

State of Work Report 2024

Highlighting key trends in remote work, automation, AI, and employee well-being, providing a concise snapshot of the future of work.



Multiplier

Executive Summary

75%

Promotions rule

Internal recruitment will be given the greenlight as the most valuable way to retain top talent. Companies will focus on upskilling and getting the most of employees from a cultural and financial perspective.

70%

Workplace wellbeing is good for business

...it's called work life integration now. A much better way to describe the increasingly flexible relationship between work and lifestyle that promotes employee output, productivity and happiness.

30%

HR will be automated

No one has the time, the money or the patience for human error, complex systems or clunky processes. Automation will be key to boosting HR efficiency and productivity in 2024.

75%

Skills will pay the bills

Skills, and not degrees, will prove the better way to understand a candidate's commitment, critical thinking and problem solving.

97%

Stepping up (not taking steps) towards DEI will really matter

Diversity, equity and inclusion is not a one-size-fits-all solution - and employers who recognize this and step up to truly modernizing their business from a people perspective will receive more employee engagement, retention and performance.

72%

Return to office will gain momentum

Hybrid could save the day in the tug of war between employers and employees. HR leaders will establish new structures that will help everyone thrive and release potential. Hybrid itself will evolve, helped by a blend of technology and human insight.

76%

Work life balance is dead

...it's called work life integration now. A much better way to describe the increasingly flexible relationship between work and lifestyle that promotes employee output, productivity and happiness.

85%

AI will make hiring easier

Mundane tasks like screening resumes, scheduling interviews and estimating salaries will all be taken care of by our friendly robot overlords. AI tools will also help to gauge team performance and automate admin.

ZOOM

Productivity is #1 priority

But achieving productivity will be a complex puzzle. In 2024, HR Leaders will look to remove bottlenecks, create performance-based strategies and get better at measuring real output.

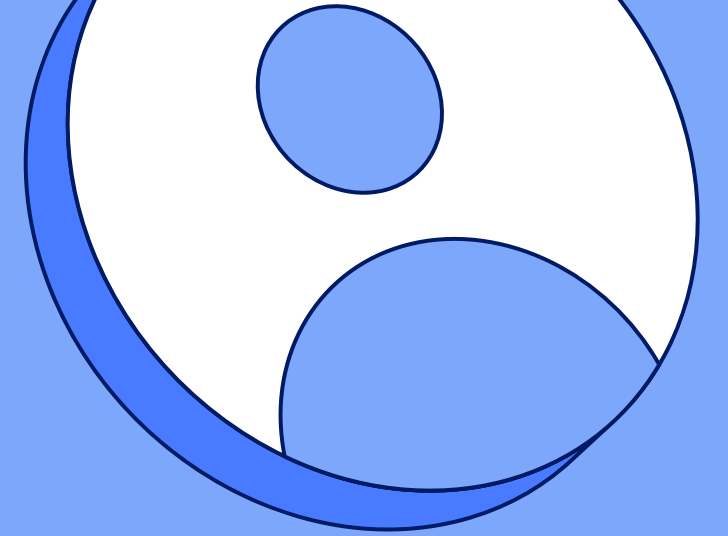
2024

The gig economy will solve talent challenges

The global gig economy will continue to grow, with more professionals looking for flexible work options. For employers and HR professionals, this will prove useful for quickly plugging skills gaps, bringing in new talent or finding niche skills.

Index

3 - 4	Introduction
5 - 14	Replacing silos with agile and effective solutions
15 - 24	Skills will shape the working world, not degrees
25 - 34	Continuing the shift towards work-life integration
35 - 42	Smarter hiring and team management with AI
43 - 48	Solving the productivity puzzle
49 - 56	The rise of internal mobility: move around, not out
57 - 66	Employee health & well-being is still a top priority
67 - 76	The evolution of the gig economy
77 - 84	Recognition to reinforce diversity, equity, and inclusion
85 - 92	The big “return to the office”



Introduction

Undoubtedly, the business world has gone through drastic changes in recent years. Employers have battled mass attrition, the evolving state of employment, and the need to adapt policies to suit new cultures.

