



Monthly Strategies

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2023 Biggest Challenges

Organizations have been facing challenges over the past few years and 2023 seems to be no different. These are the eight biggest challenges companies are facing according to betterworks.

Engaging the Workforce - Engagement metrics were trending upward in the early part of the pandemic, driven by an increase in transparency and communication, but those gains have been tough to hang on to as the conversation has shifted toward if or when people will return to work in offices.

Organizations need to address those challenges by investing in intentional, deliberate communications to help employees see what role they play in driving the business forward and in achieving the company's mission, vision, and values. It's important to connect daily work to the business strategy. This helps employees feel more invested, accomplished, and engaged in their work.

Attracting Talent to the Organization - Talent acquisition is among the highest priority challenges this year. Unemployment is hovering at historical lows and many organizations are finding it tough to fill their open roles especially during the "Great Resignation".

It's vital to understand that competitive compensation and employee benefits packages are essential in attracting talent to your organization. Yet, to really compete, you need to dig deeper and offer meaningful experiences and a greater sense of purpose to your employees.

Your employer brand can help convey that purpose and attract people who are motivated by it. You don't need to create a company culture that pleases everyone because this is impossible. Instead, narrow your focus and develop an employer brand based on your most valued and unique elements.

If you haven't already defined your employer brand, now's the time. If you have documented it, make time to review it and think about new ways to bring it to life. Identify what you want your company culture to be based on your mission, vision, and values. Assess your company culture and set goals for filling in the gaps, such as building up your DEI efforts to foster a greater sense of belonging for all employees.

Managing Relationships - Workplace relationships are more important than ever. Supporting healthy relationships is one of many challenges we are facing this year. Companies are finally settling into their long-term hybrid or remote working models, and that has a significant impact on how employees interact with each other. Work models in the new economy are powered by the relationships fostered between managers and individual team members and their peers.

Healthy work relationships build trust in the workforce and empower employees to work together more effectively, even if they don't see each other or work together often.

In remote and hybrid work environments, it's critical to be intentional about building relationships. You can set communication workshops or lunch-n-learns for departments and teams, which drives relationships and builds awareness of everyone's different roles and how they intersect. Regular communication drives stronger relationships and helps employees learn more about how they work together and can help each other.

The more that employees know each other and understand each other's work, the better they can perform their own jobs. Knowing the next stage of a project, for example, helps individual contributors refine their own work. Employees need to trust their colleagues to deliver what's needed to keep projects on track.

Training and Development Strategies - Training and reskilling is becoming the norm; however, we are evolving more quickly than static learning management systems can keep up with.

Organizations need to identify new solutions for training programs and continuing professional development. An effective training and development strategy must account for rapidly changing technical skills and long-term transferable skills.

Technical skills have a short half-life in a swiftly changing workplace, so don't invest all your limited learning resources in technical training. Incorporate technical training in the flow of work as much as possible. Technical training in the flow of work also makes it easier to update training to match your actual needs. It's a more agile approach to technical training that gives your workforce an edge.

Transferable skills have greater longevity and are cumulative because you can build on adjacent skills.

These include “soft” skills such as critical thinking, emotional and social intelligence, and communication. Transferable skills are especially important as a foundation for leadership development. Leaders need to be able to keep projects on track by supporting employees and removing roadblocks to their success. That requires good communication, empathy, and awareness, among other qualities.

Talent Retention - People have more options for employment than they have in decades, so it’s important to retain the current workforce or risk losing them to an extremely competitive talent market.

The first step to improving retention is finding out why employees are leaving in the first place. Exit interviews can provide insight into what employees liked best about working at your organization as well as what they found lacking. Armed with this knowledge, organizations can develop plans to address the factors that are driving employee turnover. Are there common stages of tenure when people leave and what factors might be at play?

If turnover occurs frequently in the first few months that could indicate new employees didn’t feel prepared to perform the full scope of their duties. Hiring managers could mitigate this through better communication during the hiring process and more effective, engaging onboarding processes.

Employees leaving at later stages can be more challenging to address. They may be leaving because they feel like they’ve reached the limit of their potential at your company. To address that challenge requires reworking internal mobility and career paths to give employees more options for growth.

Diversity in the Workplace - Diversity remains a vital issue with many organizations still struggling to build DEI goals into the broader strategic plan. This is an important point for moving the needle at your company. That is important for employer branding and for attracting talent to the organization, as more employees want to work for companies that value diversity and offer everyone a sense of belonging.

Start by evaluating the state of DEI in your business and set clear goals for where you want to be. Assign key results and clear ownership for each objective you set.

Embrace Inevitable Change - The world is not returning to the way things were before the pandemic. One of the greatest challenges in 2023 is coming to terms with the new reality so your organization can begin developing long-term plans that account for change and agility.

For the past two years, companies have been in limbo trying to return to the office. But that’s not how

organizations operate anymore. Employees have experienced flexible and remote work arrangements and have come to expect that from your work experience. Note that in a tight labor market, you can’t afford not to listen to what employees need.

Beyond larger, strategic people issues, organizations also need to implement changes to employment laws and regulations. Many states are currently implementing or updating family and medical leave laws and organizations must prepare for changing compliance requirements.

Develop business and people plans that can accommodate this pace of change. In a fast-paced work environment, you must be able to flex with change without breaking

Employee Health and Well-Being - Employee well-being remains among the top issues in 2023. After the major disruptions of 2020, employers began to recognize the need for customized benefit plans to address individual employees’ most pressing issues. Companies are offering better, more varied benefits, including child and elder care benefits, and expanding coverage to mental health services.

But benefits alone aren’t enough to improve employee health and well-being: You need to support employee health and wellness in daily work lives, too. This could mean offering more flexibility around hours, offering more paid time off, or better managing schedules and workloads to prevent employees from feeling overwhelmed.

Survey employees to find out how you can better support them on their journey to wellness, and act based on their needs. Be sure to communicate that their health is a business priority, as your employees drives your business. Encourage employees to use the benefits you do offer and collect feedback about how to improve them going forward.

Time to Update Your AAP’s

Many Affirmative Action Plans (AAPs) expired on December 31, 2022. Under federal law, government contractors and subcontractors with 50 or more employees who have entered into at least one contract of \$50,000 or more with the federal government must prepare and maintain a written affirmative action program, which must be developed within 120 days from the commencement of the contract **and must be updated annually and due to DOL by 3/31/23.**

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