

BROKER OVERVIEW - TOP HR CHALLENGES IN 2022

The workplace has been changing faster than anyone could have predicted. While the COVID-19 pandemic is largely responsible for these changes, various social movements and technological advancements have also played a role. Many of these changes occurred suddenly, leaving most HR professionals without time to prepare. These rapid changes created—and in some cases exposed—several workplace challenges, which are likely to continue for the foreseeable future. Due to the speed and number of challenges, many HR professionals have been unable to keep up and respond appropriately.

This article highlights the top HR challenges employers face in 2022.

Attraction and Retention

Attracting and retaining employees have been persistent challenges for employers since the onset of the COVID-19 pandemic. According to Zywave's 2022 Attraction and Retention Benchmark Overview, over 75% of employers reported they consider attraction and retention a top-five business challenge for their organization. And over 80% of employers expect these challenges to continue through 2022.

HR professionals are struggling more to recruit and hire new workers than they are to retain existing ones. One reason for this is that the labor market is becoming tighter, making it more difficult for employers to find and hire new workers. At the same time, attrition is increasing for most employers as workers seek new opportunities and reconsider how work fits into their lives.

Many HR professionals are addressing their retention issues by ensuring their employees are happy and fulfilled in their current roles. According to a recent study by TalentLMS, 76% of workers say they are more likely to stay with an organization that offers continuous training. Employers who cater to their employees' needs show they care, which can create a better work environment and improve employee retention.

While employers cannot make every employee happy with a single solution, there are common strategies HR professionals are implementing when attempting to attract and

retain workers. These strategies include:

- Investing in career development opportunities and internal mobility for employees
- Offering a flexible workplace
- Providing competitive compensation and benefits
- Creating a strong company culture
- Focusing on employees' mental health and well-being

Many employers are implementing all or a combination of these strategies to address their current attraction and retention challenges. Organizations that have not done so yet will likely find themselves behind.

Employee Mental Health and Well-being

Employee mental health and well-being is potentially one of the biggest HR challenges employers currently face. According to a recent Harvard Business Study, more than 85% of employees said their workplace well-being declined since the start of the COVID-19 pandemic. Employees have identified various reasons for their mental health and well-being decline, including job demand and feelings of isolation, loneliness, stress and disconnection.

Employee mental health and well-being significantly impact an organization's ability to succeed. When employees struggle with mental health issues, their productivity declines. HR professionals who prioritize employee mental health and well-being can stave off drops in productivity and support workers, which can improve employee retention.

Many HR professionals are prioritizing their employees' mental health and well-being by doing the following:

- Helping employees find work-life balance
- Providing employees with manager support when struggling with mental health and well-being
- Giving employees information and resources for mental health and well-being
- Building a culture of supporting mental health and well-being

- Encouraging employees to be proactive and positive

While HR may be more reactive since the start of the COVID-19 pandemic in addressing employee mental health and well-being, HR professionals should shift to a more proactive and sustainable approach in 2022. This may require HR professionals to remain vigilant and listen to employees to help them feel safe in the workplace.

Cybersecurity

It's no secret that cyberattacks are on the rise. In September 2021, a study from Cisco found that 86% of employers surveyed reported at least one employee connected to a phishing site. Cybercriminals are quickly becoming more innovative and targeting businesses of all sizes. Even small employers must protect themselves from cyberattacks.

With so many employees working from home—at least part-time—HR professionals have even more reason to prioritize cybersecurity to protect themselves. They need to ensure that employees working from home keep the organization protected from phishing, malware, ransomware and data breaches. HR can do this by training and educating employees. As it only takes a few individuals without suitable training to put an entire organization at risk, HR can teach employees how to properly handle company and customer data and create strong passwords to protect themselves.

Employees are not the only avenue cybercriminals are using to target employers. Cyberattackers are also using vendors to gain unauthorized access to employers' computer systems. In response, employers need to ensure any vendors they work with have adequate cybersecurity programs and protocols to further protect themselves.

Cyberattacks are becoming more sophisticated and commonplace. By implementing cybersecurity protocols and safeguards, HR professionals can protect their workplace and employees from cyberthreats.

Remote and Hybrid Work

Many employers responded to the COVID-19 pandemic by moving their workforce to remote environments. Even as employees are now returning to the office, many continue to work remotely, either full- or part-time. According to Gartner, more than half of all U.S. workers will be either fully remote or hybrid employees in 2022. What started as a novelty now appears to be the new standard in 2022, especially as many employees insist on being allowed to continue to work from home.

In 2022, HR professionals are focusing on creating a sustainable work model that meets the needs of the business and employees. Adapting policies and processes to support remote and hybrid work is critical for a successful transition to this new standard. HR can provide employees with

tools and strategies to ensure they remain productive while working from home. An example of this could be leveraging technology, such as digital communication, project management tools and cloud-based platforms, so employees can connect with others regardless of location.

Diversity and Inclusion

Calls for diverse and inclusive workplaces are now becoming more common in many organizations due to major social changes. According to a 2019 McKinsey study, employers with diverse executive teams post larger profit margins than employers with less diverse executive teams. The study suggests employers who implement diversity and inclusion programs tend to benefit from increased innovation, improved business outcomes and enhanced visibility in the marketplace.

Some HR professionals address challenges surrounding diversity and inclusion in the workplace with the following strategies:

- Adjusting search and screen processes for job candidates
- Providing diversity and inclusion training for managers
- Creating mentorship programs to increase diversity and inclusion
- Establishing diversity and inclusion teams

Diversity and inclusion will likely continue to be a challenge in 2022 because what employers mean by these concepts—not to mention the strategies they believe they should implement to address them—can be vague and elusive. Even when employers prioritize diversity and inclusion, the path to achieving a diverse and inclusive workplace can remain uncertain.

Compliance

In light of the changing COVID-19-related regulations, ongoing litigation and court rulings, compliance has been especially challenging. Although the U.S. Supreme Court stayed the highly publicized federal COVID-19 emergency vaccination and testing standard, HR still has to navigate workplace safety measures related to COVID-19 in some states. Additionally, to comply with federal and state discrimination laws, HR professionals must balance COVID-19 vaccination requirements with employees' requests for vaccination exemptions for medical or religious reasons.

One of the most lasting changes for employers the COVID-19 pandemic prompted is paid leave. While federal paid leave related to COVID-19 has now expired, many states and localities have passed regulations for paid sick leave, family leave and vaccination leave. HR may need to align current leave policies with these new laws.

In addition to COVID-19-related regulations, recent mea-



asures decriminalizing cannabis in some states have complicated employer compliance. While cannabis remains illegal under federal law, many states have passed laws decriminalizing it for medical and recreational use. Medical marijuana is now legal in 38 states, while recreational marijuana is legal in 19 states. Affected HR professionals should consider how to accommodate employees' use of medical marijuana, modify existing drug testing policies and revise risk mitigation strategies.

Summary

While these difficulties will likely persist for the foreseeable future, being aware of the most pressing HR challenges can help guide your clients as they implement impactful strategies to address and respond to them. Zywave's Content Library provides resources that can help all your clients—no matter their industry or size—stay one step ahead of today's challenges.

Reach out to your Zywave representative or Partner Support to learn more about content and how to maximize its potential for your clients.