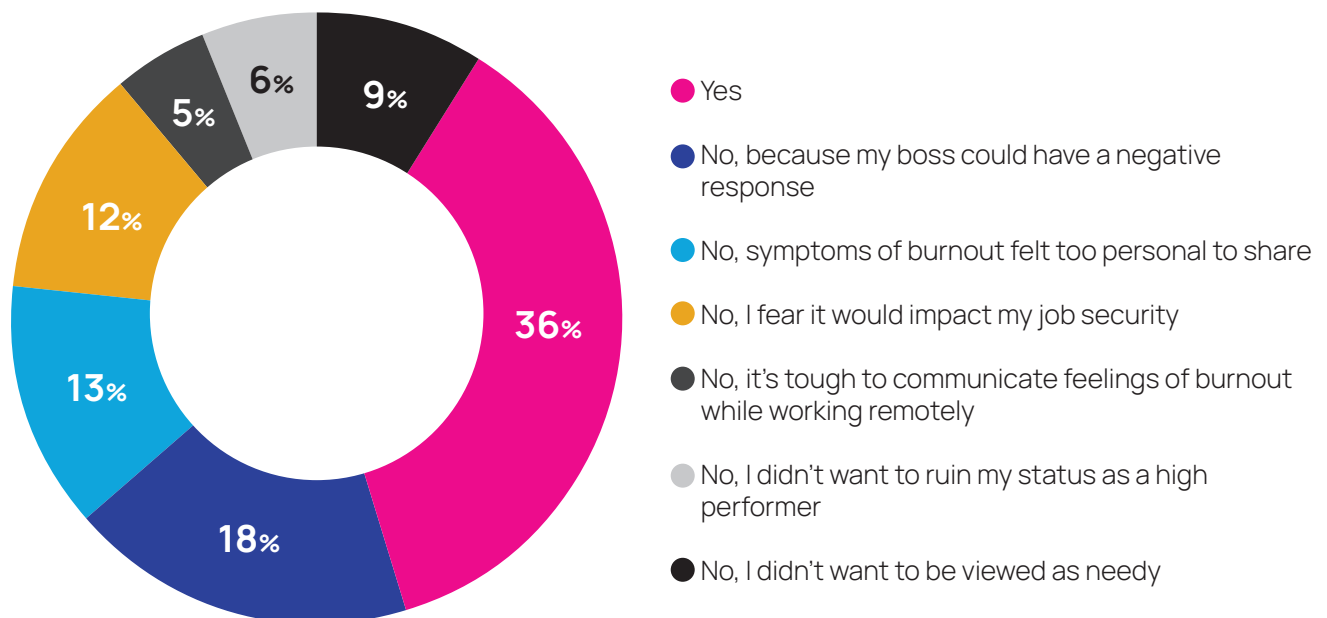
When HR leaders were asked the same question in early 2021, they rated stressed employees and negative attitudes as the second and third top threats to company culture. The top threat HR leaders identified, however, was remote work environments!¹ This is one area where leadership teams and employees are not aligned, as just 7 percent of employees say remote work is having a negative impact on culture.

Although remote work certainly comes with both advantages and disadvantages, the last two years indicate that it will play an important role in the future for many organizations. This means it's imperative to improve internal communication so that managers can stay better connected with their teams – especially because burnout, which is defined as feelings of energy depletion or exhaustion due to workplace stress – is a real problem for most employees, including high performers.

75% of employees say they suffered burnout over the last year.


Knowing most full-time employees suffered from burnout over the last year is alarming, and the data shows just 36 percent of employees who have experienced burnout felt comfortable communicating their feelings to their boss. For those who felt uncomfortable letting their supervisor know they were burnt out, the top reasons were fear of a negative response from their boss, followed by 2) Feelings of burnout being too personal to share; and 3) Fear that sharing their feelings would impact their job security. This trepidation is a sign of negative culture, and HR teams should work to ensure employees have a safe space to communicate challenges with their supervisors in 2022.

Are you comfortable communicating feelings of burnout to your boss?



Even when employees have a safe space to talk, it's still important that business leaders are addressing burnout and trying to minimize it as much as possible. But how do employees want their employers to address burnout? They overwhelmingly want paid mental health days.

What's interesting about this data is that employees also identified paid mental health days as the top way employers could better support their mental health in a separate 2021 survey.² This suggests providing paid time off (PTO) for mental health could become a trend in the coming years if employers are serious about acting on employee feedback.



45% of employees say employers should address burnout by providing paid mental health days.

When it comes to other ways to address burnout, 24 percent of employees say employers should provide resources on how to minimize risk, 18 percent say employers should develop a strict policy about not responding to work after hours, and 13 percent say employers should offer wellness meetings, such as a yoga or meditation classes.

While all of these responses can be used to develop a healthier company culture in 2022, leadership teams will be tasked yet again with addressing the pandemic in the New Year – which brings us to our next trend.

[Trend]

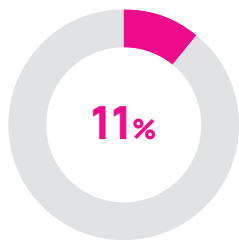
Refining COVID-19 Protocols

The world is heading into year three of the COVID-19 pandemic, and while many protocols and policies have been established by now – some may need to be revisited and refined based on evolving employee expectations for the future of work.

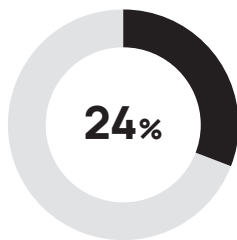
A good place to start is with one of the pandemic's hottest topics – remote work. Sixty-one percent of employees say their organizations supported remote work before COVID-19 vaccines were widely available. Of those organizations, 19 percent moved to a permanent remote work model once vaccines became available, while 60 percent moved to a hybrid model and 21 percent stopped supporting remote work altogether. But how do employees prefer to work? Depends on who you ask.



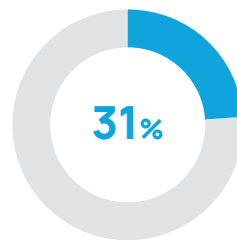
How do you prefer to work?



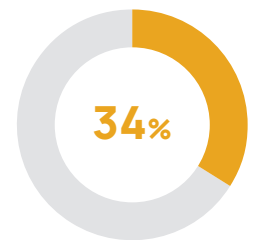
In the Field



In an Office



Hybrid



Remotely

Although 65 percent of employees don't prefer the office, 31 percent are willing to work on-site for at least part of their work week. Remote work policies are different for every organization (and every position in some cases), so it's important to take employee feedback into consideration when making permanent plans for how – and where – teams will work going forward. These plans should be communicated clearly and added to employee handbooks so they are easy to reference.

