



2022 Workforce Report



icims® Insights



What's in store for 2022?

A look back, to look forward.

Many people entered 2021 feeling cautiously optimistic for a return to normal. For the most part, 2021 didn't deliver on normal as it was thought of pre-pandemic. However, it did bring about a renaissance for the modern worker and workplace.

The workforce took pause to reevaluate expectations and needs. A record number of workers resigned in the U.S., according to the Bureau of Labor Statistics [Job Openings and Labor Turnover](#) data. In the U.K., resignations and job-to-job moves are at the highest level in 20 years, according to the Office for National Labor Statistics [U.K. Labor Force Survey](#). At the same time, business was booming but these talent shortages and shifts challenged employers and forced them to approach business needs differently.

Will 2022 be déjà vu? Leaders are concerned for what this means in 2022 – 92% of C-level business leaders (CxOs) say that their organization won't be able to meet goals without the right talent. How can employers rethink hiring and the talent experience to stay ahead?





What you'll find in this report

The second annual iCIMS Workforce Report brings together insights from the C-suite and HR leaders in the U.S. and U.K. combined with iCIMS' proprietary hiring data to provide a comprehensive look at the latest global labor market activity and priorities for employers navigating the new world of work. The report highlights key business and talent trends and shares best practices and advice for how to move forward this year.

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Survey Methodology

The survey was conducted among 500 U.S. HR professionals, defined as those employed fulltime and responsible for recruiting, and 500 U.S. C-level executives at companies of 1,000+ employees, between December 20, 2021, and January 7, 2022, using an email invitation and an online survey. In the U.K., this survey was conducted among 503 U.K. based HR professionals between December 24, 2021, and January 4, 2022, using an email invitation and online survey.

About iCIMS' Proprietary Platform Data

iCIMS' platform data is drawn from our proprietary database of employer and job seeker activity from more than 4,000 customers and millions of data points across job openings, job applications and hires. iCIMS customers represent a broad swath of the U.S. economy, with expansive geographic, industry, and occupational representation.



The State of the Talent Market

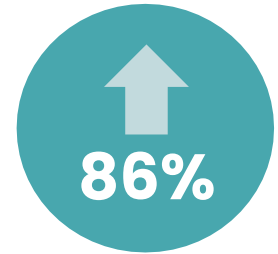
Hiring in 2022

Facing a diminishing supply of talent, employers are doubling down on talent acquisition in 2022. **When leaders were asked if hiring or retaining talent would be the bigger HR challenge this year, the responses were somewhat split with 56% of CxOs citing hiring would be most difficult and 44% saying retaining talent is of utmost concern.**

In today's job market, candidates hold virtually all of the cards, causing business leaders to rethink talent acquisition, mobility, engagement and how they approach their workforce.

According to iCIMS' data, at the end of 2021 there was a 97-point gap between job openings and job applications, the widest seen in previous two years. Job openings were up 86%, hires were up 45% and job applications were down 11% from pre-pandemic levels (Q1 2020 v. Q4 2021).

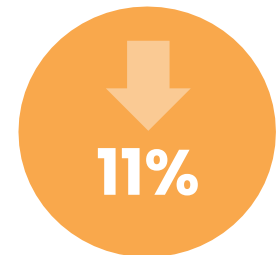
Talent shortages are still being felt across industries at the start of 2022. For instance, for employers in healthcare applicants per opening are down 28%, manufacturing application activity is down 26%. Applications to retail roles haven't declined quite as much but are still 18% below January 2020 levels.



