



2023 Voice of Talent: State of the Workforce Report

New data raises the bar on how to attract
and retain talent in the New World of Work.



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In October of 2022, Procom surveyed 1,740+ contingent and permanent workers across the United States and Canada. This report offers a look at talents' confidence, preferences and mobility amid heightened expectations, competition and uncertainty.

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Introduction

The great re-think has reached the North American workforce

Workers everywhere are re-evaluating their lives and what is important to them in their life and work balance. The pandemic prompted many to shift their priorities toward finding roles that better align with their personal lives and professional passions.

The 2023 Voice of Talent: State of the Workforce Report identifies opportunities for employers to attract, engage and retain talent in a competitive labor market. This report provides a readout on the state of the workforce and how organizations can strengthen their position as an employer of choice to access the skills and talent they need.

Our findings from 1,740+ contingent workers and permanent employees indicate organizations need an intentional and sustained **focus on the workforce experience to maintain access to talent.**

Much of the conventional wisdom around what attracts and motivates all kinds of workers is changing.





Company culture is catching up to compensation as a top talent priority

Today's talent has higher expectations of the organizations they work for, especially in terms of working environment and company culture. Talent cites that very important top workplace attributes include: collaborative and supportive work environments (66%), meaningful work (65%), and schedule flexibility (65%).

Factors influencing talents' acceptance of assignments in order of importance:



1. Maximum compensation



2. Collaborative/ supportive work environment



3. Minimal commute



4. Meaningful work



5. Schedule flexibility



6. A positive interview experience



7. Up-to-date tools and technologies



8. Company stability



9. Hybrid-work opportunities



10. Professional development/ upskilling opportunities



11. Company commitment to DE&I



12. Potential for health/wellbeing benefits



13. Frequency of pay



14. In-person work opportunities

Statistically speaking, the top 5 responses are very close; however, the culture and experience elements of an assignment are clearly catching up to compensation as a driving factor in accepting or rejecting an opportunity.

Today's talent has higher expectations around workplace culture

The pandemic and Great Resignation or Great Reshuffle forced changes to how we work collectively and how organizations recruit and retain talent. While companies must be intentional and direct about their identities and values, it's also essential to let culture develop organically. In the wake of such seismic shifts in the workplace and workforce, many organizations have instinctively tried to make old practices fit into an environment with which they're no longer compatible. There are many lessons to be gleaned from the pandemic and Great Resignation, including that no one knows what the future holds. Instead of trying to repeat cultural components that were successful in the past, let new ones emerge based on collaborative engagement with your leadership and workforce.

Gen Z seeks the bigger picture

When accepting an assignment, our data indicates Gen Z workers are more interested in opportunities that will advance their professional development and upskilling opportunities.

Gen Z talent also holds companies more accountable on their commitment to Diversity, Equity and Inclusion. Lastly, they are more likely to base their decision on a positive interview experience.

More experienced workers consider current environment

When accepting an assignment, Millennials, Gen X and Baby boomer workers are more interested in opportunities within collaborative work environments that allow them to create meaningful work. More experienced talent is also more likely to consider organizations that use the most up-to-date tools and technologies that offer a minimal commute.

Compensation remains top consideration but it's not the only factor influencing talent

In statistical terms, talents' most important preference remains compensation (68%); however, maximizing pay is not enough in today's recruitment landscape. Given inflation is coming off of a 40-year high, employers simply won't be able to hire talent without competitive and fair pay rates. But it takes more than bigger checks to win and retain talent and this means paying attention to non-compensation opportunities.

Organizations concerned about controlling budgets should pay attention to non-compensation opportunities like meaningful work.



A toxic work environment is top trigger for talent flight

Nearly two thirds of respondents indicated that they would definitely consider ending an assignment early (64%) due to a toxic workplace.

Toxic work environments don't happen overnight, and fixing culture won't happen overnight either. However, organizations can improve worker engagement and retention by focusing on the overall talent experience, rather than pay.



