SMB DIRECTIONS FOR THE FUTURE OF WORK: STAFFING AND HR TRENDS

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Businesses have been faced with unprecedented challenges and opportunities since the COVID-19 pandemic began. These shifts have dramatically impacted the SMB workplace and workforce.

To better understand the trends in this environment, a survey study examined this topic in detail. In November 2021, we surveyed 736 decision makers (management level and above) at small and midsize businesses (SMB) employers/organizations to understand how SMBs are reshaping workplace and workforce practices to meet these challenges, and how technology factors into their plans.

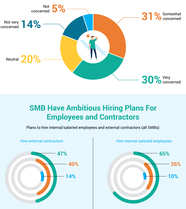
Here, we share key highlights about key SMB staffing and HR trends. For the sake of brevity, we refer to the entire sample as "SMBs."

Top Human Resources Challenges for SMBs

What are the top three human resources/staffing challenges your business faces?

Two thirds of SMBs Worry About the Talent Shortage

How concerned are you that the talent shortage will have a negative impact on your business in the next year?

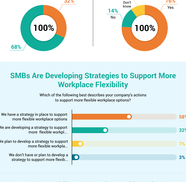


SMB Have Ambitious Hiring Plans For Employees and Contractors

Plans to hire international salaried employees and external contractors (all SMBs)

Hiring Plans Differ Significantly by Industry

Top 3 industries most and least likely plan to plan to hire

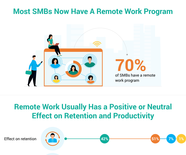


SMBs Have More Job Openings Than Usual...

Does your company currently have more job openings than usual?

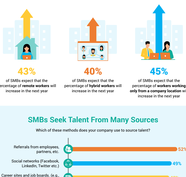
...But Most Are Confident They'll Meet Their Hiring Goals

Are you confident that your company will be able to meet your hiring goals in the coming year?



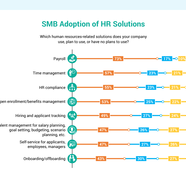
SMBs Are Developing Strategies to Support More Workplace Flexibility

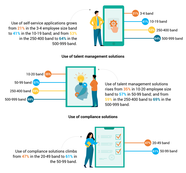
Which of the following best describes your company's actions to support more flexible workplace options?



SMBs Are Adding New Perks to Aid Employee Recruitment and Retention

What changes have you implemented, do you plan to implement, or have no plans to implement?





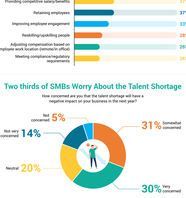
of SMBs that have implemented these changes rate them as extremely/somewhat valuable in improving employee recruitment and retention.

Most SMBs Now Have A Remote Work Program

of SMBs have a remote work program

Remote Work Usually Has a Positive or Neutral Effect on Retention and Productivity

SMB Workplace Locations Will Remain In Flux



of SMBs expect that the percentage of **remote workers** will increase in the next year

of SMBs expect that the percentage of **hybrid workers** will increase in the next year

of SMBs expect that the percentage of **employees working only from a company location** will increase in the next year

SMBs Seek Talent From Many Sources

Which of these methods does your company use to source talent?

SMB Adoption of HR Solutions

Which human resources-related solutions does your company use, plan to use, or have no plans to use?

There are Clear Breakpoints for Adoption of HR Solutions

Use of self-service applications

Use of talent management solutions

Use of compliance solutions

SMBs Are Using Technology to Automate Tasks and Replace Human Labor

Which of the following has your company done, does it plan to do, or have no plans to do?

Perspective

- Over the past couple of years, change has arguably been the only constant—for both businesses and employees.
- As the balance power shifts from employers to employees, SMBs have had to adjust, recalibrate and prioritize employees more flexibility to recruit and retain the talent they need to survive and thrive. In the early part of the pandemic, many actions were reactive. As we move through 2022, SMBs are getting more strategic about using HR-related solutions to help them meet hiring and retention goals, and are changing their business models to provide employees with more choice about where, when and how works gets done.
- SMBs are also pivoting automation to work to automate tasks and replace human labor—enabling their employees to spend more time on higher value, more engaging work. Larger SMBs are leading the charge, but smaller SMBs are not far behind. As the economy and workplace continue to evolve, SMBs must seek self-sufficient, and as technology solution vendors add new capabilities into their offerings.
- As we move ahead, SMBs will continue to face many challenges to attract and engage employees and contractors—and be ready for new, unexpected hiccups and crises that could impact their ability to thrive and even survive. Technology will be a critical factor in helping SMBs overcome these challenges and better engage and empower workers. SMBs will be much better equipped to meet their staffing and business goals.

ABOUT THIS INFOGRAPHIC

This infographic provides insights from SMB Finance's **SMB Directions for the Future of Work** survey, fielded in November 2021. We surveyed 736 decision makers (management level and above) at small and midsize business (SMB) employers/organizations.

For more information, please contact Jeff Kaplan at jeff@smbfinance.com or Ryan Jones at ryan@smbfinance.com.

For more information, see our **2020 Directions for the Future of Work ebook.**

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