



Authored by:
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HUMAN-CENTERED WORK:

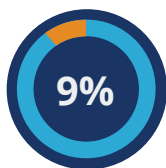
PUTTING THE EMPLOYEE FIRST



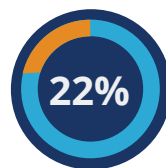
The events of the past two years have reshaped the future of work and the relationship between the employer and employee. Companies are facing intense pressure to both recruit and retain talent, compounded by a labor shortage and the Great Resignation. At the same time, employees are looking for companies that value their time and provide opportunities for growth and belonging. The pendulum has shifted, and today's market is employee-driven.

According to Aptitude Research, companies have responded to today's reality by increasing their focus on employee experience. One in three companies have increased their spend on the employee experience and 47% of companies are investing in new solutions to support these objectives. Companies across all industries are looking for an immediate solution to solve retention and improve performance.

Unfortunately, despite this increased investment, most companies are falling short. They are taking a one-size-fits-all approach and treating employees like transactions instead of humans. They are failing to acknowledge the employee perspective and the cultural changes that need to happen. As a result, the employee experience remains at a standstill:



Only 9% of companies have improved employee trust over the past year



Only 22% of companies state that humanity is a critical part of their company culture



Only 20% of companies offer career development and advancement opportunities



1-in-3
companies have
increased their spend on
the employee experience

Companies today must rethink their approach to talent and humanize work. They must focus on the individual, build more meaningful relationships, and provide an experience that is rooted in inclusivity, humanity, dignity, and trust. This report based on data collected in 2021 and 2022 will look at the following:

THE CURRENT STATE OF WORK:

What are the top workforce priorities today?

What is the disconnect between the employee and employer experiences?

What is driving the need for human-centered work?

THE FUTURE STATE OF HUMAN-CENTERED WORK:

What role does humanity play in company culture?

What are the pillars of human-centered work?

What strategies should companies consider across the employee lifecycle?

Research Methodology

Quantitative Research:

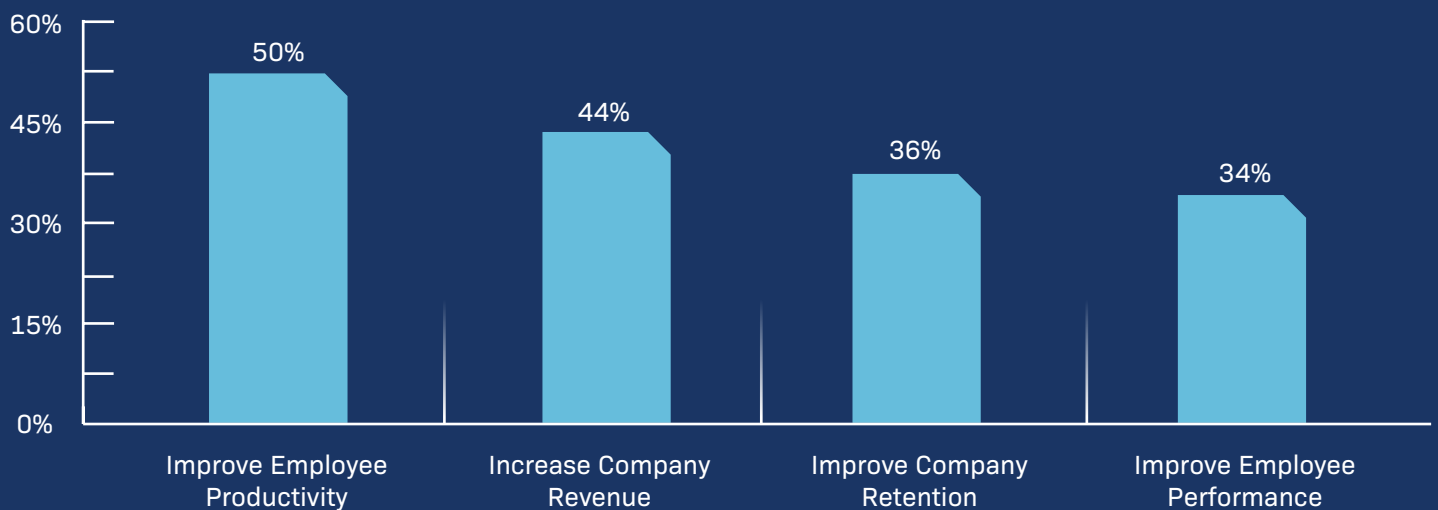
484 responses for HR Director level and above roles.



THE CURRENT STATE OF WORK

Companies are facing a talent crisis. According to the Labor Department, a record 4.5 million workers left their jobs in November 2021 and the rate of turnover is not slowing down. Every layer of the organization is impacted by the state of talent today, including leadership, managers, and HR. Yet, when asked about the top workforce priorities in 2022, engaging talent and improving company culture were not high on the list. According to Aptitude Research, improving productivity and revenue are the focus for companies in 2022 (see Figure 1).

Figure 1: Top Workforce Priorities



Companies that focus on employees are more likely to achieve these organizational growth goals. Talent drives business success. Unfortunately, many companies are not prioritizing employees or developing a deeper understanding of talent.