In addition to refining policies around remote work, HR leaders may need to also revisit vaccine policies. There is still uncertainty around whether some employers will be federally required to enforce vaccine-or-test policies in 2022, but many have already established policies – either due to local laws or regulations, or as a way to protect their workforce and customers. For example, 41 percent of employees say their employers had already enforced vaccine mandates as of October 2021. Regardless of the decision leadership teams make, it's a good idea for HR teams to prepare for the possibility of mandates in order to manage potential complexities, achieve compliance and prevent last-minute disruption to the organization.

HR teams should also be aware that COVID-19 policies could impact employees' perceptions of workplace surveillance – another topic that has been making headlines across social networks during the past year. In fact:

29% of employees say proof of COVID-19 vaccination and testing requirements is the top way workplace surveillance will change over the next year.

While much of the workforce may understand why vaccination cards need to be verified or testing needs to be put in place, this is a new layer to the employer-employee relationship that may be met with apprehension. HR teams can work to ease concerns by being transparent about policies and how vaccine information will be securely stored.

COVID-19 vaccination and testing requirements aren't the only ways workplace surveillance is changing. Despite 37 percent of employees saying they are optimistic monitoring won't change, the rest of the workforce is expecting increased surveillance throughout 2022 that includes monitoring of chats, emails and meetings, as well as visual and audio monitoring and management of "bring your own device" to work programs.

How will workplace surveillance change over the next year?

37%

I don't expect employee monitoring to change

4%

Increased management and monitoring of "bring your own device" programs

7%

An increase in visual and audio monitoring for theft and harassment prevention

29%

Proof of COVID-19 vaccination and testing requirements

23%

An increase in employee monitoring through chats, emails and meetings

Chances are that business leaders will continue making tough decisions about workplace surveillance over the next year, but EX should also be a factor in the decision-making process – especially because companies that have strong internal communication and trust within their teams [are likely](#) to have better retention as well as employees who are actively recommending their company to other top talent – which brings us to the next trend...



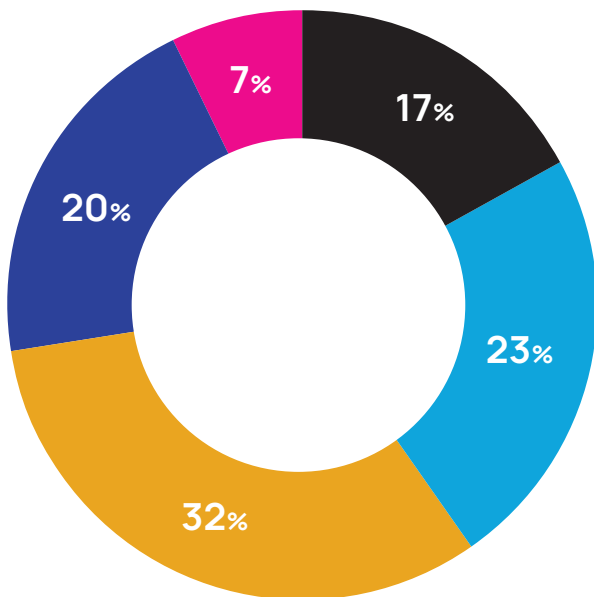
[Trend] Reimagining Talent Acquisition

Forty-eight percent of HR leaders said they expected recruiting to be more difficult in 2021 – and for many it was. As such, recruitment teams will need to get creative with their strategies in 2022 to overcome the mounting challenges facing the talent acquisition landscape so they can help build the workforce of the future.

One area of opportunity is referrals. Twenty-two percent of HR leaders identified referrals as their most valuable recruiting tool,¹ yet 55 percent of employees say they haven't referred candidates to open positions at their current employer. The main reason why? Because many employees are unaware of open positions... for the second year in a row. In fact, 30 percent of employees said they weren't referring candidates in 2020 because they were unaware of open positions,³ and in 2021 that number jumped to 32 percent.



What's the top reason you wouldn't refer a qualified candidate to your company?



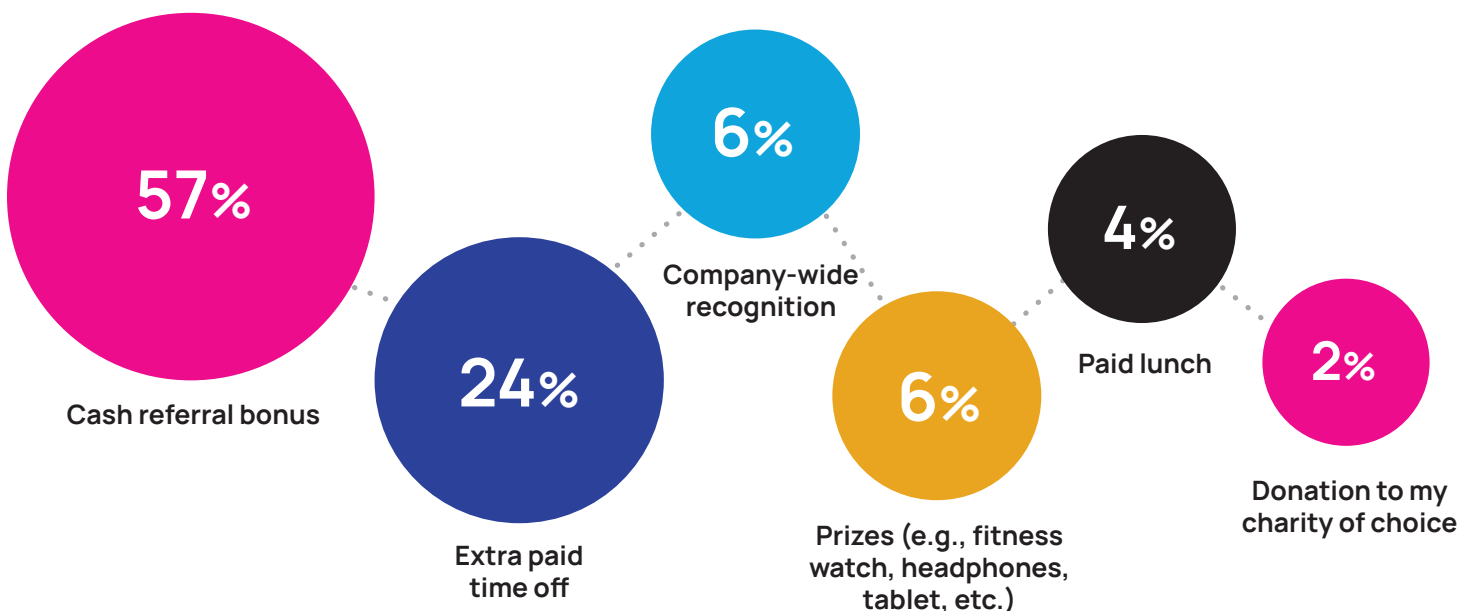
- The culture is bad
- Leadership is lacking
- I'm unaware of what jobs are available
- I'm not incentivized to refer people to open positions
- I'm going to leave the company soon

Aside from being unaware of open positions, the second top reason employees aren't referring qualified candidates is because they think their company's leadership team is lacking, which is something that's also likely to have a negative impact on culture and overall EX. And although 20 percent of employees attributed a lack of incentives as the main reason why they don't refer candidates – the survey findings show half of employers don't provide incentives at all.

