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Peer Insights™ firstup

Should Organizations be Concerned with Recruitment and Retention?

With the “Great Resignation” and increase in gig workers, leaders are concerned with the recruitment and retention of employees in this current market. How can organizations go about solving the problem?

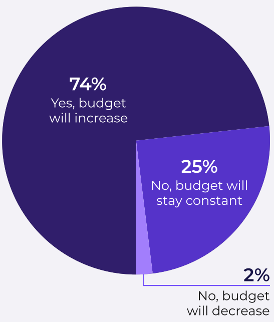
Gartner Peer Insights and Firstup surveyed 400 IT, HR, and internal communications leaders in the healthcare, retail, and manufacturing industry to see how communication and the digital employee experience impact an organization’s ability to recruit and retain their workforce in the current climate.

Data collection: February 24 - May 31, 2022
Respondents: 400 IT, HR, and Internal communications leaders

In 2022, companies plan to invest 6-10% more of their budget on recruiting and retention

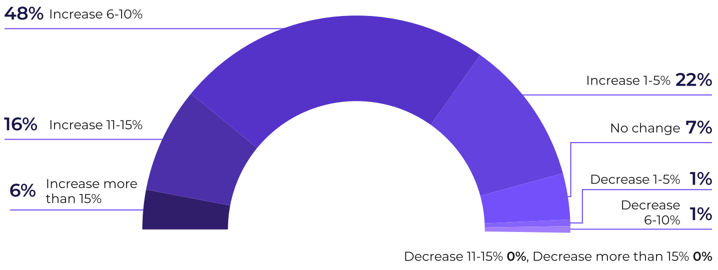
Almost three-quarters (74%) of respondents confirmed their recruitment/retention budget will increase this year.

WILL YOUR RECRUITING/RETENTION BUDGET INCREASE IN 2022?



Nearly half (48%) of leaders reported that their 2022 recruiting/retention budget will increase by 6% to 10% in comparison to 2021.

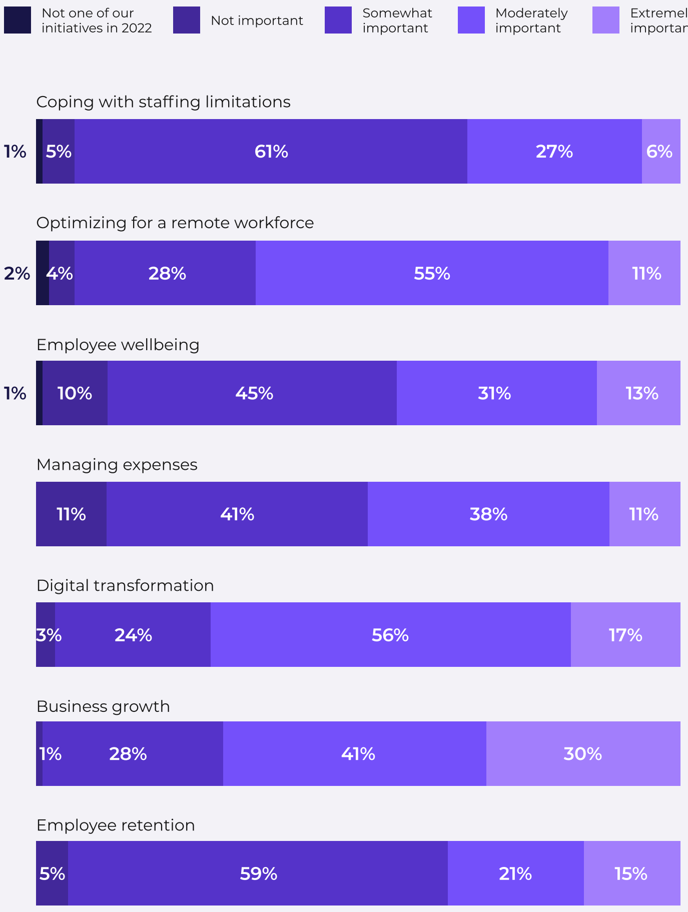
HOW MUCH WILL YOUR 2022 RECRUITING/ RETENTION BUDGET CHANGE COMPARED TO YOUR 2021 RECRUITING/RETENTION BUDGET?