This means many companies are looking to adopt new strategies and implement technology to aid improvement, such as performance management and data analytics.

While we can attribute much of the chaos of the pandemic and the rise of remote and hybrid work, many other factors are worth considering — such as ongoing financial uncertainty and a problematic skills shortage. Oh, and the meteoric rise of artificial intelligence. You may have heard about it... It's kind of a big deal. But we'll get to those later.

Obviously, that figure skyrocketed during the pandemic, causing tectonic shifts throughout the business landscape. Now the dust has settled, Forbes 2023 remote working statistics show that about 13% of full-time employees work remotely, and 28% are in hybrid arrangements — a far cry from the fully remote future we all envisaged.

Until 2019, 5-6% of the working population worked remotely.

This statistic alone shows how much global employment has changed in a few years. As we enter 2024, the job market is on the cusp of significant changes if predictions come to fruition. Employers face new and recurring challenges, and the need for ideas and effectively executed strategies are paramount.

Times are changing for employers and HR leaders, but we're here to help. Utilizing fresh insights from experts and survey polls, Multiplier has compiled a list of ten HR predictions for the world of work in 2024.

Replacing silos with agile and effective solutions

01



Silos are systems that organize employees into individual groups, often those within the same department. This limits collaboration and communication with those in another silo, often creating sub-cultures within an organization. Mario Moussa (author of *The Culture Puzzle*) attributes this to human nature and our impulse to create tribes.

Deconstructing silos ensures departments no longer view the organization through a siloed lens, allowing for a greater understanding of all things across the entire organization.

A report showed that

30%

waste as much as 12 hours a week chasing vital data, as fractures in an organization cause a breakdown of communication and the sharing of information.

“Silos – and the turf wars they enable – devastate organisations. They waste resources, kill productivity, and jeopardise the achievement of goals.”

— Patrick Lencioni,
Writer of *Silos, Politics and Turf Wars*

This isn't to say silos have never worked, but we're in a new era of business, and employee needs are evolving. The more silos you have, the less each group knows about the next, and there's a failure to share resources, particularly data — leading to confusion, poor performance, duplicated work, and a massive divide within the organization.

A 2023 report by Insight222 shows that 55% of the organizations surveyed have a data-driven culture for people analytics.



This figure will grow over the next few years as holistic and collaborative cultures replace silos. Data and collaboration are vital for a wide range of HR processes. From onboarding to task management, sharing resources and creating cohesive environments are keys to long-term success and productivity.

From silos to HR solutions

HR is an entirely different beast in 2023, primarily because of technological advances and how it's shaped the modern business world. Today's workforce management solutions ensure a holistic, data-led approach to HR — consisting of processes such as employee development, onboarding, talent acquisition, performance management, well-being, and much more.

Business.com's HR systems management report shows that

50%

of small business HR experts use cloud-based software to manage HR functions

\$3.2 Million

small-to-medium businesses doing the same.

Utilizing cloud-based systems and automation allows HR professionals to remove tedious and time-consuming tasks from their workload. Making way for optimized processes that help the business and its employees grow.

With a unified platform to conduct a range of HR tasks, complex or technical functions such as payroll, reporting, employee benefits, and analytics are easier to manage and are transparent. Software systems reduce human error, increase efficiency in these areas, and free up time for HR professionals — allowing them to focus on aspects of their work that promote growth and innovation.



By eradicating the silo mentality, you create a collaborative and creative spirit in an environment where an entire workforce has unified goals and vision. Doing so not only motivates and incentivizes your team but also boosts productivity and morale through combined efforts and a stronger sense of togetherness.

Takeaways

30%

of professionals waste as much as 12 hours a week chasing vital data.

50%

of small business HR experts and 3.2 million small-to-medium businesses use cloud-based software to manage HR functions.

55%

of organizations have a data-driven culture for people analytics.

