

Key Employment Trends Poised to Impact Your Business in 2019

The U.S. workforce experienced historic gains in 2018 as more than two million jobs were added, and wage increases began to accelerate, according to the monthly [ADP National Employment Report](#) and quarterly [Workforce Vitality Report](#). The unemployment rate stood at 3.7 percent in November, a near 50-year low, which made it difficult for companies to bring in both permanent and short-term, highly-skilled talent. This trend is expected to continue into the new year as the talent pool continues to shrink.

To stay competitive in today's marketplace, finding and retaining the right talent is essential. Yet how to do that effectively remains a challenge. "New emerging trends as well as trends that have been identified over the past several years, are forcing companies to embrace new ways of thinking about their workforce and to reevaluate their hiring processes," says Nancy Halverson, general manager for MRINetwork.

"We've identified and assessed several significant trends that will most impact them in 2019."

Transformation and change in the workplace

Business leaders who are actively embracing change recognize that innovation comes from people. As they look toward the future of their business operations, it is this focus on people, that is causing many to prioritize workforce planning and sourcing transformational leaders that can move the company forward. By drawing on the expertise of these change agents, employers will gain new approaches to work and improved company cultures that lead to innovation and increased productivity. "These forward-thinking organizations are driving innovation and gaining momentum by changing the nature of work itself," says Marquis Parker, vice

president of business services for MRINetwork. "They are enabling people to come together and work in a focused, collaborative manner to solve problems and come up with creative approaches to their lines of business. They know that the real value comes from their employees' creativity, market insights, personal networking, and ability to influence others."

Predictive analytics

Analytics have the potential to transform the HR function, from recruitment and workforce planning to performance management and employee engagement. Companies are increasingly using predictive analytics to

refocus their workforce planning lens from a qualitative one to a quantitative one, enabling them to scientifically unlock and measure the value of people to their organization. This approach views employees as a critical and valuable asset that can be optimized to benefit both individuals and the organization as a whole. It also has the potential to determine which departments and employees are under-

performing, allowing managers to create interventions, provide training or move team members around to increase productivity.

According to Deloitte's 2018 Human Capital Trends Report, although 85 percent of survey respondents acknowledged the importance of people data, only 42 percent indicated that their organizations were ready to implement it fully. Anne Hayden vice president of human resources for MRINetwork believes this will change dramatically in 2019. "The rising use of predictive analytics will be one of the biggest recruiting trends to drive productivity and profitability," she says. "Collecting early performance data on new hires and matching it against assessments allows for the creation of a feedback loop that automatically updates and continually refines the profile of a successful employee."



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Training

Training will be a critical focal point in 2019. In fact, employers noted in the [2018 MRINetwork Performance Management Study](#), that it will be one of their top priorities in the new year. “When designing meaningful training programs that have the ability to attract and retain, it’s important to think about the top talent you’ve worked with in the past,” advises Sherry Engel, vice president of learning and talent development for MRINetwork. “Most of them are typically natural learners, with a passion for continuous self-improvement.” Engel also notes that in order to keep these top performers as happy and engaged employees, leaders must create an environment where people have the ability to grow. She asks, “As a leader, are you providing the right culture and environment to attract and nurture those passions?” “It’s not just about checking the box for a learning and development program, but also creating a culture that supports taking chances, and supports the desires of people to take on new responsibilities and try new things. Leaders must be in tune with their employee’s professional desires and provide opportunities to embrace development and growth. Without that, top talent will seek it elsewhere.”

Workforce agility

As organizations become more agile, they will have a greater reliance on contractors to help bridge the skills gap. Companies across all industries are embracing this trend, with an emphasis on accessing skilled, mission-critical talent. According to Staffing Industry Analysts Workforce Solutions Buyer Survey 2018, respondents report that 22 percent of their staff is currently contingent and project that by 2028 that figure will rise to 30 percent. Factors contributing to this trend include increased turnover and low employee engagement, especially among younger workers. As a result, some businesses are moving away from trying to keep employees around longer and are instead reducing costs associated with turnover and embracing the gig economy. It is particularly prominent in industries that have changing labor demands for different projects - one project, for example, may need 15 people while another may need 150. “Employers need to assess the right mix of traditional fulltime workers and contractors to best

meet their business objectives,” says Tim Ozier, senior director of contract staffing sales for MRINetwork.

Blind hiring

Bias in the workforce remains a big issue. To minimize any controversy, companies are being encouraged to make hiring a blind process. In standard screening and interviewing, unconscious bias easily becomes part of the equation by including data that gives away key parts of a candidate’s background: gender, age, race or even alma mater. By stripping away any information that may reveal demographic data, the first wave of screening can be done based purely on abilities and achievements. “This allows for a more diverse workforce built on merit,” says Halverson, “but the problem is trying to achieve this with the proliferation of social media. Using a third-party recruiter is usually necessary to ensure a truly blind process.”

The priorities and challenges inherent in these significant trends are clear, and readiness to respond to them is essential. The ongoing tight labor market means that companies will continue to be challenged with finding and retaining the right employees. “Given the importance that business leaders place on the talent management agenda,” concludes Halverson, “it’s a good time to reflect on what can be done and to take action, focusing on what should be done differently, and what might be improved to move the needle in this critical area.”