Factors that would drive talent to definitely take flight include:



1. Toxic work environment/disrespect



2. Bad management



3. Change in remote or in-person working expectations after starting



4. The role is not what was described during interviews



5. Fewer hours/less work than promised



6. An opportunity with a significantly greater pay rate becomes available

These factors of flight are also a wake-up call for organizations that haven't yet made a commitment to creating intentional company cultures that prioritize the overall work experience.



Remote work remains preferred work model

After getting a taste of remote work, over half of respondents (52%) are eager to leave five days onsite behind. This research finds that while the majority of talent prefer to continue working remote, those who do want to return to the office in some capacity want flexibility in how they do so – very few people still favor the five days on site work week.

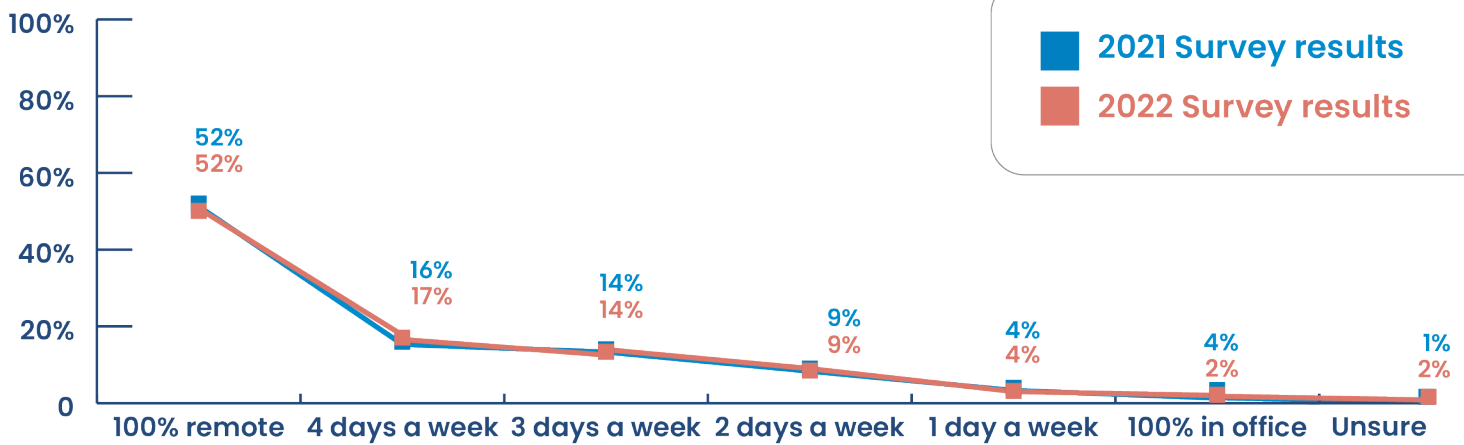
Only 4% of talent is willing to work on site 4-5 days a week.

To remain competitive, organizations must embrace some aspects of remote, Work-from-Anywhere and hybrid work models or risk losing talent.

Remember to define what remote work means to your organization. Procom's **Re-Imagined Recruitment Playbook** finds 34% of knowledge workers believe remote work means Working-from-Anywhere in the world, not just from the comfort of their own home a few blocks from the office.



How many days do you prefer to work remote?



Meaningful work is a new Employer Value Proposition

When asked about the most important factors knowledge workers consider when deciding whether to accept an assignment, meaningful work was a top consideration. Sixty-five per cent of workers said this is very or extremely important to them. Talent across all industries, including contingent talent and permanent employees, are seeking work that satisfies their need for meaning and purpose. Employers who understand what meaningful work means to their organization and their talent and can find ways to emphasize this meaning and purpose will gain an advantage while also creating a more human-centered workplace environment.

Finding the Right Fit means more than just finding a skills match, it means finding someone who will experience meaning in the role. In finding meaning, talent will bring increased motivation, commitment and engagement to their work.