Leaders see employee communication and engagement as an important tool in retaining employees

While 99% of respondents rated business growth as an important initiative in 2022, respondents also rated employee well-being (89%) and employee retention (95%) as important.

HOW IMPORTANT ARE EACH OF THE FOLLOWING INITIATIVES FOR YOUR ORGANIZATION IN 2022?



24% of respondents working in healthcare believe that retention will be extremely important for their industry this year as compared to respondents in manufacturing (9%) and retail (21%).

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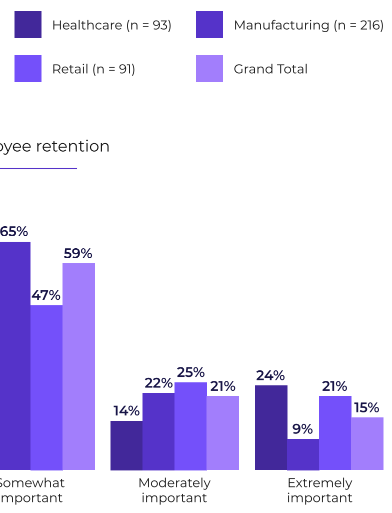
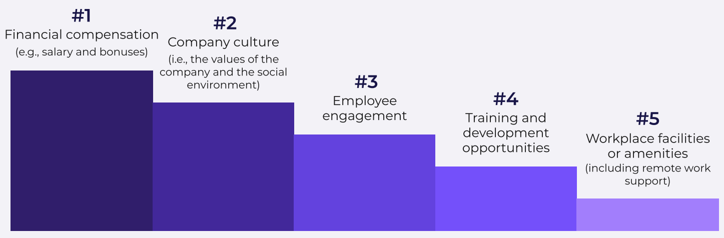


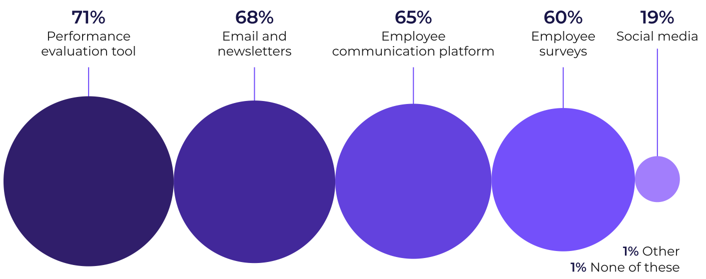
Company culture and employee engagement are among the top 3 most important factors to retaining employees.

PLEASE RANK THE FOLLOWING FACTORS IN ORDER OF THEIR IMPORTANCE TO EMPLOYEE RETENTION, WITH THE MOST IMPORTANT ON TOP.



Over 60% of leaders are utilizing employee communication platforms, surveys, emails, or evaluations tools to help retain current employees.

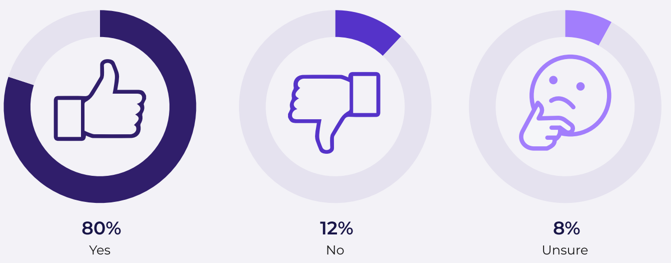
WHAT TECHNOLOGY IS YOUR COMPANY ACTIVELY USING TO RETAIN CURRENT EMPLOYEES?