1

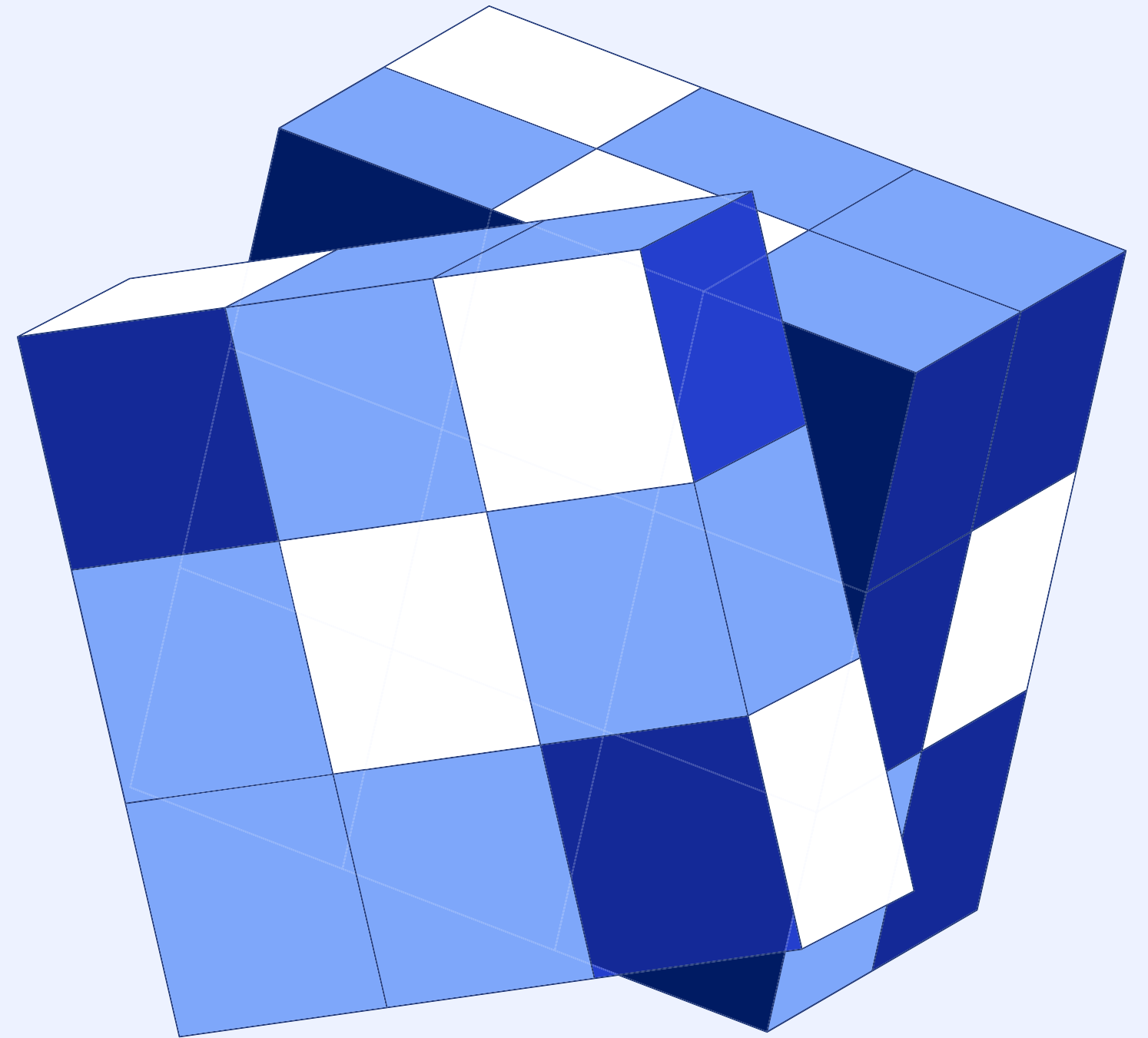
Modern workforce management platforms can conduct simple and complex HR tasks like payroll, reporting, employee benefits, and analytics.

2

Data-led approaches to HR have become vital for employee development, onboarding, talent acquisition, performance management, and more.

Skills will shape
the working world,
not degrees

2022



For years, the narrative has been that if you want to succeed, you need a degree or the appropriate qualifications to find the right job. However, that age-old narrative has shifted in recent years. A study by the Burning Glass Institute observed a decrease in job postings requiring a Bachelor's degree. It makes sense, as only one-quarter of workers have a degree, and only 15% have advanced degrees.