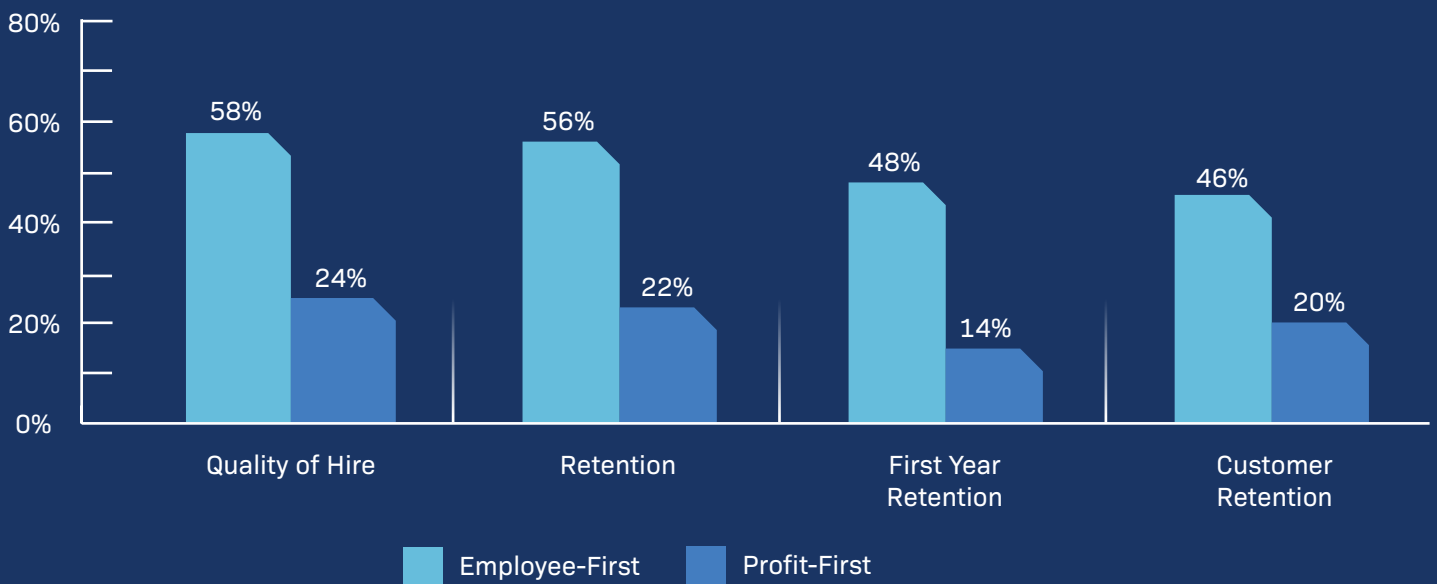


This study found that nearly half of organizations still identify as a profit-first organization over an employee-first organization.

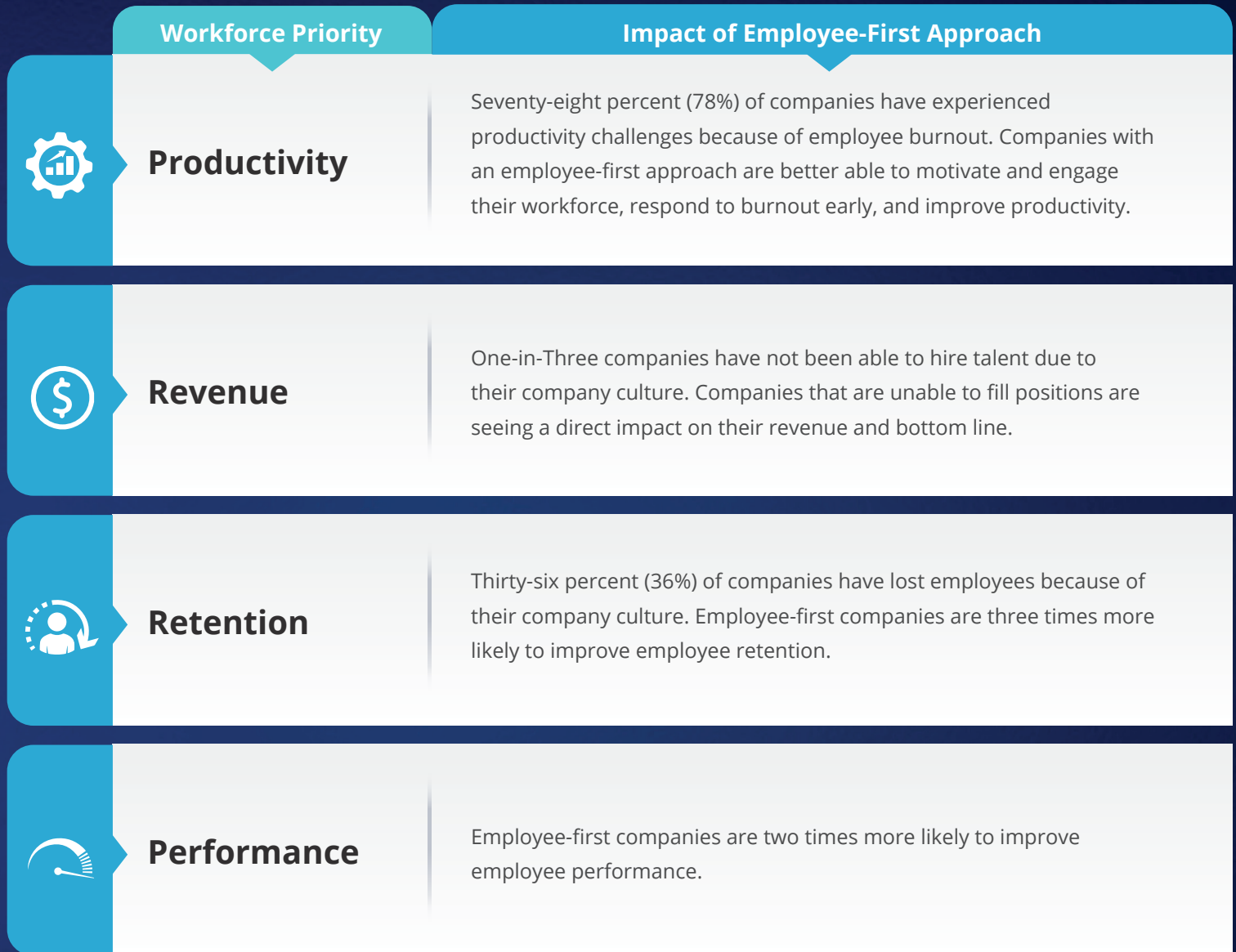
THE BUSINESS IMPACT OF AN EMPLOYEE-FIRST MINDSET

Companies that put the employee first have a competitive advantage. They see improvements to recruitment and retention strategies including quality of hire, retention, and customer retention (see Figure 2).

