

The biggest hiring challenges of 2022

THE HIRING PUZZLE

Compensation, flexibility, location, and cohesion - these workplace staples have been in constant flux since March 2020. That's why we polled **8,000+** hiring managers to surface the latest facts, and **the findings revealed what's working - and what's not - in the raging war for talent.** Key trends include:

- Remote work has put a **major strain on cohesion**, but it has also provided new hiring opportunities
- Most companies are successfully competing in terms of culture but **falling short on two key factors**
- Internally, a majority of managers are **proactively adjusting compensation** in an attempt to minimize attrition

The data tells a fascinating and sometimes contradictory story. Let's dig into the specifics:

"49% of respondents reported feeling more distant from colleagues since going remote.

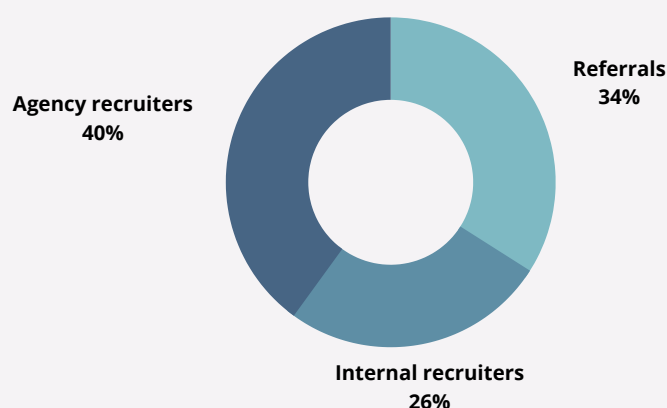
...Yet 75% of these same people agreed that a strong company culture is still attainable in a remote/hybrid workforce"

- PROVEN RECRUITING'S 2021 STATE OF WORK SURVEY

Where are all the candidates?

A staggering 68% of hiring managers say that **"finding qualified candidates"** is the **#1 barrier to growing their teams** - ranking well above getting candidates to engage (23%), keeping candidates warm throughout the interview process (8%), and even losing out to competing offers (30%).

This past year, what has been your most productive candidate resource?



To combat the tightening job market, managers are more and more **relying on Agency Recruiters and Referrals** for their hiring needs.

While useful, this data fails to address *where* the candidates have gone. That's why we've identified 6 major causes of candidate loss ([full article here](#)):

1. A rush of **early retirements** as older workers turn to their savings to keep them afloat
2. **Women leaving the workforce** to care for school-aged children
3. A sharp **decrease in H1-Bs and immigrant visas**
4. The **expanding market** as demand in many industries skyrockets
5. Voluntary quits/increased churn as people **reevaluate career choices**
6. **Decreased labor force participation**

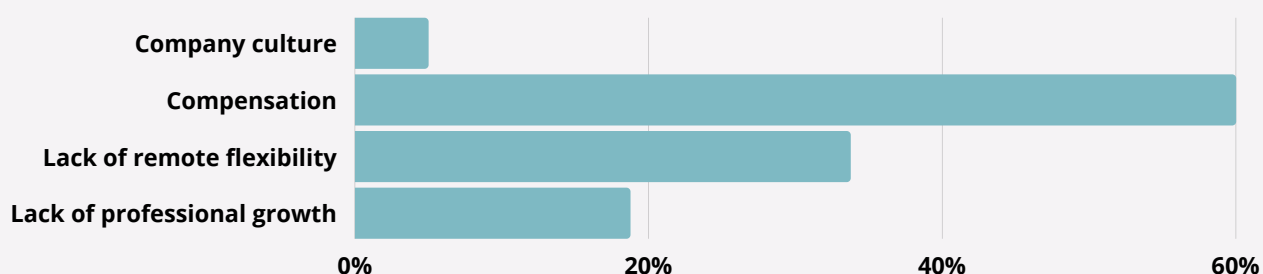
Still, understanding *where* the candidates have gone is only half the battle. The next step is determining how to *win workers back* and *keep them from leaving*.

