

Top HR Trends for 2023



WHITEPAPER

Over the past few years, human resource professionals have been tested like never before. With the abrupt shift to remote work, mass resignations, and much more, HR leaders were facing challenges on all fronts. **What are the HR trends to expect in 2023?**

Flexible work models, employee well-being, diversity, equity, and inclusion (DEI) have been the top HR priorities for most companies. As we head into 2023, we'll see many of these trends continue and evolve as organizations also take on a particular focus on communication, skills development, and relationship management.

EMPLOYEE EXPERIENCE

Employee expectations have shifted since 2020, and HR is seeing a significant impact on employee attraction and retention across all industries. Over the past few years, there's been a **major shift in the importance of a positive employee experience**, especially when it comes to attracting new talent and retaining existing top talent. From a candidate's first impression through hiring and onboarding, their career path and development, to their decision to leave the company are critical experiences.

In 2023 employees are looking for companies to focus on four areas:

- **Flexibility:** One size does not fit all, and employees need flexible hours and benefits that fit their lifestyles and apply to them.
- **Putting people first:** The employee experience needs to be individualized to their personal and professional circumstances.
- **Purpose:** Employees increasingly seek organizations that align with their ethics and values.
- **Well-being:** Employees look for companies that prioritize and take a holistic approach to mental, physical, and emotional health.



HR leaders found that

47% of employees

cite employee experience as a top priority for 2023.

RESKILLING AND UPSKILLING

Learning and development will continue to be a big priority for HR teams next year. Reskilling and upskilling programs are needed to help teams navigate change while staying aligned with evolving processes. **Reskilling and upskilling employees give organizations the following benefits:**

- An agile and adaptable workforce.
- More opportunities to champion and develop organizational leaders early.
- Higher levels of employee engagement and productivity.
- Higher employee retention and satisfaction.
- Employees who are more motivated to take ownership of projects.

If you're planning on creating new systems in 2023 to increase the quality and efficiency of work, **you need to invest in training programs for employees**. Training programs need a good user experience in order to make it smoother for employees to easily apply those learnings in real time. Instead of hour-long training courses and Zoom calls, you can directly integrate your reskilling and upskilling efforts into portals through walkthroughs, new software systems, and more. When it comes to learning and development, it's important to always have references employees can refer back to throughout the process.



of employees feel like their current companies don't offer **compelling career paths**.

DEALING WITH THE TALENT SHORTAGE

As older generations leave the workforce and new college grads are welcomed, finding the skills businesses demand, recruiting, and hiring in 2023 is going to be challenging. Employees nowadays are taking matters into their own hands. It's not surprising that job candidates are more deliberate and discerning throughout the interview process. **Employees want to protect their time, benefits, and professional growth**.

After the Great Resignation, recruiting has become increasingly difficult. And the way companies usually recruit employees isn't working as well as it used to. Flexible hours, higher pay, and strong benefits are the baseline, and those alone aren't enough to attract top talent anymore.

Traditional recruitment strategies that rely on recruiting firms and LinkedIn messages aren't delivering quality candidates. In 2023, HR should be changing its playbook.

Reputation is everything:

Develop and promote a **strong employer brand** that highlights the company's value, employee growth, vibrant culture, and positive environment.

Tap into your network:

Referrals from current employees to future candidates are and will continue to be a company's most valuable asset for hiring in 2023.



HUMAN CENTRIC APPROACH

Financial pressure has festered into more toxic work environments in which managers and leaders overwork, underpay, and become out of touch with their employees. Management in 2023 has to become more than managing a team and maintaining productivity. A human-centric approach to fostering relationships and caring about your teams' well-being can help boost morale and minimize burnout, directly impacting the company's bottom line.

Research found that nearly **50%** of employees and **53%** of managers worldwide felt burnt out at work. Addressing burnout will be a major responsibility for HR teams. **Companies can start by taking a more human-centric approach and centering employee well-being programs around the following areas**:

- Mental and emotional health.
- Fostering **respectful** workplace **communication**.
- Setting work **boundaries**.
- Developing healthy manager-employee relationships.
- Encouraging work-life balance.