Figure 2: *The Impact of an Employee-First Model*



These organizations are also more likely to achieve the workforce priorities identified in Figure 1. Talent is directly impacting business metrics and providing them with a more efficient and effective business model. When talent is the priority, companies have a better understanding and awareness of their workforce and can improve productivity, revenue, performance, and retention.

Figure 3: Impact of Employee-First Mindset

GAP IN EXPECTATIONS

Although most companies have positive intentions around their workforce, they do not always understand employee expectations. To provide a more human-centered approach, companies must proactively work to understand what matters to employees and the steps they need to take to meet those expectations. Aptitude Research found that many employees want to be flexible in their jobs and are not ready to return to an office environment for the long-term. Conversely, employers are still planning for the future of the workplace and want to consider what options they have available.

Figure 4: Challenges Facing Employees Today



The first step to a more human-centered work environment is understanding and validating employee expectations. Aptitude Research's study from 2021 found some significant gaps in what employers and employees experience:

- **Productivity:** Eighty-five percent (85%) of employees say they are working more during the pandemic, while nearly 50% of employers believe that employees are working less.
- **Flexibility:** Only 32% of employees are getting more flexibility during this time even though 55% of employers state that they offer more flexibility.
- **Wellbeing:** Sixty-two percent (62%) of companies state that they are investing in employee wellbeing yet, 64% of employees do not feel valued.

Before companies can begin to engage and support employees, they must acknowledge and understand these realities.

KEY DRIVERS OF HUMAN-CENTERED WORK

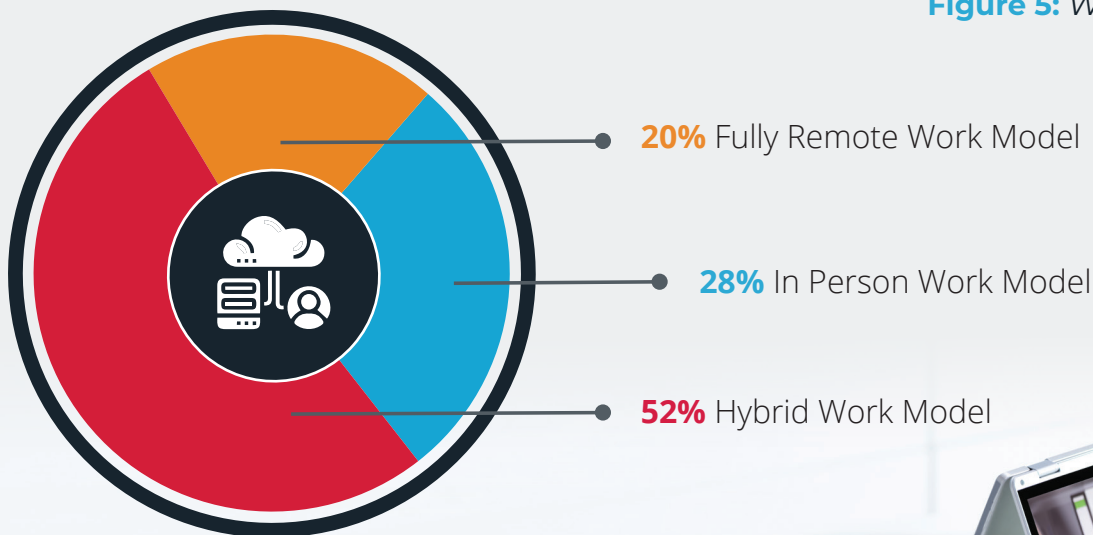
Several factors are influencing human-centered work, including remote and hybrid work models, mental health, and new responsibilities of caregivers.



HYBRID WORK MODELS

Not every company is clear on their future workforce model, and 2022 will likely bring more change and uncertainty. Companies that listen to their employees, adjust to the unknown, and provide transparency will build better relationships with talent. Aptitude Research found a mix of work models that are impacting organizations and the future of work (see Figure 5). Whether working from home or adjusting to new office rules, employees often feel lost and isolated in these models. Companies must provide a different level of care and compassion to remote or hybrid models.

Figure 5: Workforce Models





MENTAL HEALTH

On average, companies in this study stated that 36% of their workforce faces mental health challenges. Although companies have responded to the topic of mental health in the workforce by providing days and weeks off, collectively, it is not enough. Only 24% of companies have asked employees if they need support in the past six months and only 36% of companies provide mental health benefits. Organizations need to take more responsibility for their employees and change the stigma and ideas around mental health. Employees are asking for more support and organizations need to provide a more human response.