Employer Value Proposition

McKinsey and Company research also speaks to the importance of meaningful work, finding that when talent finds their work to be meaningful, they experience:

75% Increase in commitment to the organization

49% Decrease in likelihood to leave

33% Improvement to performance



Meaningful work is deeply individual, yet to make work more meaningful, McKinsey suggests:

Understand the sources of meaningful work:

- 1 Society
- 2 Company
- 3 Customers
- 4 Team
- 5 Personal success

Take action:

- 1 Start a dialogue to determine what matters most
- 2 Hardwire meaning into day-to-day work
- 3 Create connections



By highlighting the impact work has across these five sources and taking C-suite action to the frontline, leaders can create a greater sense of meaning for their people.

Meaningful Work – in practice at Procom

Meaningful work is at the heart of Procom's purpose. Every day Procommers are helping meaningful work happen by thoughtfully connecting clients and candidates where the fit is right. When people do work that feels meaningful, they are motivated by the tasks set before them and inspired to do their best possible work. And when people are doing their best work, everyone wins: their project teams, their organizations their families and even their communities.

Autonomy – and teamwork – brings the most meaning to work

- | | | | | | | |
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|  |  |  |  |  |  |  |
| 1. Autonomy in work | 2. Helping others | 3. Connection with teammates | 4. Personal growth | 5. Connection with customers | 6. Organizational mission | 7. Environmental, social and governance |

According to respondents, the following are very or extremely important to bringing meaning to the work they do. Talent craves a connection with teammates (61%) in order to find meaning in their work, but they also want autonomy (70%) which will influence how work is done.



Contingent workers are willing to go full time for more meaningful work

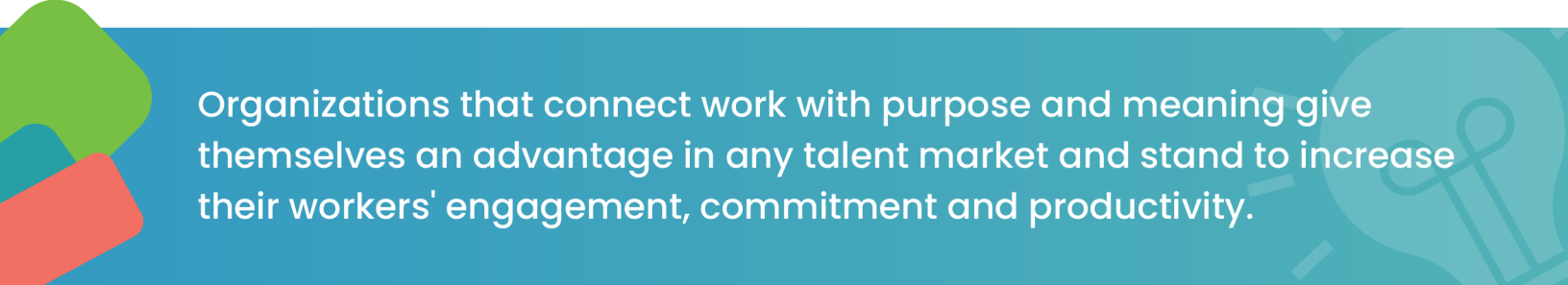
Of the contingent workers who said they'd consider switching to full-time employment, meaningful work (75%) was a top factor for this group when evaluating opportunities.

Research from McKinsey indicates a similar finding:

- Talent in contingent work assignments cited meaningful work as a top reason to return to traditional employment.
- These findings highlight the overall importance of meaningful work in attracting any type of worker.

Teamwork brings meaning to talent – but they want to work together on their terms

Talent today expects more than ever from the organizations they work for – and that includes both autonomy and teamwork. As mentioned above, 70% of talent cited autonomy in work brings the most meaning to what they do, and 61% say teamwork tops their list.



Organizations that connect work with purpose and meaning give themselves an advantage in any talent market and stand to increase their workers' engagement, commitment and productivity.