The prioritization of degrees began during the Great Depression when employers felt the need for more scrutiny when recruiting new employees. A college education was considered crucial to demonstrate a candidate's profound knowledge in their chosen field. This was particularly common in healthcare, technology, and business management, where the school's reputation indicated the candidate's pedigree.


A century later, hiring has mostly stayed the same. In many cases, degrees are still considered vital to better understand a candidate's commitment, critical thinking, and problem-solving. So, that's pretty much how we got here. But you can't blame the talent crunch on recruitment decisions from a century ago.

The key is to innovate, using technology and a broader view of the job market as drivers. At Multiplier, our platform facilitates global employment by acting as an EOR and workforce management tool. Our clients are no longer restricted by borders, meaning they can look worldwide for the best talent. HR leaders in 2024 must share this mentality and adopt the necessary technologies for real change.

Why are we so caught up about degrees?

“The talent crunch problem is very real. And hence, in order to grow fast, you need to have employees everywhere in the world. So, employees have changed, office spaces have changed, now their geographic proximity is changing,”

— Sagar Khatri, CEO at Multiplier



The talent market
is global, not local.

Why 2024 will ignite skill-based hiring

Undoubtedly, 2023 has been a significant eye-opener and learning curve for the business world. The current skills shortage is problematic, but by 2030, businesses will have lost out on \$8.5 trillion in unrealized revenues due to a lack of skills. However, times are changing. LinkedIn's Skills First Report shows that 19% of job listings prioritized skills over education or qualifications. While this doesn't seem like a big number, it's an improvement on last year's 15%. Additionally, their Future of Recruiting report considers skill-based hiring the "gold standard" for recruitment.

LinkedIn's [Skills First Report](#) shows that 19% of job listings prioritized skills over education or qualifications. While this doesn't seem like a big number, it's an improvement on last year's 15%. Additionally, their Future of Recruiting report considers skill-based hiring the "gold standard" for recruitment.

The data shows that recruiters looking for candidates on LinkedIn are:

25%

more likely to search for skills than in the previous three years

50%

more likely to prioritize skills over years of experience

75%

of recruitment professionals consider skills-first hiring a top priority over the next year.

The continued shift towards skills-first hiring is a critical advantage for employers and candidates. Adopting this new way of thinking offers an infinitely broader talent pool and ensures businesses can find professionals who suit specific requirements. Also, this more modern approach can easily tie into other initiatives such as promoting diversity, identifying leaders, and cultivating an innovative culture.

Takeaways

1

Job postings requiring a Bachelor's degree have declined. Only one-quarter of workers have a degree, and only 15% have advanced degrees

2

By 2030, businesses will have missed out on \$8.5 trillion in unrealized revenues due to a lack of vital skills

3

LinkedIn's Skills First Report shows that 19% of job listings prioritized skills over education or qualifications.

4

Recruiters looking for candidates on LinkedIn are 25% more likely to search for skills than in the previous three years and 50% more likely to prioritize skills over years of experience.

5

75% of recruitment professionals consider skills-first hiring a top priority over the next year.

Continuing the shift toward work-life integration

03



What does work-life balance look like today?

It's no secret that long work hours threaten employee health and wellness while hindering their personal lives. To alleviate this, the US government introduced the traditional 40-hour work week in the 1940 Fair Labor Standards Act — one of the first significant steps towards implementing a work-life balance. However, it wasn't until the 70s and 80s that the term "work-life balance" began to gain traction and buzzed around the HR world.



Today, companies implement measures to ensure work-life balance by preventing burnout and maintaining consistent productivity levels. According to a [report by Gallup](#),