Leaders agree mental health and wellness programs improve retention; however, it is not the top concern for their workforce

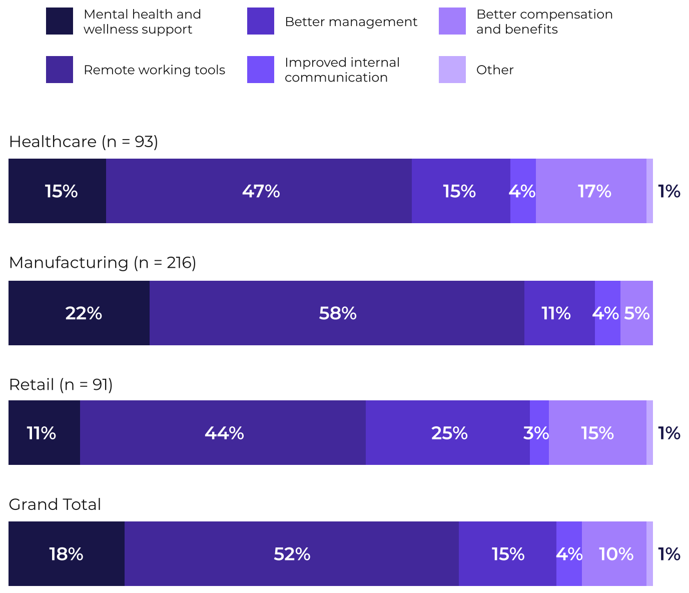
Leaders agree (80%) that mental health and wellness helps with retention of employees.

DO YOU THINK MENTAL HEALTH AND WELLNESS SUPPORT PROGRAMS IMPROVE RETENTION?



However, over half (52%) of respondents rate remote working tools as the top concern while only 18% rate mental health and wellness support as the top concern. Unsurprisingly, the healthcare vertical is more concerned with better compensation and benefits than the manufacturing and retail verticals, as healthcare workers are less likely to be able to work remotely.

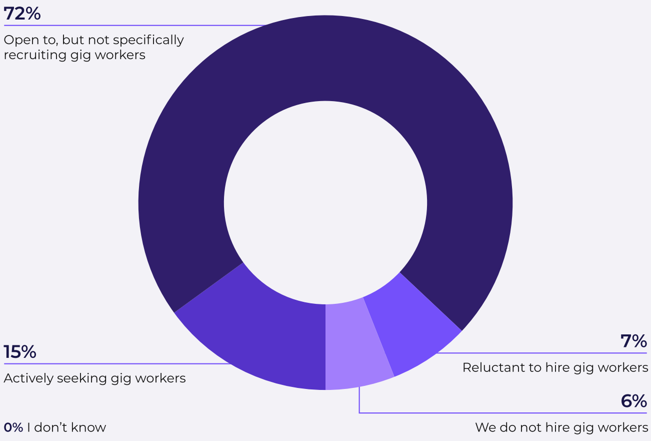
WHAT DO YOU BELIEVE IS THE TOP CONCERN FOR YOUR WORKFORCE?



With the increase in gig workers, organizations are welcoming a more flexible work environment to retain and attract workers with more unconventional needs/wants

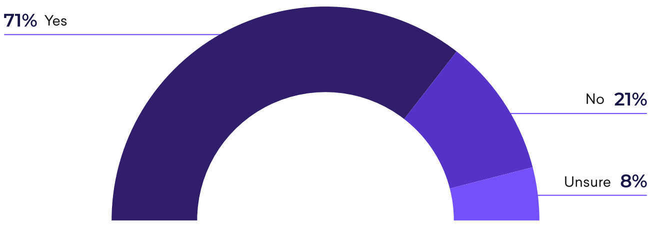
Most leaders (72%) agree that their organizations are open to gig workers, but are not specifically recruiting them.

HOW WOULD YOU DESCRIBE YOUR ORGANIZATION'S OPENNESS TO HIRING GIG WORKERS (TEMPORARY, FLEXIBLE, AND FREELANCE WORKERS)?



And yet, 71% are concerned about losing full-time employees to become gig workers.

ARE YOU CONCERNED ABOUT FULL-TIME EMPLOYEES LEAVING TO BECOME GIG WORKERS?