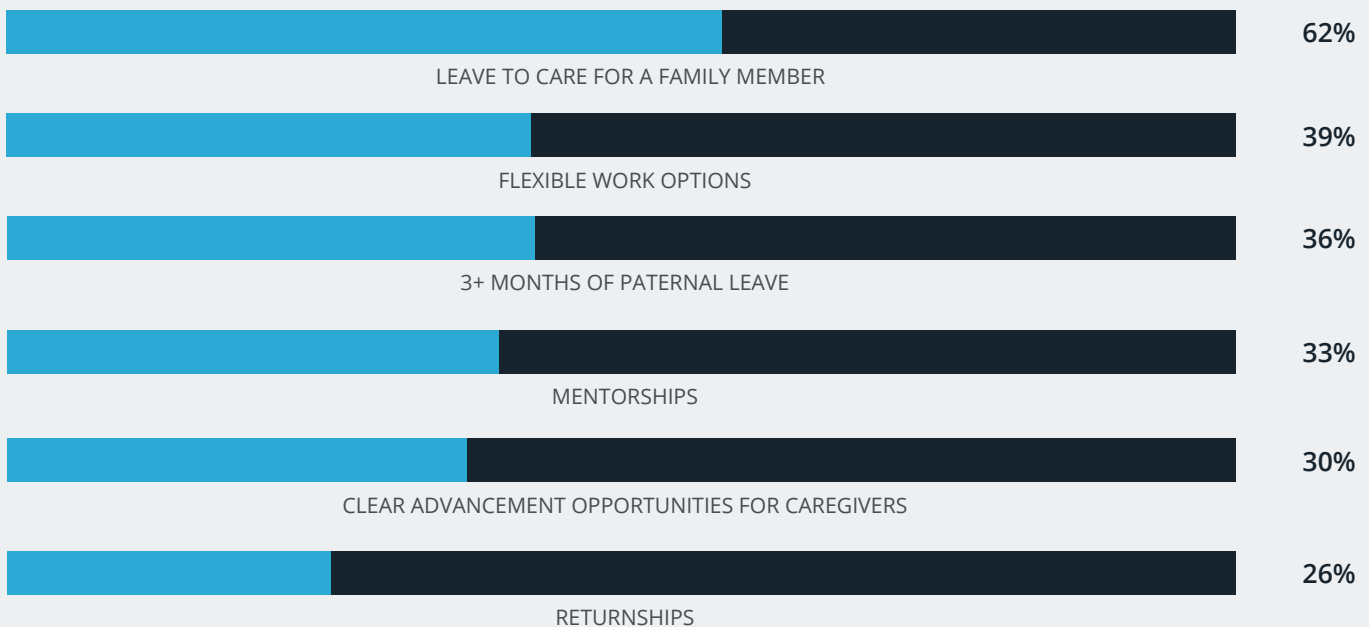


CAREGIVING

The role of caretakers evolved during the pandemic as more employees were faced with having to care for children, elders, and other family members themselves while balancing a new work dynamic. Every employee is impacted by care, yet employers do not typically address childcare issues and most employees do not feel safe talking about their needs with their managers. In today's environment, companies must think about how care impacts the employee experience. Currently, one in three employees do not feel comfortable talking about childcare and only 11% of employers are asking employees how to support their caregiving needs.

According to this study, companies are not taking active steps to acknowledge these new responsibilities of their workforce or to provide the support that employees need during these times. The most common action that employers take is providing leave to care for family members (paid and unpaid). Only 30% of companies offer clear career advancement opportunities for caregivers and only 36% of companies offer three or more months of parental leave (see Figure 6). The pressure that employees feel in their personal lives is impacting their decisions to stay with an employer and in some cases, possibly leave the workforce.

Figure 6: Activities to Support Caregivers in the Workforce

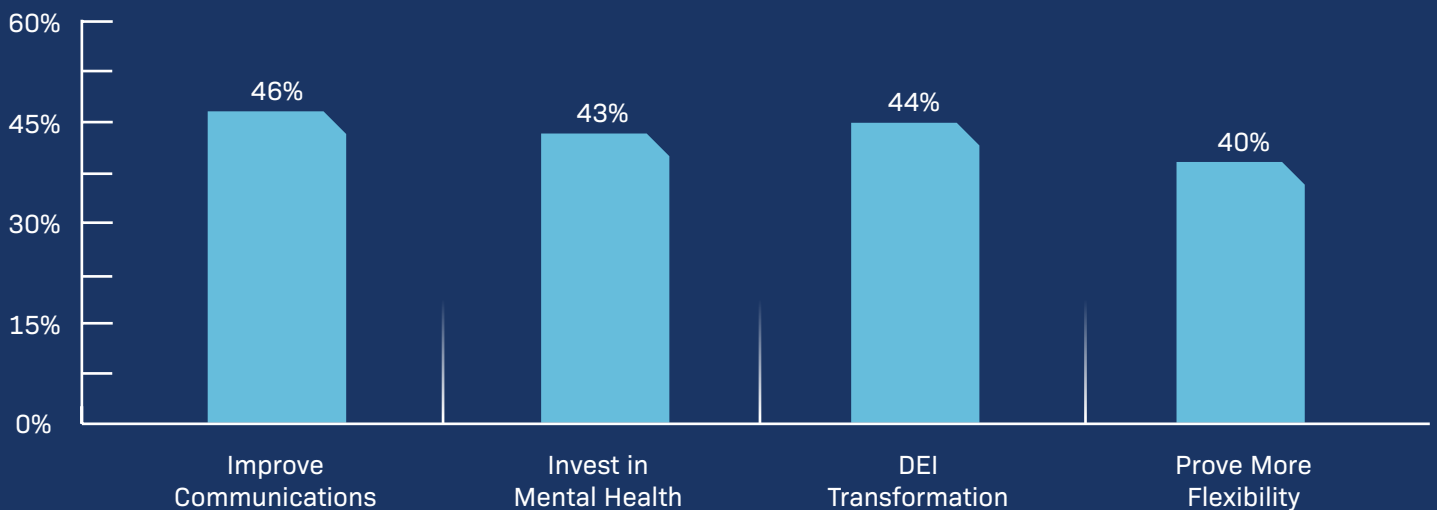


As companies prepare for the future of work, they must build more meaningful experiences. The following pages of this report will provide an overview of what companies should consider.

THE FUTURE STATE OF HUMAN-CENTERED WORK

Companies committed to providing more humanity to the employee experience do not always know where to start. When asked what strategies companies have in place, improving communication, investing in DEI transformation, and investing in mental health were top considerations (see Figure 7).