76%

of employees experience burnout at work

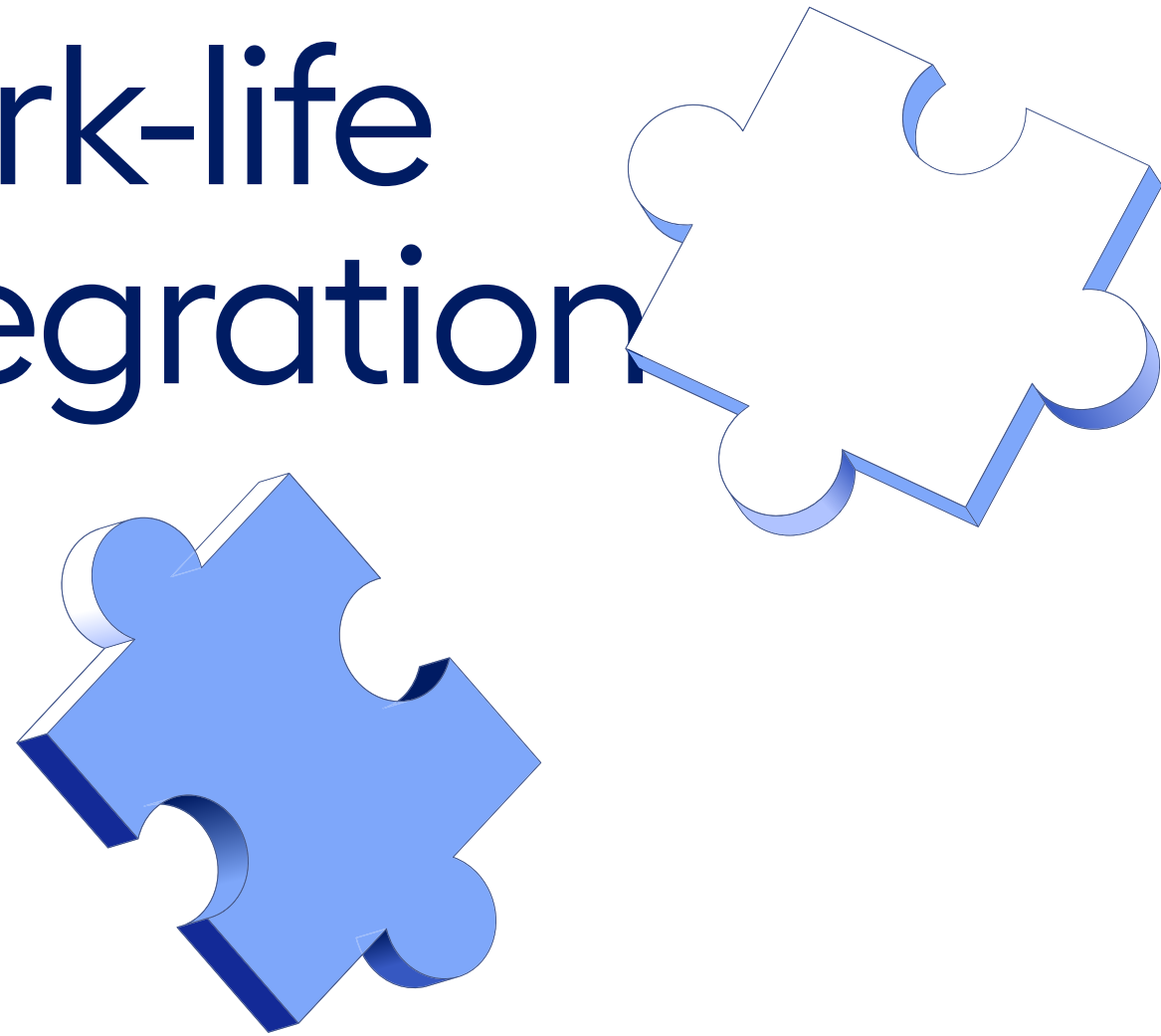
28%

experience it "very often" or "always."

Work-life balance is one of the critical factors for job seekers, particularly millennials and Gen-Z workers for whom healthier workflows are a priority.

By 2025, [75% of the working world](#) will be millennials. So, it's safe to say that organizations will face immense challenges if the lines between work and personal lives continue to blur — something that's all too common since the rise of remote work.