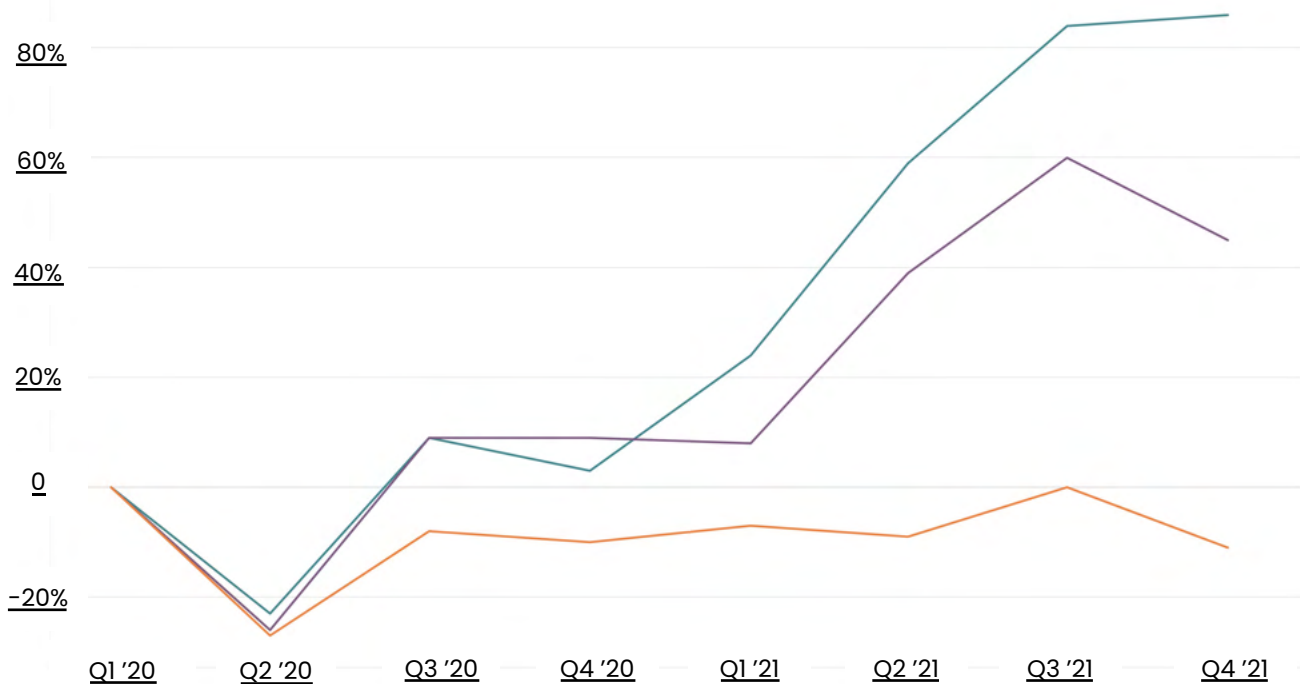
Job openings



Hires



Job applications



Quarterly Platform Indicators

Job Openings, Hiring Activity and Applications (January 2020 – December 2021)



The State of the Talent Market

Talent isn't the only thing that is scarce.

Many organizations are fixated on the now, perhaps at the expense of developing forward-looking organizational goals and objectives. Half of CEOs are focused on the near-term, looking no further than quarterly when making future business strategy plans.

Despite hiring being a top priority of C-suite leaders, nearly 60% of U.S. HR professionals have staffing plans that project no further than a quarter. In the U.K., HR professionals are even more cautious, looking at hiring plans every other month, on average. And less than half of employers (U.S. 50%, U.K. 37%) are proactively nurturing a talent pipeline strategy.

Talent strategy is business strategy. And the continuous transformation of business – one that is changing by the moment and driven by real-time data – requires our most important resource to be continuously ready as well: people.

“Reactive mode is one of the biggest traps we can fall into as talent professionals.” said Christy Spilka, global head of talent acquisition at iCIMS. “Most organizations are looking to hire in droves right now, but the volume of applications coming in is just not enough. We need to think about aligning with business goals to create a strategy that will compress this gap in a way that will sustain us in the future, regardless of changes in the market.”

C-level execs anticipate failing to meet hiring needs will lead to:

57%

Increase of price of products and/or services

56%

Delays in processing orders

54%

Employee burnout

PROBLEMS AHEAD: 92% of business leaders say their organizations will not meet goals without the right talent



“Getting ahead of business and talent challenges requires a new approach to talent acquisition. We need to think holistically about attracting external talent and empowering our existing workforce with career opportunities.”

– Susan Vitale,
chief marketing officer at iCIMS



The State of the Talent Market

Digital transformation is a key part of business strategy. To meet labor market challenges nearly all HR and talent professionals (U.S. 96%, U.K. 94%) are planning to increase investment in talent tools this year.