50% of employees say they aren't incentivized by their employers to refer candidates to open positions.

This data confirms there is still work to be done to ensure that referral programs are active and funneling a steady stream of candidates to open positions. But what kind of incentives do employees want? A cash bonus is always a safe bet, and 57 percent of employees agree. Extra PTO came in second, while company-wide recognition and prizes tied for third when it comes to incentives employers can offer to motivate referrals.

What incentive would motivate you the most to refer qualified candidates for open positions at your company?

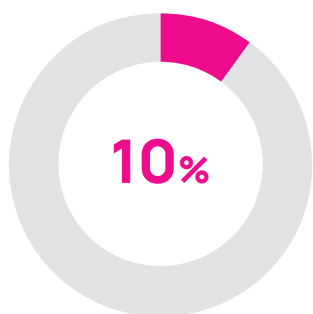


It's important to note that recruitment teams should also reimagine initiatives outside of referral programs to [improve talent acquisition strategies](#). Making sure job ads are engaging should be a priority, but improving the applicant experience should be on the radar as well.

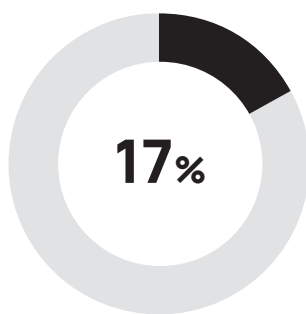
According to our survey results, 45 percent of employees applied for a new job in 2021 and 47 percent of those employees rated their applicant experience as poor. The reasons why applicant experiences were rated as poor include 1) Not hearing back from the employer; 2) The application not including important information like salary, hours, location or company values; and 3) The application process taking too long to complete.



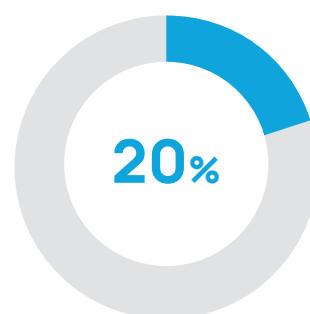
Top Reasons for Poor Applicant Experience



The application took too long to complete



The application didn't include important information



Never hearing back from the company after applying

Each of these reasons can negatively impact the applicant experience and deter qualified candidates from accepting a position or applying for open roles with the same company in the future. But what makes a good applicant experience? Simplicity. For example, 53 percent of employees who applied for new positions in 2021 say they had a good experience, and the majority attribute that success to a stress-free application process.

33% of employees who applied for a new job in 2021 rated their experience as good because the process was streamlined, and the application was easy to submit.

The remaining 20 percent of employees attribute their positive applicant experience to the company keeping in contact with them throughout the entire process. Although HR teams oftentimes don't have the bandwidth to follow up with every candidate, the right technology can help to remedy this problem. Data shows most HR leaders think recruiting is the top HR area that would benefit from automation,¹ and this includes follow-up interactions with applicants. Automated email prompts, for example, can be used to maintain a regular cadence of communication with candidates. Technology that supports virtual interviews can also be used to help busy HR teams push candidates to the next step of the application process by having them answer questions independently via audio or video. The submissions can then be reviewed by hiring managers during downtime to determine next steps.

Once an offer letter is extended and the onboarding process begins, HR teams need to turn attention to retention – which brings us to the last 2022 trend...



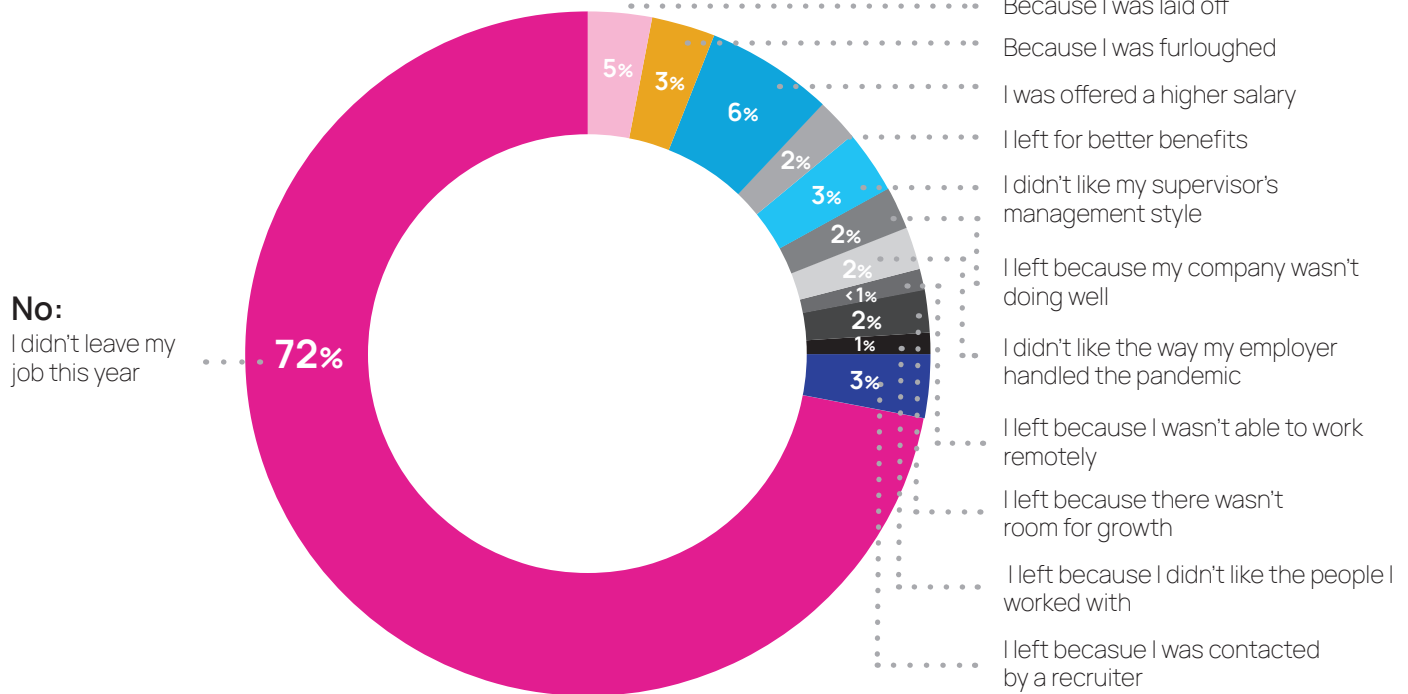
[Trend]

