

# 2023 presents substantial opportunities for HR and Operations professionals

From the cost of living crisis to the candidate-driven market, staffing in 2022 has been extremely challenging. More than 80% of hospitality operators have faced recruitment and retention challenges, and similar problems are clear across a number of key industries.<sup>1</sup>

50% of HR leaders now expect increased talent competition over the next six months<sup>2</sup>, 36% say their sourcing strategies are insufficient to find the skills they need<sup>3</sup>. And while much of this has been a continuation of pre-existing trends, there are still new lessons to be gleaned.

At the beginning of 2022, Indeed Flex published research on how leaders planned to combat their staffing challenges, with 'streamlining procurement', 'increasing workforce visibility' and 'improving employer branding' as the three most common responses.<sup>4</sup> But a number of other key issues have emerged in the intervening months.

In this eBook, we explore five staffing lessons from 2022 that can help organisations prepare for the new year.



 $1 https://www.bighospitality.co.uk/Article/2022/09/14/more-than-80-of-operators-struggling-with-recruitment-and-retention-staffing-challenges \\ 2 \& 3 https://emtemp.gcom.cloud/ngw/globalassets/en/human-resources/documents/trends/hr-top-priorities-2023-ebook.pdf 4 https://2969551.fsl.hubspotusercontent-nal.net/hubfs/2969551/eBook/HR%20Trends/HR%20Trends%20Report%202021.pdf$ 





# Workforce planning

Risk management and future-thinking are a must

A recent report analysing the staffing in the NHS and social care sector highlighted a systemic failure of workforce planning: a lack of risk analysis had left organisations vulnerable to shortages that ultimately led to severe delays in service.<sup>5</sup>

Gartner's HR Trends 2023 report found that 'future of work' is now a priority for 42% of leaders, the majority of organisations are said to be mistakenly convinced their workforce planning capacity is far more effective than it is.

While leaders assume they are capable of predicting future skills gaps and sourcing talent to fill gaps in their rotas, most are simply not. Gartner recommends that leaders experiment with innovative sourcing methods to solve these problems.

Ultimately, the events of 2022 have highlighted the importance of more involved planning. This will better position organisations to respond to ongoing challenges, such as the cost of living crisis.

Leaders should focus on:

Accessing quality staffing data to enable real-time visibility

time visibility of their staffing needs.

Developing solid data analytics

to generate insights and help predict future needs.

Expanding
workforce
planning
to include more
in-depth risk

management.

## 51% of HR leaders say their workforce planning is limited to headcount planning.<sup>6</sup>

 $\textbf{5} \ \text{https://www.peoplemanagement.co.uk/article/1794235/nhs-staffing-crisis-employers-learn} \ \textbf{6} \ \text{https://emtemp.gcom.cloud/ngw/globalassets/en/human-resources/documents/trends/hr-top-priorities-2023-ebook.pdf}$ 



# 2. Demand management

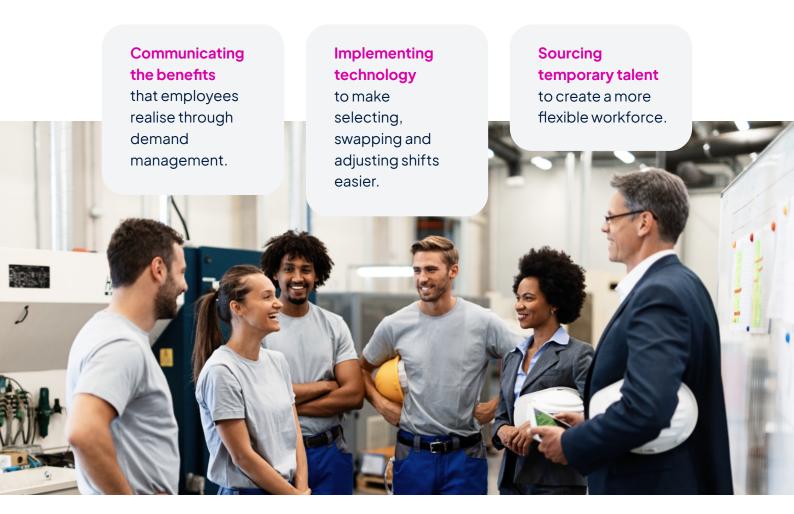
#### Shifts in staffing needs can happen faster than you think

Labour demand management is an increasingly important area, as organisations look to use data to make more efficient staffing decisions. The idea is that they can predict how many workers they will need, and adapt shifts to better reflect this. Doing so can increase profitability by 5.7%.<sup>7</sup>

Most businesses attempt to do this, of course. Bars anticipate which shifts will be busiest; warehouses adapt their staffing seasonally. But these efforts are generally built on very crude approximations, usually boiling down to managers' intuitions which explains their high margin of error.

Demand management is a more effective, often data-driven approach. It involves aligning marketing, procurement and operations - to understand your business's staffing needs and pool insights that allow you to accurately forecast demand at a granular level.