Some HR departments are already feeling the benefits of improving their technology. U.S. organizations said accelerated hiring processes was the top impact of digital transformation within their HR departments last year while U.K. organizations cited reported increased visibility of job postings as the top impact.

While speed and volume are of the essence in this hiring landscape, it is also critical for organizations to adapt talent strategies and optimize processes to attract and hire the *right* talent more efficiently.

Average
time-to-fill
is just over

6

weeks

(42.8 days)



How to build and engage talent networks

to reduce drop off, improve time-to-fill, and provide greater quality of hire consistency.

- 1. Evolve the experience.** Go beyond traditional content, make your career site more dynamic leveraging digital assistants for real-time communications and videos to help authentically showcase your organization's culture.
- 2. Improve candidate relationships** with hyper-personalized communications at scale. Design events to get specific to skillsets and create text and email campaigns that launch based on previous candidate interactions.
- 3. Commit to your existing workforce.** Elevate the internal hiring experience with one that matches that of external talent. Leverage an internal marketplace to better unlock internal potential, retain top performers and empower employees with skills-based opportunity recommendations.



Internal Mobility

Maximize potential in your workforce.

Looking within company ranks could help offset labor shortages and address resignation challenges, but many companies are not leveraging the potential of their existing workforce. **Less than a third of organizations (U.S. 29%, U.K. 20%) implemented internal mobility strategies to attract and retain talent in 2021.**

Organizations could benefit by committing to supporting their employees' career development and advancement.

Employee turnover has had an overall negative impact on organizations last year according to 83% of C-level executives. Interestingly, employee turnover is a bigger issue among more firmly established organizations. Those that have been in business 25+ years are more likely to have been negatively impacted by turnover (91%) than less mature organizations (77%).





Internal Mobility

“Shifting priorities and talent expectations require us to think differently and take a more strategic, holistic approach to talent transformation. It is no longer solely about external talent acquisition, we need to be sure we’re addressing and empowering our existing workforce with career opportunities,” said Vitale. “Top performing employees are being courted by other organizations every day, it is up to us to power career inspiration and growth within our businesses. Employee-centric talent tools can help turn hiring strategies inward to create a more engaging, efficient experience and improve retention amid labor challenges.”

[LinkedIn](#) found that employees stay nearly 2x longer at companies that regularly hire from within. Internal mobility can also improve engagement and performance – a study by [ILR](#) found that internal hires greatly outperform external hires.

Add to this that employees are craving advancement opportunities and there is a strong case for investing more time and resources to getting internal mobility right.

Money talks. Another key element in the bid to hang on to current employees is paying them more. **Nearly a third of C-level executives report their organizations plan to increase salaries this year by 10% or more to incentivize retention.**



Internal Mobility

Employers are trying to maximize the potential of their existing workforces, but in many cases they are implementing manual strategies that are not scalable. More than half (53%) of U.S. HR pros are personally reaching out to current employees to discuss open roles.

Nearly all HR professionals (U.S. 96%, U.K. 97%) say showcasing a culture of mobility and employee growth on career sites and job descriptions is an important recruitment tactic. Employers should be using this tactic on both external and internal career sites for the most impact.

56%

provide employees with training for new roles they want to pursue
(U.K. 45%)

53%

personally reach out to current employees to discuss open roles they are well-suited for
(U.K. 45%)

33%

leverage dynamic content (i.e., videos) to communicate company culture and values
(U.K. 30%)



Internal Mobility

According to iCIMS' data, job seekers spend nearly 30% longer on internal career sites as compared to external career sites. Video content can keep them even more engaged – yet less than one-third of organizations in both the U.S and U.K. are currently leveraging dynamic content like videos to support internal mobility. Video provides employers with the power to showcase employee development stories and provides internal candidates authentic insights into advancement opportunities and team culture.

To get started with video on internal career sites, start by creating and embedding videos in job or project descriptions for high-volume roles or roles that are harder to fill.

Uber

“I believe internal mobility is the future of work. We want employees to have an experience-based career, and we want them to do it on their own timeline.”

Uber makes 30–40% of its hires from internal mobility moves.