Figure 7: *Strategies to Create More Human-Centered Work*



Although these strategies can bring significant changes to the employer and employee relationship, companies must begin with:

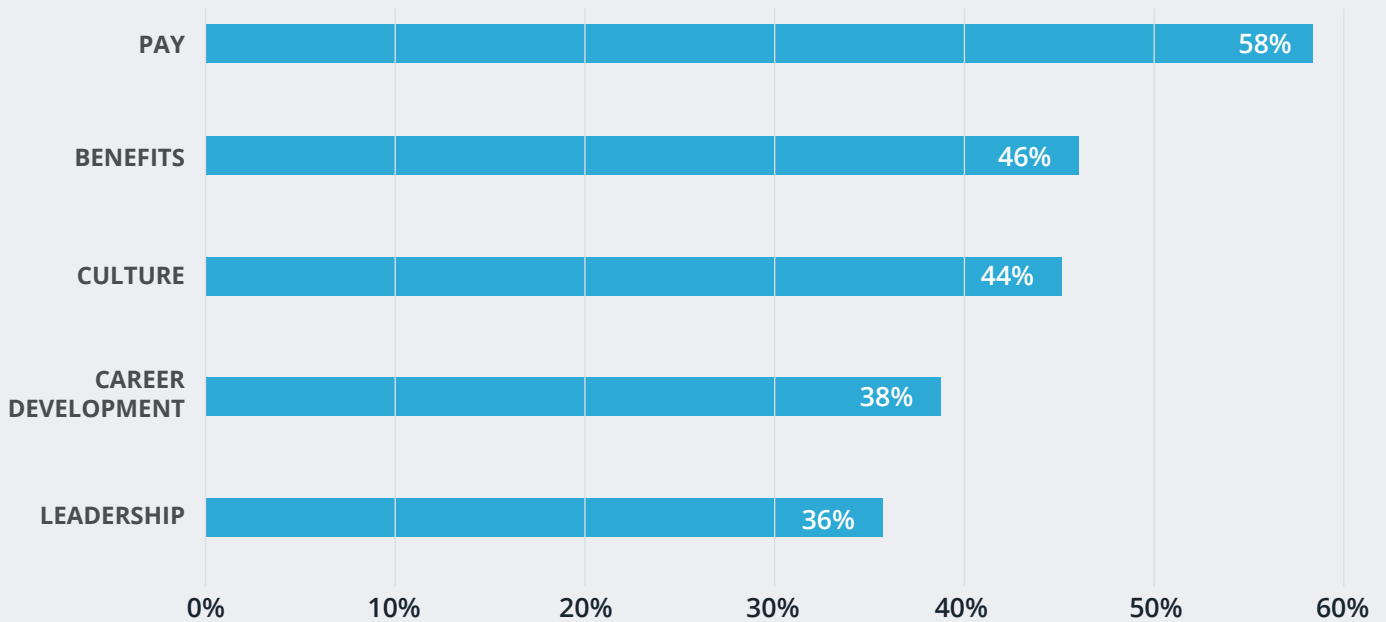
- **Evaluating Their Culture:** Companies must understand their cultural competence before investing in strategies and technology.
- **Defining Humanity in the Workplace:** Companies must understand the pillars that enable more humanity.
- **Applying Humanity Across the Employee Lifecycle:** Companies must look at each element of humanity from recruitment to retention.

START WITH CULTURE

Humanity in the employee experience begins with company culture. Companies today are being held accountable for the culture they have in place. As a result, one in three companies are rethinking their culture this year and 37% are increasing their investment in culture. Culture influences a candidate's decision to join a company and an employee's decision to leave a company. When asked what has the greatest impact on retention, companies identified culture after pay and benefits (See Figure 8).



Figure 8: *Greatest Impact on Retention*

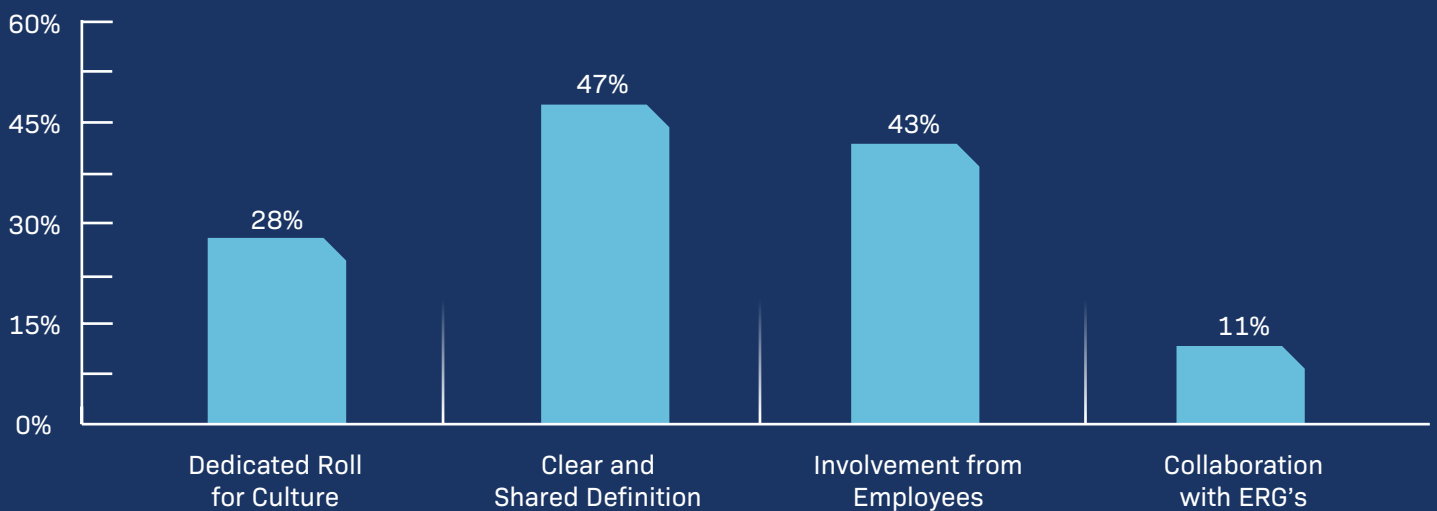


Culture is often a nebulous area for companies. They invest in short-term strategies without looking at a long-term approach. Culture is the set of shared goals, values, attributes, and behaviors that characterize an organization. Cultural competence is the skills, experience, and understanding of that culture. Companies that do not build cultural competence are just checking a box, rather than addressing the root of the problem.