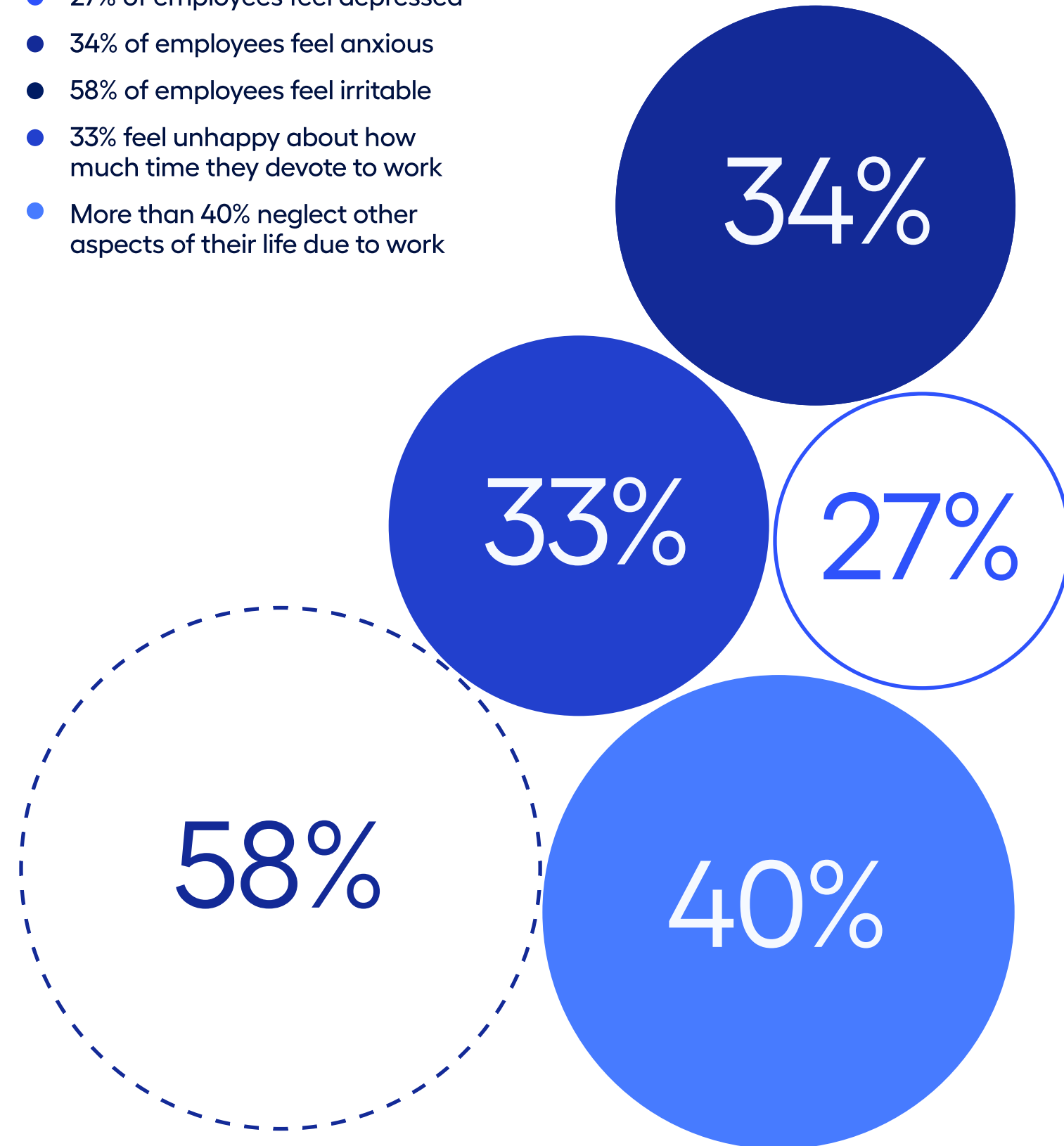
The move to work-life integration



Work-life balance is still one of the key elements that boosts productivity. However, work-life integration is the most beneficial solution for global teams and remote work. Work-life integration refers to the flexibility employees have at their jobs. Here, the focus isn't on staying online all day or the hours an employee works. Instead, it's about output and productivity.

A survey by The Mental Health Foundation found that when working long hours:

- 27% of employees feel depressed
- 34% of employees feel anxious
- 58% of employees feel irritable
- 33% feel unhappy about how much time they devote to work
- More than 40% neglect other aspects of their life due to work



In 2024, asynchronous or “async” work cultures will continue to grow in popularity, allowing employees to choose working hours that best suit them and eliminate or reduce dependency.