Fostering an autonomous work environment means allowing talent to work the way that is most conducive to their own best performance. Removing micromanaging from the workday can increase a worker's sense of job satisfaction, motivation, creativity and overall well-being.

An autonomous work environment is built upon trust, respect, integrity and a culture of accountability. Workers who feel trusted are more likely to perform top-notch work.

Team environment is a top priority!

Organizations should focus on building teams who can work together to achieve the same goals. This means taking into consideration channels of communication, work models, time zones, workplace culture and technologies that enable connectivity and teamwork.

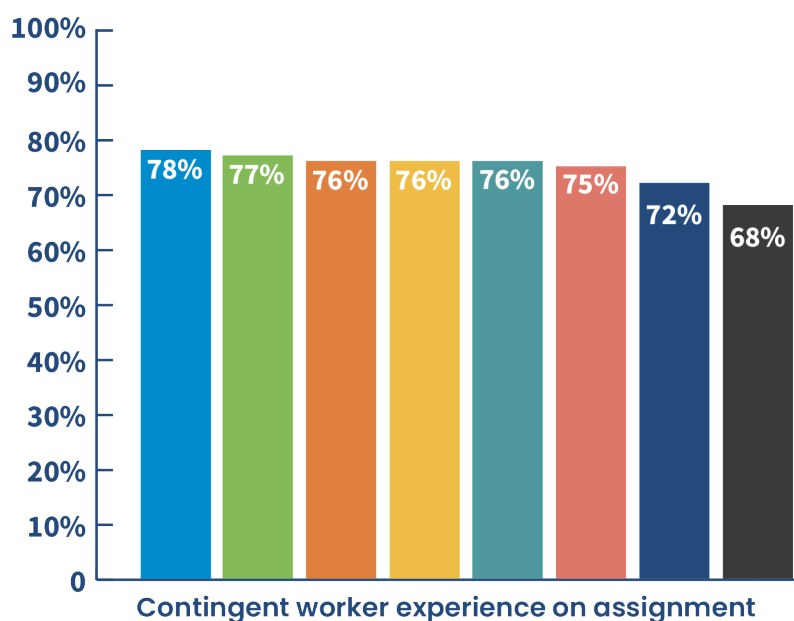


Organizations that double-down on the contingent worker experience will ultimately attract and engage a greater portion of this talent pool

Procom data shows that, broadly speaking, the overall contingent worker experience today is improving. Seventy-five per cent of contingent workers report regularly receiving recognition for good work. In addition, over two thirds (68%) of contingent workers say they always or often experience the same respect as full-time and permanent employees in their work assignments.

Contingent workers cite they regularly experience the following in their work assignments:

- Useful feedback on my work and performance
- Inclusion in important work activities with regular employees
- Clear work descriptions and expectations
- Opportunities to provide feedback on work and projects
- Efficient, effective on-boarding
- Recognition for good work
- Post-assignment exit surveys
- The same respect as full-time, regular employees



Get more out of your contingent workforce by focusing even more on feedback

Seventy-five per cent of contingent workers responded that they get the opportunity to both provide and receive feedback during the duration of their assignments.

Organizations must ensure that hiring managers and internal HR teams are providing and collecting this feedback with a focus on designing actionable strategies to re-engage talent for immediate or future projects. This means being intentional about feedback and being prepared to make adjustments.

These are accessible strategies that can re-engage proven talent without increasing program costs.

Economic outlook: A mixed perspective on stability creates opportunities for employers

Over half (56%) of talent say they're confident in their current work stability despite the increasing likelihood of a recession. About the same number, (57%) strongly agree that assignments with more stable companies and industries are preferable during a recession. Thirty-six percent report they'd consider leaving an assignment early based on unstable economic conditions.

These numbers indicate an opportunity for employers to influence the outlook of those workers who are valuable and whom they want to ensure retention.