TOP CHALLENGES

Ownership is a challenge for companies looking to create more cultural competence and provide more human experiences. Only 28% of companies have a dedicated role for company culture. Forty-two percent (42%) of companies state that HR is responsible and 26% indicate that leadership takes ownership of culture. Without clear and consistent ownership, companies are not able to execute on a strategy around culture. Additional challenges include lack of a clear definition, lack of employee involvement, and lack of collaboration (Figure 9).

Figure 9: Roadblocks for Company Culture and Cultural Competence



KEY STRATEGIES

Companies looking to improve cultural competence and include humanity as part of their culture should consider the following:

- **Discovery:** Companies should dedicate time and resources to understanding their company culture. Discovery may include conducting an audit, identify stories from an unrepresented group, conduct interviews with different employee populations, and focus groups. Discovery requires employees to be open and honest.
- **Employee Involvement:** Companies should involve employees in shaping culture including Employee Resource Groups (ERG) and Corporate Social Responsibility efforts.
- **Communication:** Once companies invest in their culture and involve key stakeholders, they must create a communication plan. Communication should be omni-channel and involve everything from text, to video, to in-person dialogue. Companies that lack a clear communication plan will face challenges aligning culture with business.

Cultures that are well-defined and aligned to the business help organizations thrive and give employees a foundation to support better experiences.

DEFINE HUMANITY

With a cultural competence, companies can identify the critical elements of human-centered work including DEIB, opportunity, safety, and voice.

Figure 10: *Elements of Human-Centered Work*





Diversity, Equity, Inclusivity, and Belonging

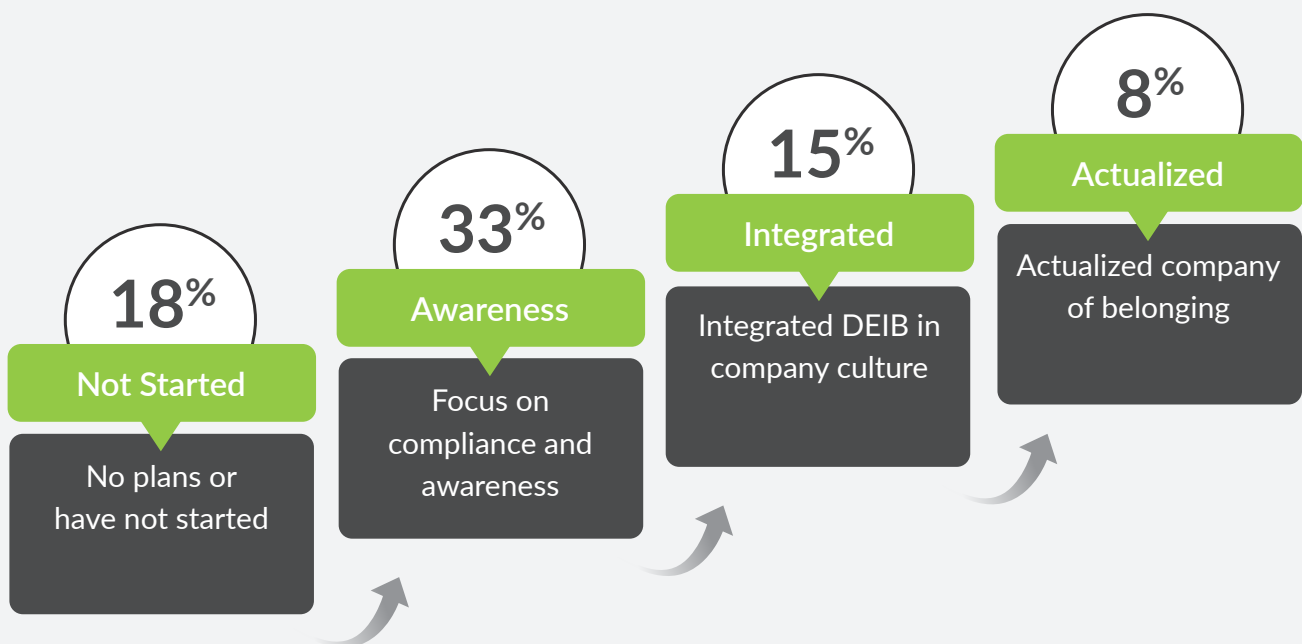
Diversity, equity, inclusion, and belonging (DEIB) is a strategic business initiative for every organization across every industry. Companies need to do more than invest in training programs as a check-the-box strategy or a one-time action. They need to understand their objectives and invest in the right expertise, resources, and solutions to drive change.

DEIB transformation will only take place if an organization faces its own realities. While 88% of companies believe that DEIB is important to leadership, only 5% of companies in this study are willing to admit that they have discrimination in the workplace. Companies will not be able to boost humanity and trust unless they are honest about their weaknesses. Additionally, this study found that:

- **Only 17%** of companies have a chief diversity officer
- **Only 36%** of companies invest in solutions to support DEIB
- **Less than half** of organizations have advocacy and allyship initiatives in place

Companies must first address their current situation and then, make the right investments to ensure candidates and employees get a fair and equitable process. Few companies integrated DEIB into their overall organizational strategy or actualized a company of belonging (Figure 11).