Respondents have reported a more flexible schedule and work environment as part of their organization's incentives.

WHAT INCENTIVES OR CHANGES HAS YOUR ORGANIZATION MADE, IF ANY, FOR WORKERS THAT PREFER MORE FLEXIBILITY?

> **"We have implemented employee choice, giving our employees the choice to choose if they work remote, hybrid or in office as well as no meetings Fridays and meetings only during local time zone business hours and the flexibility to take care of personal matters when they need to."**
>
> - Director, 1,001 - 5,000 employees, Retail

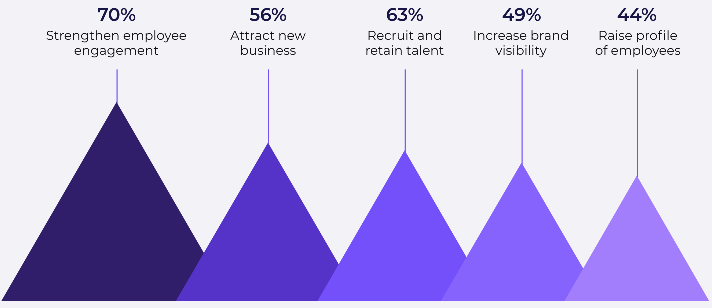
> **"They set their own hours and days available."**
>
> - C-suite, 1,001 - 5,000 employees, Manufacturing

> **"We went full remote. Most staff can make their own hours as long as they are doing the work."**
>
> - Manager, 5,001 - 10,000 employees, Healthcare

Leaders believe that employee advocacy is a top way for them to improve employee satisfaction and engagement

Respondents recognize that advocacy does more than raise brand awareness and retain employees. 70% are using advocacy to strengthen employee engagement.

HOW DO YOU USE EMPLOYEE ADVOCACY FOR YOUR ORGANIZATION?

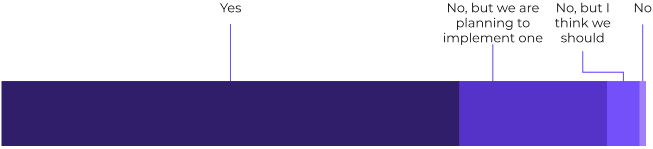


We don't use employee advocacy **3%**, Other **0%**

The majority (94%) of leaders have or are planning to implement a recruiting referral program.

DOES YOUR ORGANIZATION HAVE A RECRUITING REFERRAL PROGRAM IN PLACE?

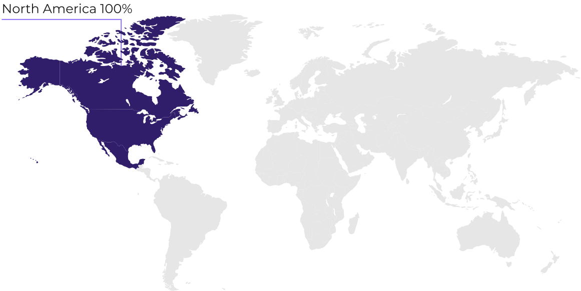
71% **23%** **5%** **1%**



At Firstup, we believe organizations that can clearly communicate their goals through ongoing employee conversations are better able to prevent burnout and reduce turnover. By communicating shared culture, cultivating empathetic leaders, and working to build a community, they are able to support their workforce where and when they need it most. That's why we are redefining the digital employee experience to put people first and lift companies up.

Respondent Breakdown

REGION



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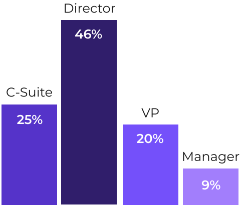
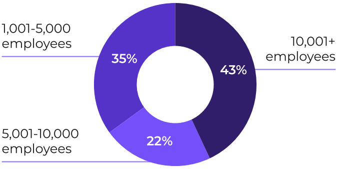


COMPANY SIZE



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Source: Gartner Peer Insights, Retention and Recruiting in 2022 survey

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