– Director of talent mobility and advancement, Uber

Amidst the labor shortage, traditional external hiring alone wasn't enough to meet Uber's demands. **The company relies on its robust internal mobility program to foster employee advancement and increase retention** while filling critical job roles that are typically difficult to fill with external candidates alone.

Uber transformed its internal talent mobility program using innovative technology and modern engagement tools like iCIMS Video Studio. Through employee-generated content, the company can tell impactful stories of actual employees and mobility opportunities.

Because of the robust and ever-evolving program, along with a culture that encourages internal moves, Uber also often sees lateral and unconventional moves. **After employees move into a new role at Uber, they stay twice as long with the company as peers who don't move.**



Internal Mobility

Unlock the power of your workforce by creating strategic internal mobility programs that help keep your business moving forward and better connect employees with opportunities to grow and advance their careers.

1. Understand and track the skills you have available within your internal talent network.

- Automatically identify ideal internal candidates with AI-enabled, skills-based talent matching.
- Empower employees to stay and grow with your organization. Provide skills-based job matching tools and create an engaging hiring experience like you would with an external candidate.

2. Move your internal talent through your hiring process as you would external candidates.

- Nurture your diverse employees to grow with you through personalized outreach for internal opportunities.
- Keep an open line of communication between employees and hiring teams with SMS and communication tools like Microsoft Teams.

3. Set and measure against benchmarks.

- Track goals like the percentage of diverse employees advanced or numbers of projects and gigs filled by internal employees.
- Target the number of positive responses in employee satisfaction surveys or track and reward hiring managers who successfully help employees move and advance within.



Diversity, Equity and Inclusion

Building a diverse workforce.

Over the last couple of years, many business leaders pledged to increase the diversity of their workforce. Hiring a diverse workforce continues to be a priority as we enter 2022 but **the vast majority (90%) of U.S. HR professionals are concerned that their organization's HR technology is not helping them meet their diversity, equity, and inclusion (DEI) goals.**

Hiring a diverse workforce (U.S. 43%, U.K. 42%) is the top priority for HR professionals over hiring candidates quickly (U.S. 41%, U.K. 33%) and at a lower cost (U.S. 11%, U.K. 19%). Research shows that a diverse workforce contributes to better business outcomes and gives companies a competitive advantage. In fact, a report from [The Josh Bersin Company](#) found that organizations with strong DEI programs are 1.6x more likely to meet financial targets and 1.6x more likely to retain customers.





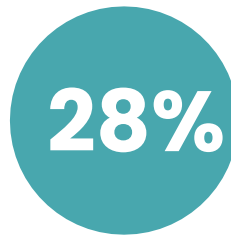
Diversity, Equity and Inclusion

Building a more equitable hiring process is a journey but many HR professionals are concerned that their organization's HR technology is not helping them meet their DEI goals (U.S. 90%, U.K. 50%). They cite a slew of barriers to diversity in recruiting and hiring, including a lack of reach and access to diverse talent pools (U.S. 38%, U.K. 27%), lack of corporate priority on diversity hiring (U.S. 30%, U.K. 27%) and lack of diverse representation in the organization (U.S. 30%, U.K. 26%).

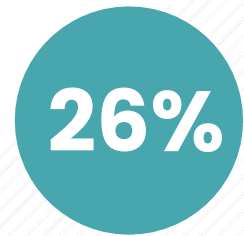
The latter point is unsurprising considering only one in five C-level leaders chose diverse representation as an effective way to highlight DEI efforts and two-thirds of businesses report having fewer than a quarter women and historically excluded groups represented in leadership.

Actionable DEI efforts are needed for organizations to succeed, yet executives lean toward performative imperatives.

CxOs say top ways to promote DEI are:



Company brand and image



Public reports showcasing diversity



Participation in or sponsorship of diversity-focused organizations



Diverse representation in leadership and management



“The best time to create diverse pipelines was last quarter, the next best time is today.”

**–Chinor Lee,
global head of culture, belonging,
inclusion & diversity at iCIMS**



Diversity, Equity and Inclusion

Both U.S. (60%) and U.K. (86%) HR and talent professionals feel pressure to prioritize DEI goals over other job requirements (i.e., years of experience) when hiring.

Success in DEI comes from ensuring it is not a bolt-on but rather interwoven into how an organization attracts, engages, hires, and advances top talent.