Figure 11: *Maturity of DEIB*



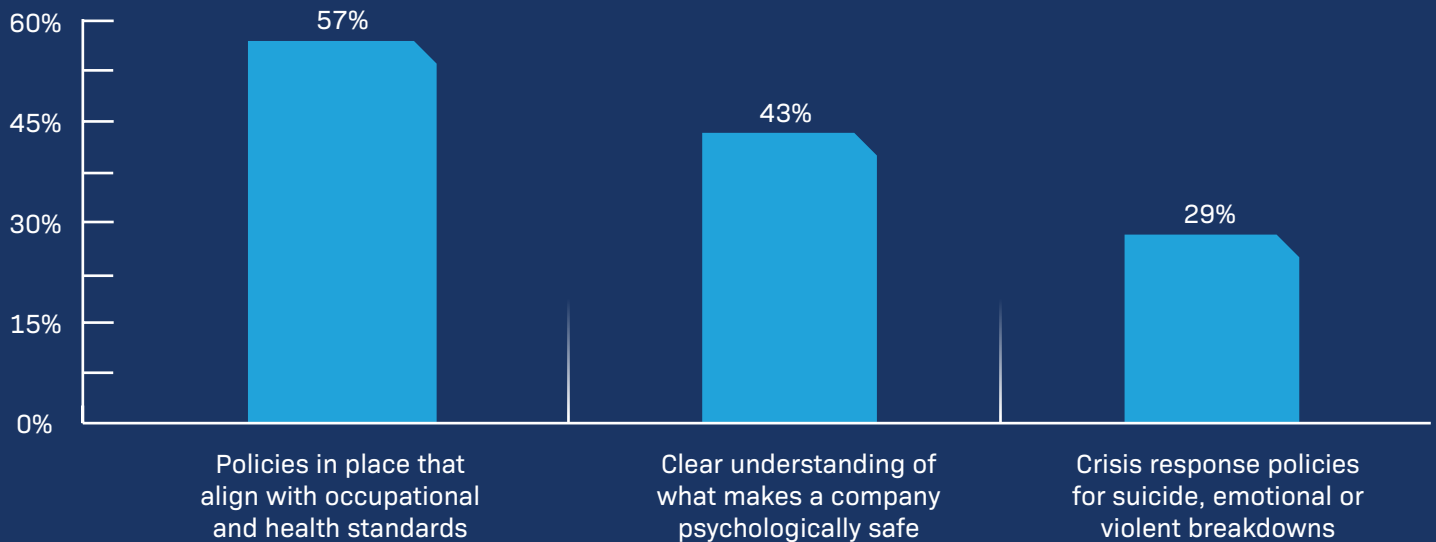


VOICE

Incorporating feedback opportunities and the employee voice makes the process more engaging and personal. Employees need an opportunity to provide their voice and concerns in any opportunity. By not including employee feedback in company culture or talent initiatives, employers are further distancing themselves from their workforce. Sixty-four percent (64%) of companies invest in annual engagement surveys, but this one-time, anonymous opportunity is not enough to provide employees with a voice or bidirectional conversation. Seventy-three percent (73%) of employees surveyed said that the only communication they are receiving is email, and 60% said they would prefer other forms. Companies need to rethink the tone, frequency, and method of communication.

SAFETY

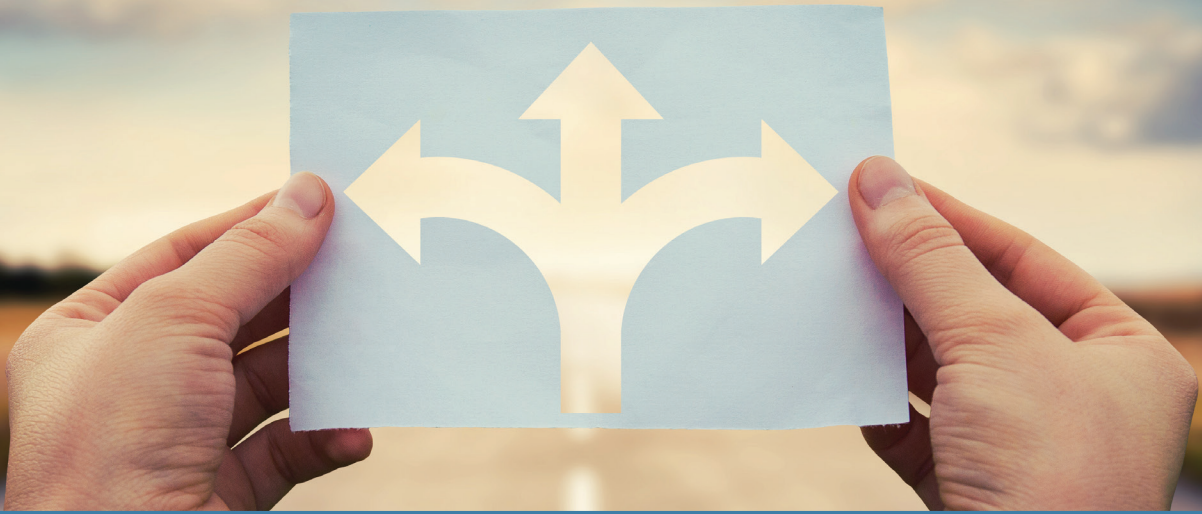
Although, 49% of employers say that employee safety is their top priority, nearly 40% of employees do not feel safe returning to work. When asked what companies are doing to ensure safety, most companies are focusing on physical safety, and few are focused on psychological safety. Most companies are communicating frequently with employees about safety, but few are taking action. Less than half of companies are doing enough to ensure psychological safety.





Opportunities

The movement of talent into new positions is not a new trend. Companies have been hyper-focused on internal mobility and career progression at various times in periods of uncertainty. When hiring slows down or turnover spikes, internal mobility becomes the go-to strategy. But today, companies have shifted their responsibilities, strategies, and technology adoption. Internal mobility is no longer an isolated activity or a quick fix during a time of transition. It is a critical part of any talent development strategy and the intersection between employee experience and business growth. Career development is an area that benefits both employers and employees. Currently, only 17% of companies are investing in career transitions. It provides an opportunity for employees to own and create their own career paths, and it improve retention and performance.



EMPLOYEE JOURNEY

These elements of humanity require organizations to shift their view of how they attract, develop, and engage talent. Companies must be open and transparent about where they are in the process, while empowering employees with the support they need in both their personal and professional lives. Humanity plays a role in every aspect of the employee journey. Companies that are shifting to an employee-first model, must understand the impact on talent acquisition, onboarding, career development, and compensation. They must evaluate their processes and apply these elements of human-centered work across the employee lifecycle.