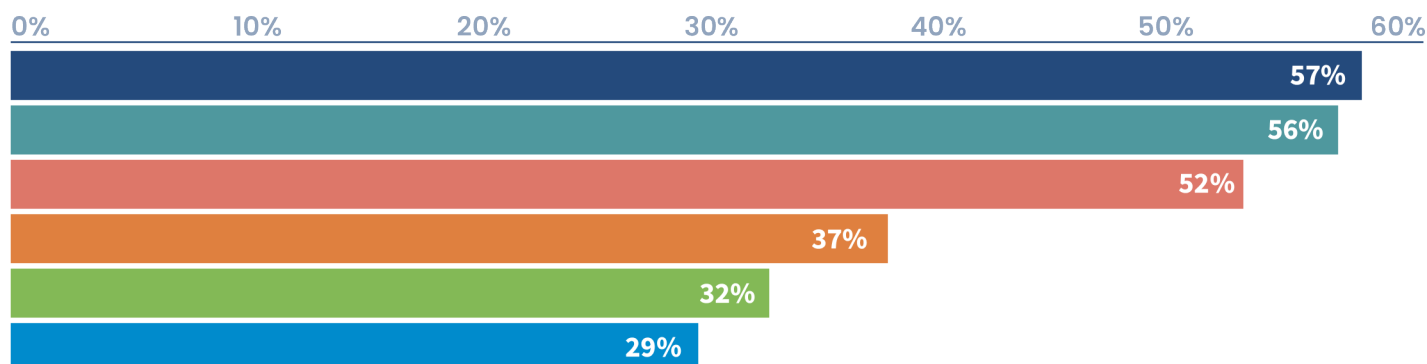
Sixty-eight per cent of workers will not accept lower pay for more stability. Unlike during the initial pandemic period when there was a lot of insecurity and stability, talent now isn't willing to take a discount on wages during this slower period.



If you thought a looming recession meant offering lower wages to skilled workers and IT talent because they should be lucky to have a job, think again – talent is optimistic. And an optimistic workforce has options.

We asked talent: To what extent do you agree with the following?

- Assignments with more stable companies and industries are preferable during a recession
- I am confident in my current work stability despite a potential recession
- I prefer contingent work over full-time, regular/permanent employment
- A recession creates more contingent work opportunities
- I would accept lower pay in return for job stability during a recession
- A recession makes contingent work more stable than full-time, regular/permanent employment



Organizations concerned about fixed costs can count on contingent talent – they prefer temporary work too

Fifty-two per cent of contingent workers prefer contingent work over permanent employment – and they're confident regarding future opportunities. Organizations that are less comfortable with fixed costs during an unstable economy can leverage the flexibility and worker preferences of a contingent workforce.

To attract talent amid uncertainty, employers should enhance efforts on reinforcing non-compensation elements



The rate gains of the past few years have been hard fought, and labor markets could punish employment brands that simply follow the traditional route of cost-cutting in a recessionary environment if a full-blown recession never appears or once a recovery is underway.

With 68% of respondents unwilling to compromise on compensation in return for job stability during a recession, this suggests that factors beyond pay rate can influence talents' decision to stay with a current assignment or accept a full-time role.

Unmet worker expectations will drive talent flight

Talent, generally, today has more leverage in the labor market, due in large part to long-term shortages of digital skills and workers re-evaluating where their careers fit into their lives.

Almost half of respondents (41%) have terminated an assignment early due to dissatisfaction. Beyond the fact that talent has higher expectations across the board, if employers don't deliver, the most skilled workers are also empowered to quickly find a new role that better suits their expectations.



Employers cannot control all flight drivers, yet managing the ones they can, such as creating a great onboarding experience, practicing inclusion and operating with transparency in the role and expectations, can avoid regrettable turnover.



Additional factors workers said would cause them to consider quitting early include:



A regular, full time, permanent opportunity becomes available



Unstable economic conditions



Lack of inclusion in team or work activities



An opportunity with significantly greater hours becomes available



Insufficient onboarding

Culture has a direct impact on your talent strategy

Corporate culture and workforce experience clearly have a direct impact on the attracting, engaging and retaining of talent. It's important that employers are conscious that inclusive, healthy and happy, collaborative workplace cultures with open communication and professional development opportunities are incredibly important to contingent workers and permanent employees. These priorities are increasingly fundamental to an organization's talent strategy.