Diversity sourced leads to greater diversity among those hired. Creating more inclusive and equitable upfront processes will help expand reach and widen the funnel.

- Analyze job requirements, asking what is really needed to succeed in the role.
- Review job descriptions with a close eye, and consider using technology to help remove potential bias in the language used.
- Promote your brand authentically by hosting diversity-focused events and committing to creating inclusive jobs and career site content. Jobseekers and employees are more mindful about the values companies are promoting and seeing if they match their own.
- Tap into DEI analytics to track against goals and identify areas of improvement.

▶▶▶ DIVERSITY INSIGHTS

- **Men make up 49%, and women make up 51% of applicants**, both of which are only 1% from their pre-pandemic levels of 48% men and 52% women. This is a shift from late 2020 when 55% of applications were from men.
- **Applicants are skewing younger. 18-24-year-old job seekers now represent the largest cohort of candidates**, making up 1/3 of all applicants. However, workers aged 35-44-years-old may hold the power *in* the workplace - according to the [BLS](#) they are the only age group of workers above pre-pandemic employment levels.
- While all cohorts of candidates are declining, **applications from historically excluded groups are only down 23% as compared to a 32% decline in applications from white job seekers.**



The Talent Experience

Appealing to today's job seekers

Organizations want to ensure they are providing the best possible hiring process experience for job candidates. Perhaps this is due to **the majority of HR professionals (U.S. 89%, U.K. 84%) agreeing that candidate experience is directly tied to the organization's success.**

Many organizations globally have taken steps within the past year to increase their appeal as the competition for labor intensifies.

According to HR and talent pros, the most common steps have been offering flexible daily work schedules (U.S. 43%, U.K. 33%), higher wages than competitors (U.S. 42%, U.K. 28%), and/or increasing offerings in benefits packages (U.S. 42%, U.K. 30%).

"With the pause that COVID caused, people are entering 2022 with a critical lens asking, 'does this still serve me?'. Since so many companies have embraced this work from wherever philosophy, employees are taking them up on it. They are applying for opportunities they wouldn't have in the past because they're no longer beholden to a specific geographic location." added Lee.





The Talent Experience

Flexible work arrangements will continue to be expected in 2022. More than half (55%) of U.S. organizations are offering some type of flexibility, ranging from fully remote to hybrid. This is most likely the case among organizations that have been in business less than 25 years (64% vs. 48% of older organizations). In the U.K., companies are most likely to offer a hybrid arrangement (40%).

Remote work remains popular. More than 70% of U.S. employers offered remote work options to attract or retain talent in 2021. 1 in 5 applications in Q4 2021 was submitted by an out-of-state applicant, according to iCIMS' data.

Where people work is not the only practice in question. Some companies are also toying with the idea of changing when they work. Several companies in both the U.S. and U.K. have piloted flexible hour programs or even shorter work weeks to keep up with the changing expectations of talent.

Meeting candidate expectations now also means shifting the way in which we communicate with job seekers. In 2021, more than 4.5 million people used text messaging to apply for a job according to iCIMS' data. This is a 66% increase from last year, on top of a 170% increase from 2019 to 2020.

More candidates are also leveraging digital assistants to quickly engage with potential employers. iCIMS' data shows AI-powered chatbot use exploded, fielding hundreds of thousands of applicant questions and setting up tens of thousands of interviews.



The Talent Experience

Even before the pandemic, many employers struggled to find workers with the desired skills. Now in a time when talent is in short supply, many organizations are facing a larger mismatch between the talent available and the jobs they need to fill.

This skills gap, combined with the need to fill positions briskly, may explain why a third of organizations indicate skillset requirements is the top area they are flexible in, compared to education (24%), years of experience (24%), and work location (19%) requirements.

Hiring for transferrable skills and looking within your organization may be a way to help bridge this gap.

Thinking outside the box, and recruiting from non-traditional talent pools, can also help build a culture of inclusivity. “Thinking about skills differently helps diversify and round out the workforce.” said Lee. “ We get the benefit of bringing in more talent and bridging skills gaps of course, but maybe just as importantly we bring in new knowledge and new experiences, to help us strengthen our culture and ultimately enable a stronger business.”