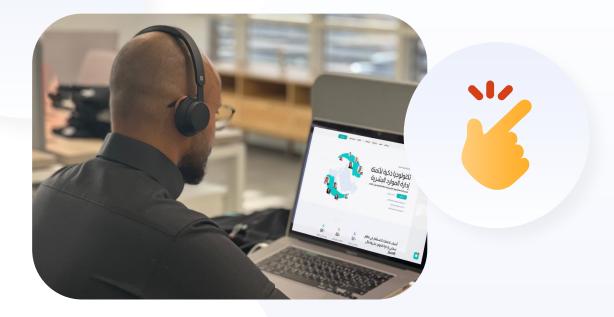
WORKPLACE FLEXIBILITY

Work flexibility has become a significant decision-making factor for candidates applying for roles and accepting job offers. According to LinkedIn, postings about remote jobs attracted **52%** more applications compared to in-office jobs. Companies with remote and hybrid options can reach more expansive pools of talent who are not bound by location, commute times, and family commitments that require them to be close to home.

In previous years, there was a long-standing perception that in-office employees are more productive than remote workers. In the last two years, data shows that **people who worked remotely at least some of the time reported being about 9% more efficient working from home than they were working from the office**.



Remote jobs attracted 52% more applications compared to in-office jobs.



EMPLOYEE SELF-SERVICEABILITY

In 2023, HR teams will find even more value in doubling down on employee self-service features to increase workplace engagement and satisfaction. Employee self-service comes in the form of software portals that employees can access on their own time to manage HR, administrative processes, and more. By removing dependencies, companies can process employee records, finances, and time tracking more quickly and accurately.

ZenHR's employee self-service module (ESS), for instance, gives employees the flexibility to perform many tasks and actions that usually consume a great deal of the HR department's time and bandwidth. Employees are given autonomy and granted access to all their HR-related information, such as vacation balances and salary slips.

Employee self-service features, like ZenHR's, play an essential role in reducing HR's tactical duties and freeing up the HR department's time for more strategic efforts, such as building their learning and development (L&D) strategy. Self-service not only empowers employees but also helps enhance the employee experience.



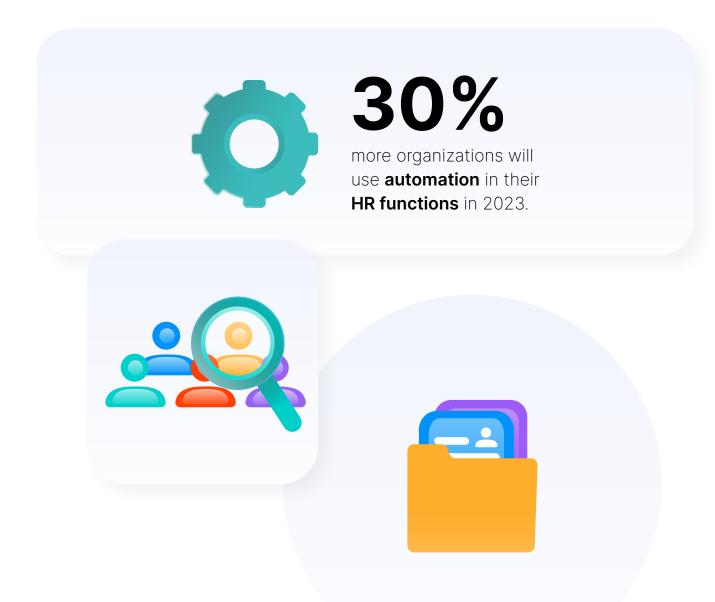
77%

of people say they view companies more positively if they provide **self-service** options.

RECRUITMENT SOFTWARE

In 2023, the world will rely on technology more than ever. That trend will only grow this year, and companies will implement advanced Al-based technology and software solutions. Recruiters will automate tedious and repetitive tasks with a cloud-based HRMS. That will give them more time to focus on meaningful elements of recruitment.

Artificial intelligence is the present and future HR trend, and its presence will become widespread. Companies will use it to source candidates, parse resumes, and onboard candidates with more ease and accuracy. Even though **17%** of organizations use AI in their HR function, another **30%** will use it by 2023.





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