Retaining Through Engagement

Despite turnover being a hot topic over the last year, 72 percent of employees from our survey say they did not leave their jobs in 2021. Of those that did, the top reason for leaving was for a higher salary. This is expected – especially with previous research showing salary is the top motivator for accepting a new job.²

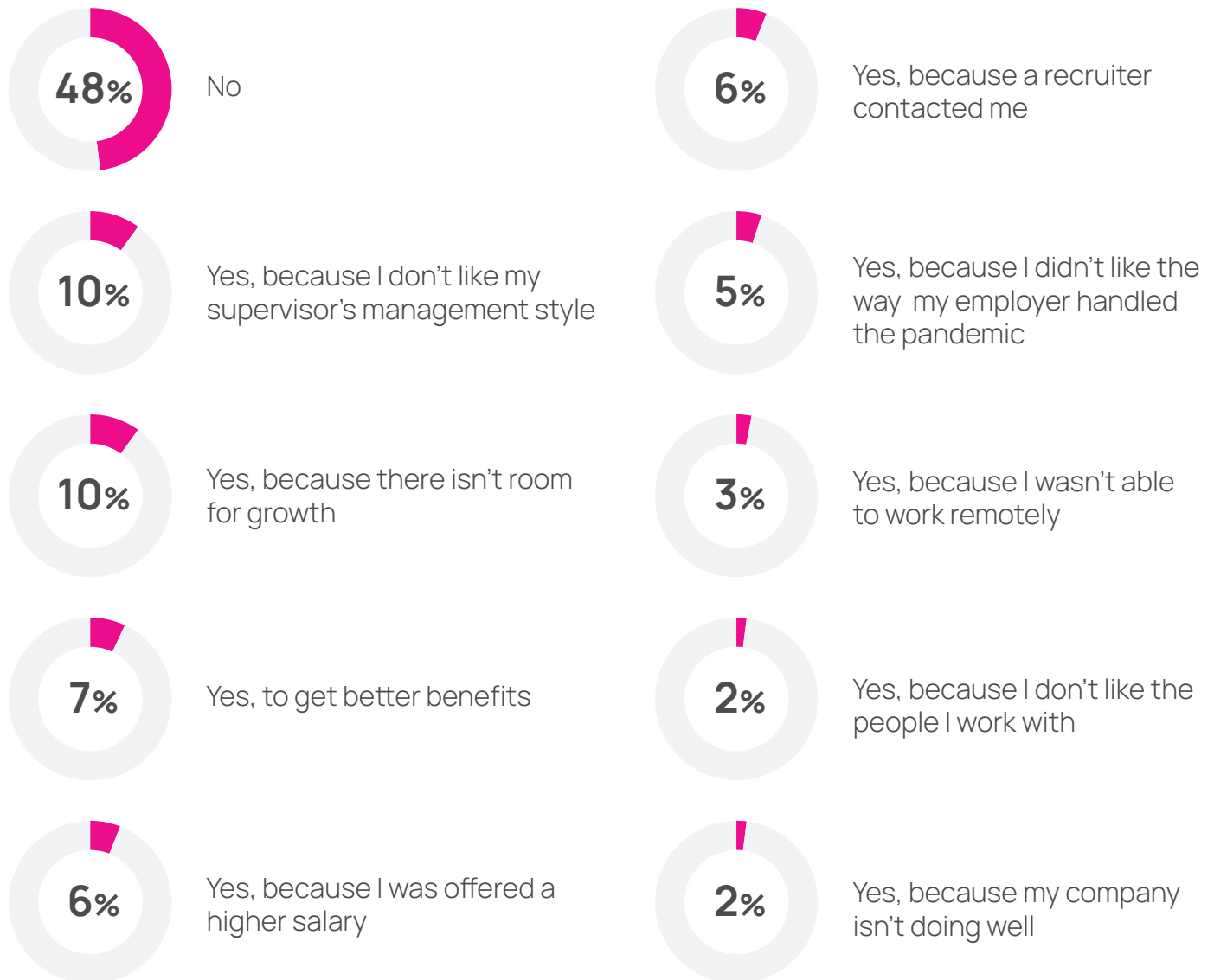


Did you leave a job this year and start a new one, and if so why?