TRANSFERRABLE SKILLS ABOUND:

33% of organizations willing to be flexible with skillset requirements.



From the Great Resignation to the Great Retention

Talent powers transformation

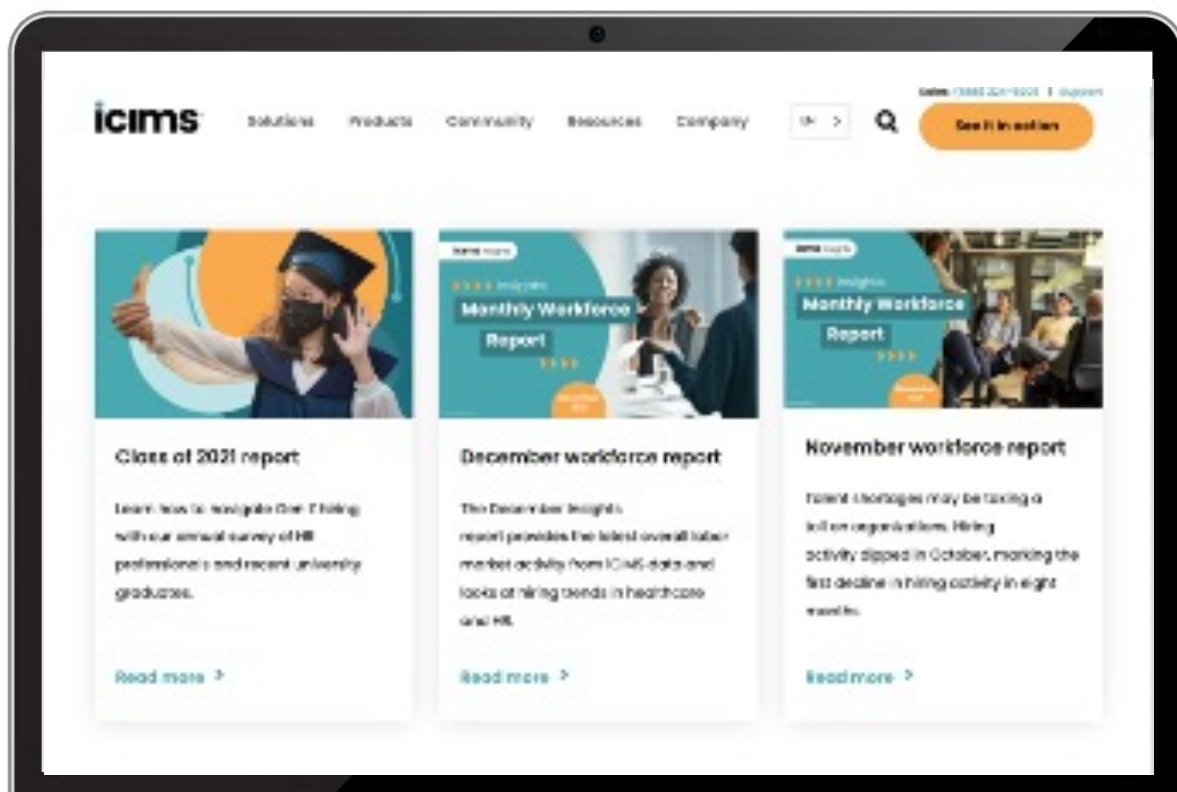
Although the business and talent landscape is evolving rapidly, business leaders and HR professionals must be proactive in developing talent strategy and bringing a forward-looking outlook to hiring.

Success in 2022 will come from delivering on talent holistically – on hiring, on internal advancement, on diversity and on the overall experience. The right talent on the right teams is what will move business forward now.

Drive your business forward

Stay ahead of today's hiring challenges with data and insights to prepare you for what's next.

Read more workforce perspectives [here](#) and visit [iCIMS Insights](#) for a monthly infusion of hiring activity and trends.





About iCIMS

iCIMS is the talent cloud company that empowers organizations to attract, engage, hire, and advance the right talent that builds a diverse, winning workforce. iCIMS accelerates transformation for a community of more than 4,000 customers, including 40 percent of the Fortune 100. For more information, visit www.icims.com.

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