Managers are reimagining job requirements

According to our survey, **1 in 3 managers report losing out to competing offers at least 50% of the time.**

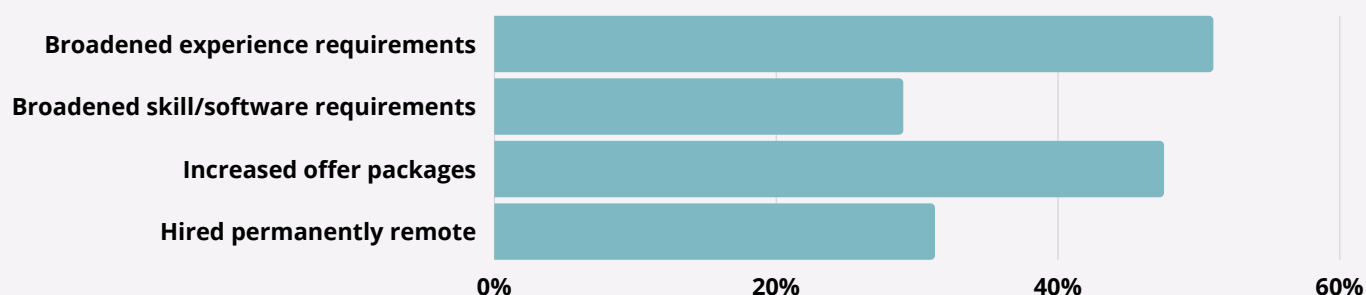
The leading reason for offer rejection? **Inability to compete on compensation** and **lack of remote opportunities**. The remote piece especially has been largely overlooked, with only 31% of managers leveraging permanent remote work to transcend geographical limits and attract top talent.

Why do you believe candidates are turning down your offers?



Write-in responses also included competing offers, size of the company, and antiquated management style.

In response to the current market, which of the following changes have you made?

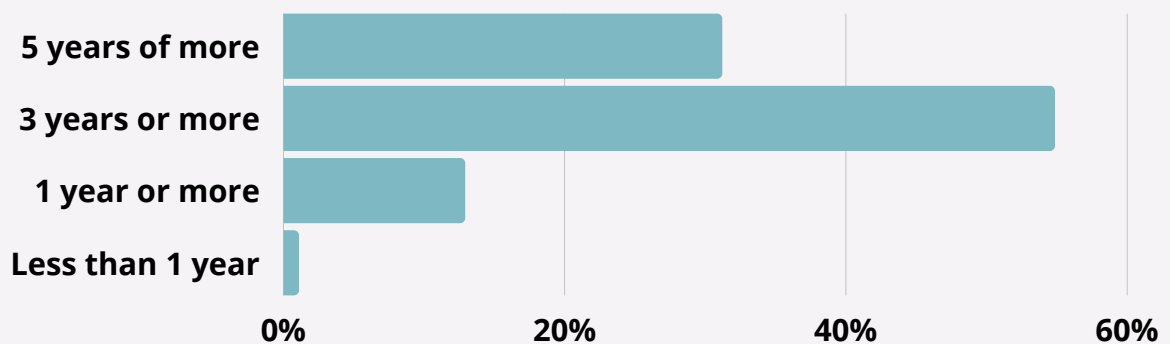


Mounting optimism

Despite hiring challenges, managers seem to see something special in the current class of candidates - that is, lasting power. For years now we've heard talk of job-hopping millennials and Gen Z'ers, and more recently of the "great resignation." Loyalty has become an antiquated term, reserved only for the most tenured professionals.

Yet it seems the tides are turning...

How long do you expect a new team member to stay with your company?



An overwhelming majority of respondents expect new hires to stay at their company for 3 years or more (86%). **That means that the increased amount of time, energy, and training required to hire in this highly competitive/semi-remote world is well worth the effort.**

Even if it takes longer to find the right person, and even if managers are compromising somewhat on experience, the new hire's tenure ensures a return on investment.

These findings likely reflect a renewed faith in workplace relationships and culture - also known as the material from which loyalty is made.

More hiring insights

We work with thousands of hiring managers, learning their struggles, triumphs, and hard-fought battles. We've seen this process from both sides of the equation and are happy to pass on our knowledge, so that you can make better, longer-lasting hiring decisions in the new year.

We're always available to answer questions or help guide you through what is often a tricky process.

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