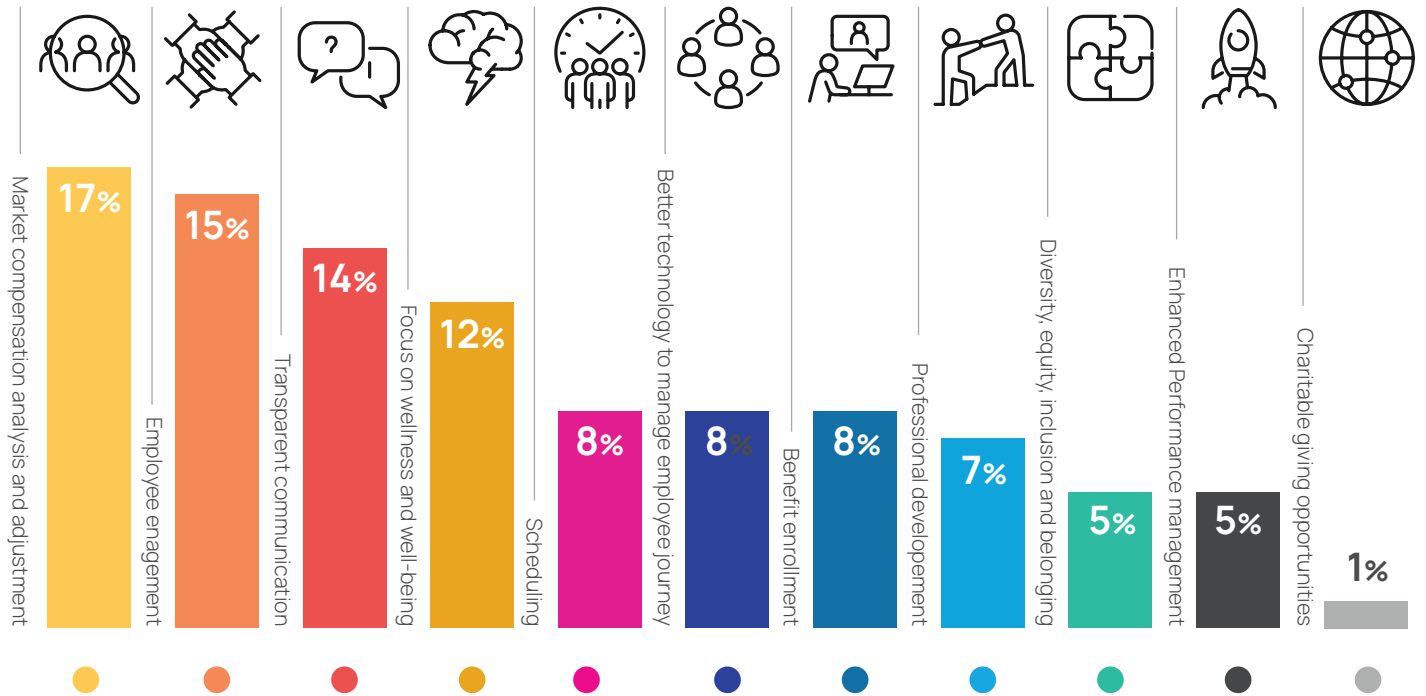
Outside of starting a new job for better pay, 5 percent of employees say they found a new job because they had been laid off, while 3 percent say they were furloughed. These are both signals that the pandemic is still taking a toll on the workforce despite progress being made with vaccines and therapeutics. Tying for the third top reason why employees sought out new work was not liking their supervisor's management style. This is also a top reason why employees were tempted to leave their jobs in 2021.

Were you tempted to leave your current job this year?



In many cases employees' dissatisfaction with their managers is indicative of a wider culture problem – one that HR teams can try to remedy by offering leadership training to supervisors within the organization. A similar approach can be taken to address employees' concerns regarding a lack of growth opportunities. By providing professional development support, such as continuing education courses through a learning management system (LMS), employees are more likely to feel empowered to take the next step in their careers. In fact, research reveals providing education courses through an LMS is the top way employees want their employers to support their professional development.² What's more, employees identified learning management as the third top HR activity that's most in need of improvement in 2022 – following market compensation analysis and adjustments, and employee engagement.

What's the top area of improvement for your organization's HR department?



We've already covered why employees want better compensation (hardships due to the pandemic and rapid inflation), but engagement is something that warrants further discussion. Engagement plays a significant role in EX, yet remote and hybrid work models have made it tougher to engage employees. What's more, 51 percent of employees rated their organization's EX as average or poor in 2021, with just 12 percent rating their experience as outstanding.

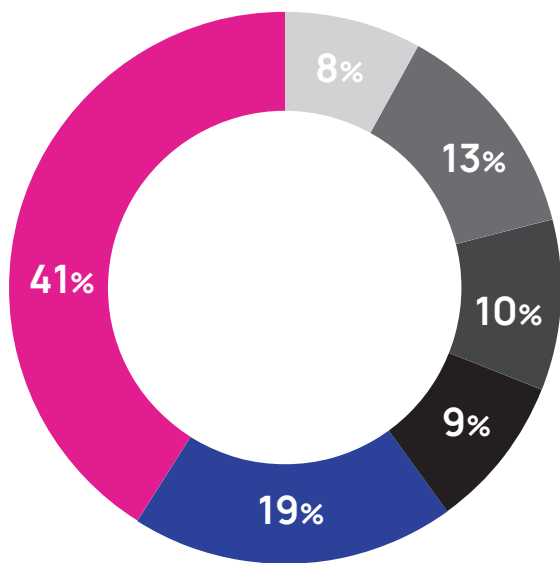
How would you rate your organization's employee experience in 2021?



Since 92 percent of HR leaders said they were prioritizing EX in 2021,¹ there is clearly a divide between leadership teams and everyday employees- and the data from our survey supports that notion.

For the 59 percent of employers who did make progress in prioritizing EX, the majority did so with an increased focus on wellness or by empowering employees with flexible working arrangements.

Has the employee/ employer dynamic shifted within your organization over the last year, and if so how?



- Yes, my employer is prioritizing employee wellness
- Yes, my employer is prioritizing employee engagement
- Yes, my employer is seeking out employee feedback more frequently
- Yes, my employer has empowered me through flexible working arrangements
- Yes, my employer clearly doesn't want employees to leave
- No, my employer hasn't done much to indicate they are prioritizing employee experience

41% of employees say their employer hasn't done much to indicate they are prioritizing employee experience.

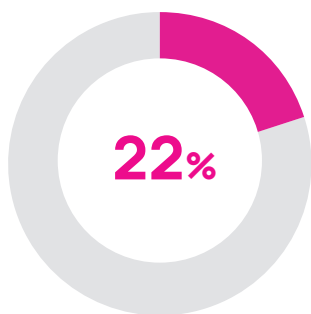


Just 9 percent of employees say their employer prioritized engagement in 2021, which is a big opportunity for HR teams in the New Year. When asked how they would like to be engaged in 2022, 22 percent of employees say they want more learning opportunities – more evidence that an LMS is worth the investment, particularly for the 27 percent of employers that don't have one according to the survey data. What's also interesting is most employees identified learning opportunities as the top way to engage them in last year's HR Trends survey too.³ For employers thinking of investing in an LMS to support employee engagement initiatives, there's good news:

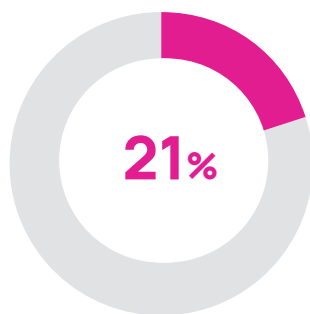
53% of employees say they use their organization's learning management system regularly for training and professional development.

This means that an investment in an LMS is beneficial for multiple reasons – not only are employees likely to use the technology to achieve their professional development goals, but it also better equips employers to develop talent from within – all while positively impacting engagement and overall EX.