TALENT ACQUISITION



DEIB:

Bias in talent acquisition is not a new phenomenon. Although some companies have made efforts to remove bias from resumes, companies still need more inclusive help. Companies must offer a fair chance to every candidate regardless of background or experience. Companies can interrupt bias early by looking beyond the resume, blinding the screening and interview process, and offering the same experience to every candidate. Companies should consider an array of job boards to ensure diverse representation of recruitment marketing and create job descriptions that reduce bias.



Voice:

Only 58% of candidates are asked for feedback in the talent acquisition process. Companies can provide candidates with a voice when they survey candidates throughout the process, incorporate feedback, and provide bi-directional engagement.



Safety:

Companies can provide candidates with both physical and psychological safety. Whether it is providing remote interview and screening options or connecting candidates with ERs, companies can help candidates feel comfortable and cared for during the process.



Opportunities:

The traditional recruitment process does not include opportunities for candidates who do not get the job. Companies that provide personalized communication with opportunities for growth help boost candidates' self-esteem and empower them for future opportunities. Sixty-two percent (62%) of candidates receive no communication about the job after applying.

ONBOARDING



DEIB:

Companies must ensure that the new hire experience is consistent and meaningful. Bias in the new hire experience can impact first year retention and engagement. Companies with a clearly defined onboarding process create more accountability for managers. Companies should also consider including advocacy and allyship in onboarding initiatives, connecting new hires with diverse leaders, and providing DEIB specific training during the onboarding phase.



Voice:

New hires often do not feel that they have a voice when they are hired. Companies can include new hires in cohorts, ask for feedback early in the process, and provide mentorship and peer-to-peer networking.



Safety:

Companies must consider the unique new hire experience when providing psychological safety for employees. Companies may consider offering flexibility to new hires to work from home, and an open environment where they can feel comfortable asking questions and sharing information about their background.



Opportunities:

Career development and advancement should begin during the onboarding stage. Companies can provide new hires with opportunities for growth and development, help build self-esteem, and connect new hires with other employees.

DEVELOP



DEIB:

Companies must provide fair and equitable experiences for every employee at their organization. Companies should encourage employees with different backgrounds to apply for leadership positions, and ensure that promotion decisions are fair.



Voice:

Internal talent must have a voice and be able to provide feedback on their experience. Companies should conduct frequent engagement surveys, invite employees to cohorts and focus groups, include ERGs, and provide open discussions.



Safety:

Employees must feel psychologically safe at their organization. Safety may include being comfortable having contrary opinions, asking questions, sharing background and experience, and contributing to company meetings and initiatives.



Opportunities:

Employees are looking for opportunities for career growth and transition, but also ways to stay involved in company programs and give back to social initiatives. Only 32% of companies provide opportunities for volunteerism and social activism.

COMPENSATION



DEIB:

Pay equity is a major concern for both employers and employees. Yet less than a third of companies provide pay transparency. Employees need to feel confident that they are paid fairly compared to other employees.



Voice:

Employees need to be able to voice their concerns about compensation and benefits. They also must know where to turn if they experience pay inequity or bias in compensation.



Safety:

Pay inequity is traumatic for employees. It quantifies bias in the company and makes employees feel unappreciated and devalued. Companies must provide transparency, but also a safe place for employees to share their concerns.

THE ROLE OF TECHNOLOGY

When considering technology and automation to support these efforts, companies must be cognizant of the employees' perspective and understand that the value extends beyond efficiency to overall experience. The business impact shifts from short-term goals to long-term objectives that are driven by a more human process. Figure 13 reveals how efficiency, effectiveness, and experience are influenced by both a profit-driven and employee-first approach to automation. The key performance indicators for a profit-driven approach are based on traditional HR metrics, compared to the KPIs for an employee-driven approach based on humanity.

Figure 13: *Shift From Employer-Driven to Candidate-First Automation in Talent Acquisition*

	Employer-driven Automation	KPI	Candidate-first Automation	KPI
	Recruiters can convert leads to applicants to fill jobs quicker, and they can interview more quantity and quality candidates in a shorter period of time.	Time-to-Fill	Candidates receive more consistent, personalized communication so they can make better decisions around an employer, and with a more positive perception of the brand.	Confidence Personalization
	Recruiters can make data-driven decisions around talent, and how and where to spend their time.	Quality of Hire	Candidates trust the process and believe that they received a fair opportunity.	Trust Inclusivity
	Recruiters can focus on less tactical elements of talent acquisition, such as scheduling and outreach, and focus on the part of the job that brings them joy - building relationships with candidates.	Recruiter Productivity	Every candidate is given a consistent and fair recruitment process.	Confidence Trust Inclusivity Personalization

CONCLUSION

Companies are facing new pressures and new realities for recruiting and retaining talent. The global pandemic and Great Resignation require companies to rethink their approach to talent. They must view employees as humans and not transactions. A human-centered approach to work requires a new way of engaging talent. Companies must look closely at the core elements of humanity and determine what needs to come across the employee journey from talent acquisition to employee engagement. As companies prepare for the future of work, humanity, dignity, and trust must take center-stage.

ABOUT US



Aptitude Research is a leading human capital management (HCM) research and advisory firm. Our in-depth research and vendor assessments help HR leaders develop a deep understanding of the HCM technology landscape, including talent acquisition and engagement, to ultimately make better purchase decisions.

Our flagship research, The Aptitude Index Report: Talent Acquisition Systems (2021), delivers a comprehensive look at talent acquisition trends and technology. This knowledge, combined with our consulting and advisory services, enables companies to save time, money and improve the recruiting, hiring and workforce management experience.

Founded by leading analyst Madeline Laurano and based in the Boston area, Aptitude Research provides a wealth of HCM expertise to companies, vendors and investors. View our recent and upcoming research at www.AptitudeResearch.com or connect with us on [Twitter](#) or [LinkedIn](#).