Today's talent wants it all

Despite the headlines about layoffs, the race for talent is as competitive as ever. Contingent workers and permanent employees want work that aligns with their values and makes an impact. Talent wants two-way communication, feedback and opportunities to develop. Flexibility, stability and DEI are expectations, and this is all on top of earning a competitive wage. As talent continues to re-think life and work balance, organizations must futureproof their workforces by upgrading their recruitment strategies and technologies to remain as an attractive place to work.

Contact one of our experts today to access the skills you need or if you simply want to talk talent



Final thoughts

Dear friends,

Despite rising concerns over the economy, technology markets continue to be in a broad phase of growth and adoption. Knowledge workers find themselves in a desirable position, as private and public sector organizations alike continue to invest in the technology super trends of cloud migration, digital enabled service channels and UX/UI focused experiences.

Workers continue to place a strong priority on seeking out organizations with positive culture and places that can offer them a connection to meaningful work.

In this 2023 Voice of Talent, we share a ground level view of what talent cares about right now, and what leading organizations are doing to drive their technology plans forward.

Kind regards,
Kent McCrea, Chief Operating Officer

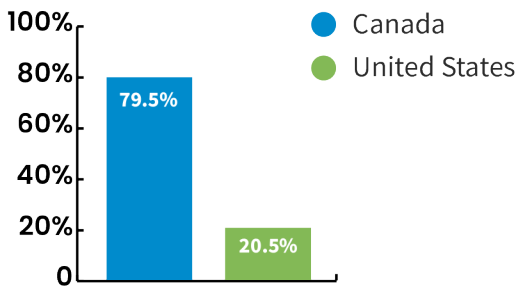




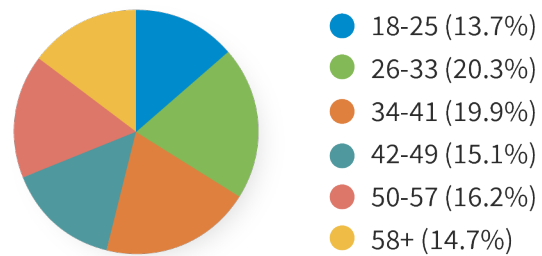
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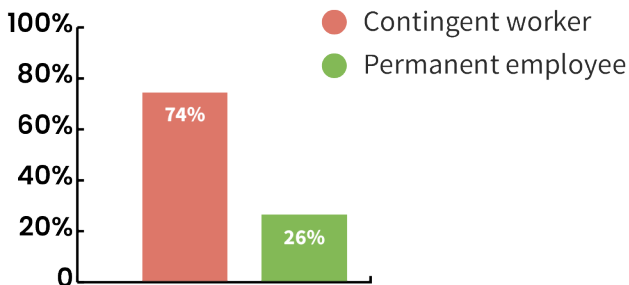
Geography



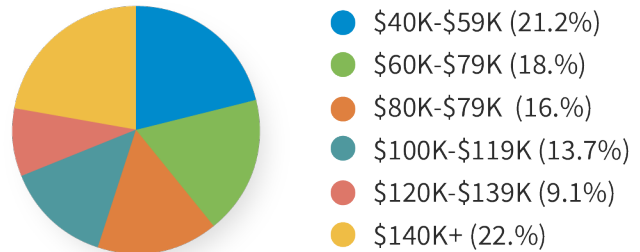
Age



Talent



Income



About Procom

Procom is one of North America's leading staffing and contract workforce services providers. A privately held company, Procom is deeply committed to continuous growth and improvement to the benefit of our Clients and our Consultants. Successfully meeting the needs of Fortune 500 clients since 1978, Procom has 14 offices across North America, with over 15,000 skilled professionals currently on assignment.