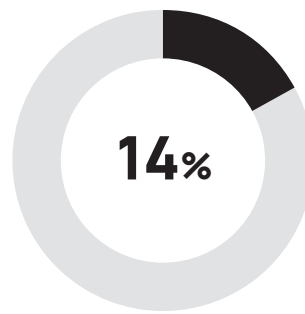
How would you like your employer to engage you as an employee in 2022?



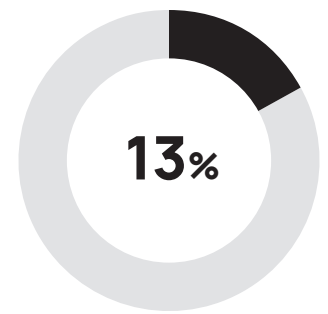
Provide more learning opportunities



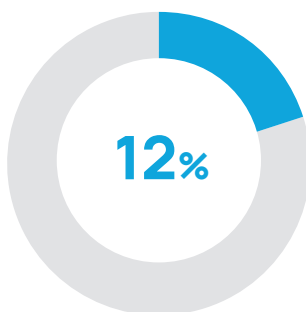
I don't really care about my employer engaging me



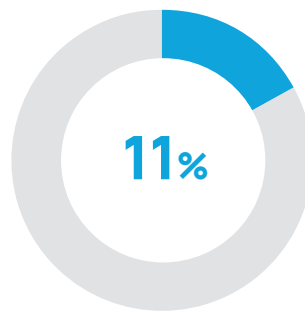
Use collaboration tools for more effective communication



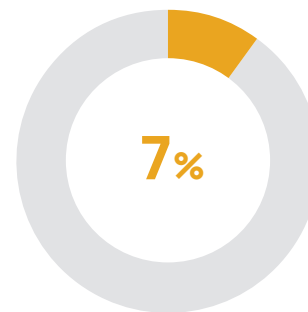
Make me aware of internal promotions outside my department



Increase the amount of self-service HR tools for employees



Offer wellness programs and/or classes



Encourage participation with company-led committees

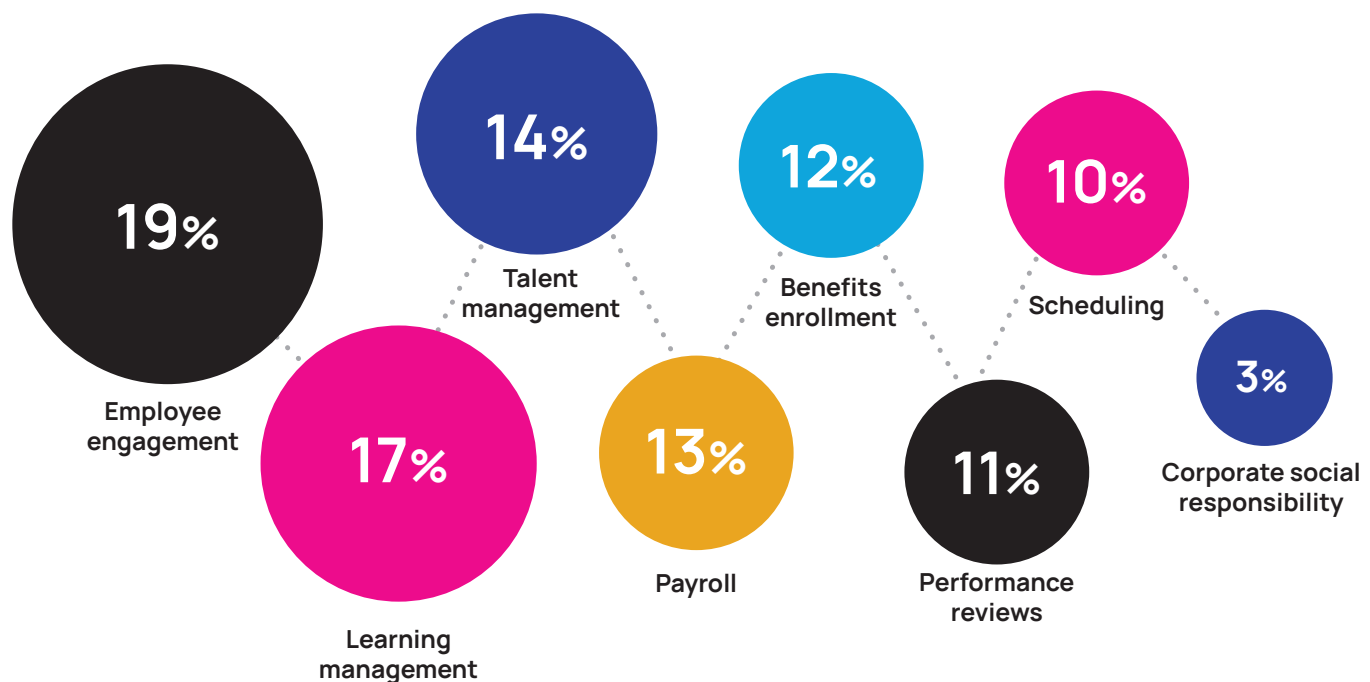
One of the most shocking results from the survey is that 21 percent of employees say they don't care about their employers engaging them. While this response certainly stands out, 79 percent of employees still expect to be engaged with collaboration tools, better communication, self-service technology, wellness programs and company-led committees. Yet another way to engage is with corporate social responsibility (CSR) programs that enable employees to support the causes they are passionate about. These programs can positively impact EX and are becoming increasingly important to today's modern workforce. In fact:

78% of employees say it has become more important to have a job that they find personally fulfilling.

With feedback like this, developing a formal CSR program should be added to HR teams' 2022 to-do lists. Even though CSR programs ranked low when employees were asked about HR activities that need improvement, there isn't much downside in empowering employees to give back to the community – especially if it helps them feel more fulfilled at work.

Speaking of HR activities that need improvement, most of the areas identified by employees in our survey have already been mentioned – including engagement, professional development and recruitment. However it's important to remember EX is based off every interaction an employee has with their employer, so it makes sense that 35 percent of employees also want improvements made to core HR processes like payroll, benefits and scheduling. HR teams can make these improvements by maximizing their current technology or investing in more comprehensive and intelligently connected solutions that boost their department's digital maturity.

Which HR activity needs the most improvement at the company where you work?



Will The Great Resignation Continue in 2022?