Leaders should focus on:



7 https://www.retailsensing.com/people-counting/retail-staff-scheduling/



# 3 Supporting workers

The cost of living crisis highlights the complexity of employee relations

With inflation out of control, employers have felt increasing pressure to support their workers. And it's no wonder why: one survey found that 30% of employees are unable to cover their living costs, while another suggested that over three-quarters of employees say they are considering changing jobs because of inflation pressure.<sup>8</sup>

The UK is emblematic of these struggles: there has been a large uptick in industrial action throughout 2022, with 53% of employers saying that the country is entering a new, 'more unstable' period of employment relations.9

Employers must take heed of concerns about compensation. But they should also consider the wider context of how they support employees. Gartner has found that workers quit their jobs in order to gain better career opportunities just as often as they did to make money in 2022.<sup>10</sup>

The lesson therefore is that leaders need to be more responsive to what their specific workforce needs. Research published in mid-2022 found that while 91% of the C-Suite think their workers believe they care about employee wellbeing, just 56% of workers actually did.<sup>11</sup>

Leaders should focus on:

Understanding what workers need to address the cost of living

crisis.

Present better opportunities for workers to progress within their organisation.

Offer employees greater flexibility to help manage their changing needs.

19% of employees have already taken on a second job to cope.<sup>12</sup>



8 https://www.cv-library.co.uk/recruitment-insight/inflation-cost-living-increases-driving-three-quarters-uk-professionals-consider-changing-jobs/9 https://www2.staffingindustry.com/eng/Editorial/Daily-News/UK-Tight-labour-market-falling-wages-and-inflation-could-lead-to-further-industrial-action-CIPD-warns-62271 10 https://emtemp.gcom.cloud/ngw/globalassets/en/human-resources/documents/trends/hr-top-priorities-2023-ebook.pdf 11 https://www.linkedin.com/pulse/best-hr-people-analytics-articles-july-2022-david-green-12 https://www.cityam.com/cost-of-living-crisis-prompts-almost-a-third-of-uk-workers-to-take-second-job/





# 4. Employee burnout

#### Workers are still recovering from the pandemic

The last two years have seen almost unprecedented change, with workers expected to adapt to the pandemic and then adjust back to 'the new normal' seamlessly. This has taken its toll, 45% of HR leaders saying their people are fatigued from all the change.<sup>13</sup>

This may play a part in the unusually high rates of attrition organisations have experienced, with predictions that turnover will have increased 20% throughout 2022. <sup>14</sup> The impact of this on workplace culture is severe: 23% of companies have received complaints from remaining team members about the change in culture <sup>15</sup>, and another 23% saying they've noticed the company is straying from its stated mission or values.

This is inevitable: without a stable core of workers, most organisations will struggle to maintain a sense of shared values. But it is also a serious problem, given that 53% of employees currently say this is a serious consideration for them.<sup>16</sup>

Establishing a sense of stability will be vital in 2023; 53% of HR leaders say better change management is a key priority.<sup>17</sup> This will help improve retention and rebuild organisations after two very intense years of change.

#### How Malmaison and Hotel Du Vin tackled employee burnout 18

When they reopened last year, there was a shortage of housekeepers. By bringing in Flexers to do the laborious tasks, Malmaison and Hotel Du Vin could use their internal staff to check standards. This meant more work could be done quickly, and they didn't have to sacrifice their quality expectations.



"We couldn't recruit the staff we needed quickly enough. We'd have 2 Flexers to 1 housekeeper; someone to do the hoovering; someone to strip the beds etc. The housekeeper (internal) will then go in to finish and dress the room ready for guests to check in."

"This was a way that we could use the [Indeed Flex platform] whilst supporting our team and delivering to the guests."

"If we'd have not taken that approach and held out for experienced workers, we'd have burned out the existing teams and risked losing them to other sectors or competitors. This would have further impacted the hotels and prevented us from servicing guests."

- Ben Gabbitas - Head of Onboarding and Recruitment

#### Leaders should focus on:





# 5. The blended workforce

#### More temporary workers are available than ever

Another consequence of the cost of living crisis has been an additional boom in temporary work. Indeed Flex's research has found that a third of workers intend to start doing temporary work on top of their existing job to cope<sup>19</sup> - and a fifth of those already doing temporary work plan to take on more shifts. <sup>20</sup>

For organisations struggling to cope with mounting costs and a candidate-driven recruitment market, this is not something to be taken lightly. It presents an opportunity to adopt a 'blended workforce', where a core of full-time workers is supplemented by a pool of temporary workers. This enables greater flexibility, agility and - if implemented correctly - efficiency.

Along with the growth in available temporary talent, 2022 has seen increased competition for that talent. As a result, organisations will need to understand what workers want in order to secure a reliable selection of workers.

Indeed Flex ran a large-scale survey of temporary workers this year <sup>21</sup>, and we discovered that the core concerns they have are consistency and compensation. Employers need to offer their temporary talent plenty of work and competitive pay in order to ensure they are willing to keep working with them.

Leaders should focus on:

## Finding the right partner

that can deliver high-quality temporary workers and help them implement a truly blended workforce.

## Building relationships

with the best temporary workers and staffing agencies.

## Streamlining their sourcing process

to reduce complexity.



 $\textbf{19\&20} \\ \textbf{Indeed Flex Proprietary Research 21} \\ \textbf{https://2969551.fs1.hubspotusercontent-nal.net/hubfs/2969551/eBook/What%20do%20workers%20really%20want%20report,What%20do%20workers%20really%20want%20Report.pdf$ 



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Book a meeting with one of our experts to discuss how Indeed Flex can help you with your staffing needs today.



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