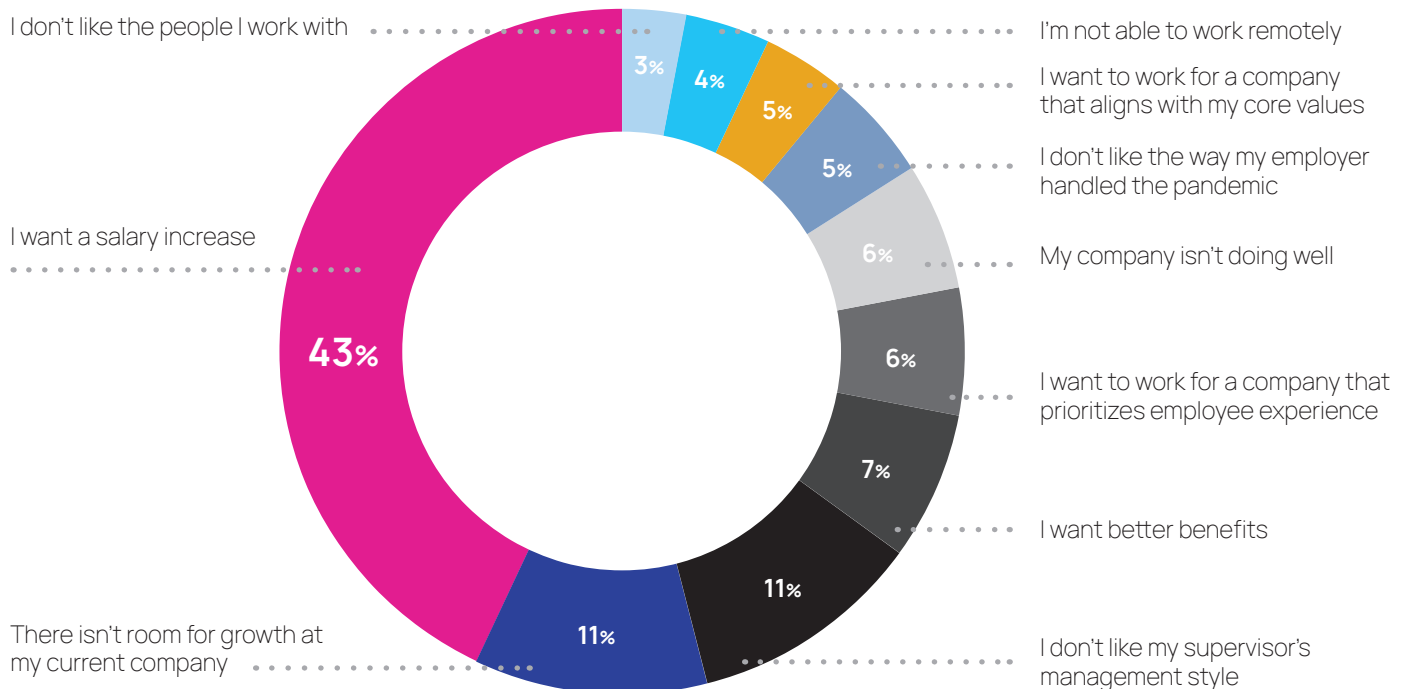
With resolutions to improve EX through culture, refined COVID-19 policies, talent acquisition and employee engagement, there is likely one last question on the minds of HR teams... will the Great Resignation continue throughout 2022? According to our survey findings, the answer is quite possibly.

Although the data may be nerve-racking for HR teams, the top reason why employees are searching for new opportunities is simple: higher salaries.



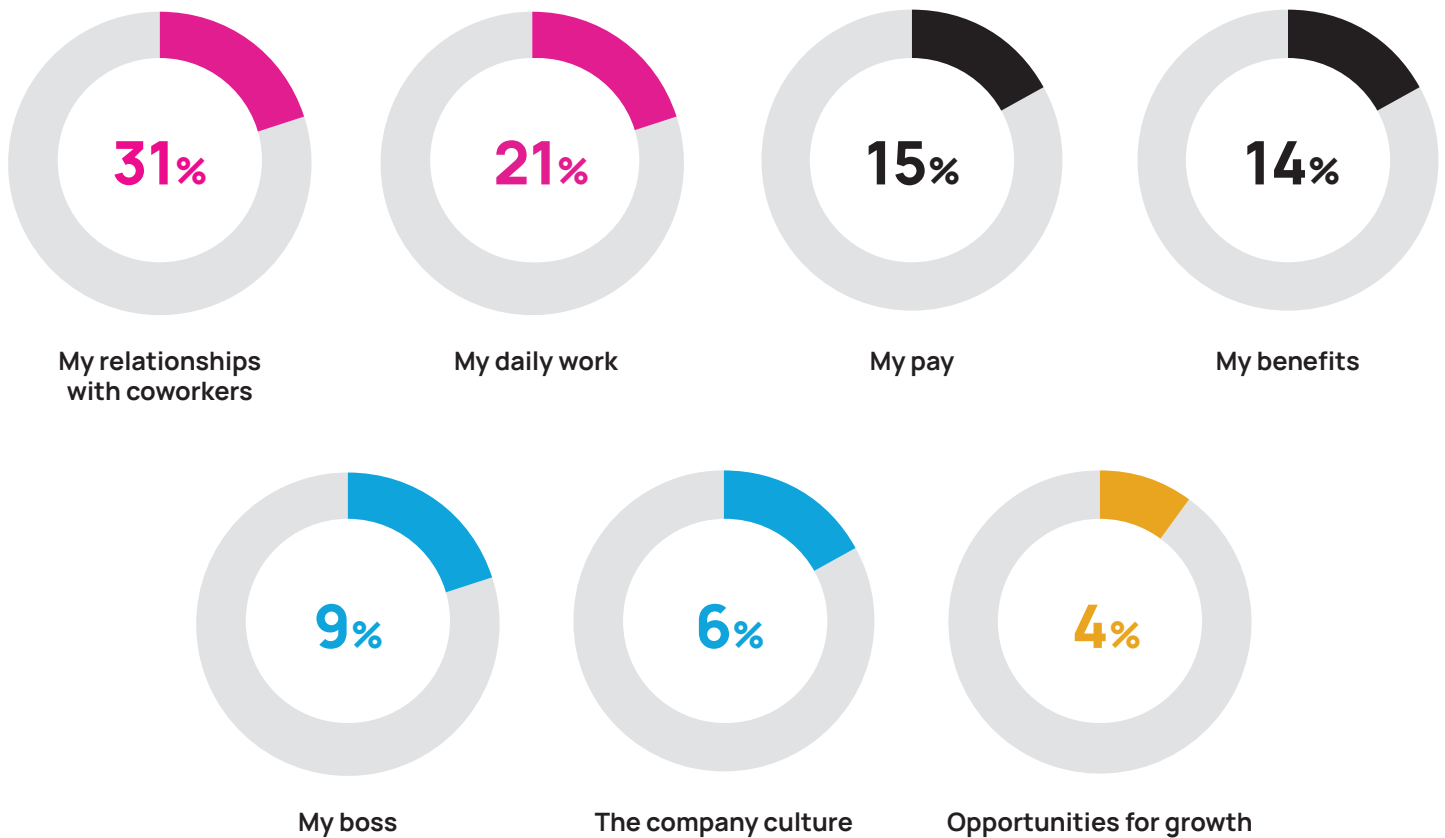
45% of employees say they plan to look for a new job in 2022.

Why are you planning to look for a new job in 2022?



Other reasons why employees want to leave their current company include there not being enough room for growth and not liking their supervisor's management style. These insights give HR teams a good starting point for strategizing solutions to remedy high turnover and/or prevent it from becoming a problem in the future. Identifying what employees like the most about their jobs can also be beneficial to consider during strategy sessions. Our survey found employees value their relationships with their colleagues the most, followed by their daily work and their pay.

What do you like most about your job?



Using the voice of employees as a tool to understand what improvements HR departments can make in 2022 can be very useful when putting together New Year strategies, which means it's not a bad idea to also leverage internal surveys to collect company-specific feedback from employees anonymously. Doing so may help HR teams better embrace the year's trends by understanding the experiences employees are having, so that action plans can be developed to improve those experiences in the future.



Methodology

isolved's 2022 HR Trends report surveyed more than 675 full-time employees based in the United States. Respondents range across industries and seniority levels. For any questions about the survey or our findings, please contact [Allie Howen](mailto:ahowen@isolvedhcm.com) at ahowen@isolvedhcm.com. The survey was conducted online in October 2021, with demographics broken down as follows:*

Seniority

- Entry level/associate: 47%
- Manager: 39%
- Director: 8%
- Vice President: 2%
- C-Suite: 4%

Company Size

- 1-50: 29%
- 51-100: 10%
- 101-150: 6%
- 151-250: 5%
- 251-300: 3%
- 301-500: 4%
- 501-1,000: 8%
- 1,001-1,500: 3%
- 1,501 and above: 21%
- I don't know: 10%

Industry

- Agriculture: 2%
- Business and Professional Services: 15%
- Construction and Engineering: 7%
- Education: 15%
- Financial: 8%
- Travel and Hospitality: 4%
- Legal: 2%
- Manufacturing: 8%
- Medical and Health: 15%
- Government: 8%
- Nonprofit Organization: 5%
- Real Estate: 1%
- Utilities: 1%
- Transportation: 3%
- Wholesale and Distribution: 8%

* Numbers in the graphics may not add up to 100 percent due to rounding to whole figures.

Sources:

1. [isolved's Transforming Employee Experience Report](#)
2. [isolved's Voice of the Workforce Report](#)
3. [isolved's 2012 HR Trends Report](#)

The logo for isolved, featuring the word "isolved" in a white, lowercase, sans-serif font. The letter "i" is stylized with a white dot. The logo is set against a large, vibrant pink circular background that occupies the bottom half of the page.

About isolved

isolved is an employee experience leader, providing intuitive, people-first HCM technology. Our solutions are delivered directly or through our partner network to more than five million employees and 145,000 employers – who use them every day to boost performance, increase productivity, and accelerate results while reducing risk. Our HCM platform, isolved People Cloud, intelligently connects and manages the employee journey across talent management, HR & payroll, benefits, workforce management and engagement management functions. No matter the industry, we help high-growth organizations employ, enable and empower their workforce by transforming employee experience for a better today and a better tomorrow.

Customize Your isolved Experience with these powerful add ons.



Applicant Management

Post to hundreds of job boards with a single click, attract better candidates, reduce time to hire, and improve the applicant experience. Electronic onboarding provides a paperless workflow, eliminates duplicate data entry, and allows new hires to complete all required forms online.

Learning Management

Create and track online training and assign courses and paths, all personalized for your business and delivered across your entire organization.

Compliance

Remain in compliance with the ever-changing tangle of regulations. Features include ACA reporting tools and production and filing of required forms.

Performance Management

Boost engagement and monitor your top performers with integrated 360 performance reviews, goal tracking and powerful reporting tools that are customizable to each individual.

Dashboards & Analytics

Build reports that provide relevant data to specific departments or functions to simplify data management. Reduce hours spent preparing reports and make the most important reports available for review in minutes.

Collaboration & Engagement

Energize your company culture and connect to your teams through a personalized dashboard, lively feed wall and tools for idea and knowledge sharing.

The GTM Difference

Founded in 1991, GTM processes more than \$1 billion in payroll every year for over 44,000 employees across the U.S. Our level of responsiveness is unsurpassed in the industry. Instead of getting lost in a phone tree, you have a direct line to your dedicated account manager. That account manager gets to know your payroll and HR like no one else. Behind that single point of contact is a network of certified payroll professionals, licensed insurance brokers, employment tax experts, CPAs, and PHR-certified human resource professionals devoted to your service.



Dedicated Support and Training

Our implementation process is designed to make your transition go smoothly. You will have an implementation manager as a single point of contact and GTM's implementation team will provide in-person, hands-on training tailored to your organization's needs using personalized instruction and e-learning. Plus you'll always have direct access to our service teams for any additional support. And GTM will assist you through the first three payrolls. If we don't do it right, you don't pay for it.

GTM's HCM team will manage the implementation through a streamlined process that keeps new clients in alignment and drives collaboration and transparency to ensure a smooth transition. Your best interests are at the heart of what we do. With GTM you can concentrate on what's important – growing your business.

Your Security is Paramount

The security of your data must be beyond question. That's why GTM maintains SOC 1 compliance, a standard for auditing business controls developed through the American Institute of Certified Public Accountants. This compliance ensures that our system is protected against unauthorized access, our processing integrity is uncompromised, and personal information is handled according to the highest standards of privacy.



The most challenging business is the business of people.

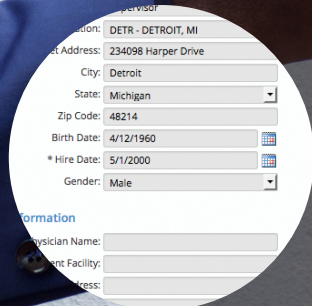
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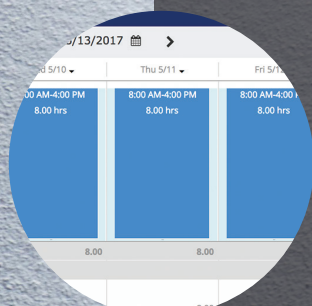
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