The traditional eight-hour workday was effective when working from the office was the norm, and remote work was a foreign concept. However, with remote work, employees must constantly juggle work obligations and domestic errands, which results in a faster road to fatigue.

98%

of employees would prefer remote work and would recommend it to a friend.



Going forward, employees will prefer jobs that allow them to work on their own schedule in remote or hybrid arrangements, thus helping to integrate their lives around work. Employers may also minimize the importance of traditional working hours, focusing more on productivity and results.

An async culture boosts productivity as more time is spent focusing on key projects and goals rather than irrelevant meetings and admin tasks. In a survey, 52% of employees preferred asynchronous communication over virtual meetings.

The trend continues to grow, and in 2024, employers will implement more work-life integration policies and promote an async culture.

Takeaways

98% of employees would prefer remote work and would recommend it to a friend

58% feel irritable

76% of employees experience burnout at work

In 2024, asynchronous work cultures will continue to grow

34% feel anxious

52% employees preferred asynchronous communication over virtual meetings

28% experience burnout "very often" or "always"

27% feel depressed

Smarter hiring and team management with AI

04



Throughout 2023, artificial intelligence has caused quite a stir and proved to be a valuable tool for boosting productivity and efficiency.

It's also become one of the big talking points in HR circles as AI proves incredibly useful for recruitment and workforce management.

85%

of HR leaders already use AI in their daily work,

55%

Expect to use it more in the future.

In 2024, HR leaders will continue to identify the best uses for AI and how it can be leveraged to augment and even replace human recruiters. Many organizations already use AI to personalize candidate requirements, conduct mundane tasks like scheduling, or automate the early stages of the selection process.

With the right tools, recruiters can screen resumes and shortlist candidates in seconds.



Additionally, businesses will use AI extensively to create job listings, estimate salaries, and handle admin tasks such as scheduling interviews. This will free up time and resources for more strategic and critical projects that add value to the organization.

Additionally, AI helps managers and recruiters forecast future hiring needs, and previous data can be evaluated to better understand the company's recruitment demand — rather than filling positions for the sake of it. It happens to be a great way to reduce costs while maintaining productivity. More than 90% of employees said automated solutions increase productivity, and 85% said the tools boost team collaboration.

AI for intelligent, data-led team management

Apart from hiring, managers will continue to use AI-enabled tools to automate critical tasks and spend more time creating and mentoring teams. AI-enabled models can gauge performance and generate relevant goals for each employee. There is no need for manual processes or individual assessments. They take time and can be ineffective.

With artificial intelligence, managers can gauge their team members' strengths and weaknesses and suggest relevant training opportunities. This will create a more personalized approach to team management. Also, it's more impactful than mandatory one-size-fits-all training and workshops. Skills and career development are crucial factors for employees and job seekers, and automated tools may catalyze much-needed changes in employee development.

AI is still relatively new in people management, but over 2023, we've witnessed true progression and evolution — not to mention widespread acceptance. In 2024, we'll witness the continued evolution of automation and more companies incorporating data-driven approaches to workforce management.

Takeaways

1

A survey of HR leaders found that 85% already use AI, and 55% expect to use it more in the future.

2

More than 90% of employees think automated solutions increase productivity, and 85% think they boost team collaboration.

3

Many companies already use AI to streamline or automate the early stages of recruitment, ensuring their workers use their time more effectively to find top talent.

4

AI will ensure personalized and purposeful workforce management and training, replacing conventional “one-size-fits-all” approaches.

5

AI will create opportunities for organizations to prioritize employee development, ensuring businesses have the skills and personnel to tackle the talent crunch.

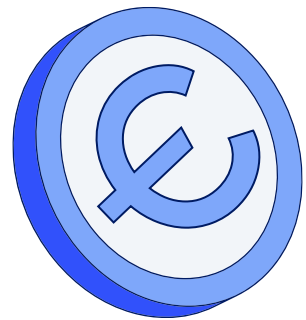
Solving the productivity puzzle

OECD





Productivity makes the world go around, well, money does —but you know what we mean.



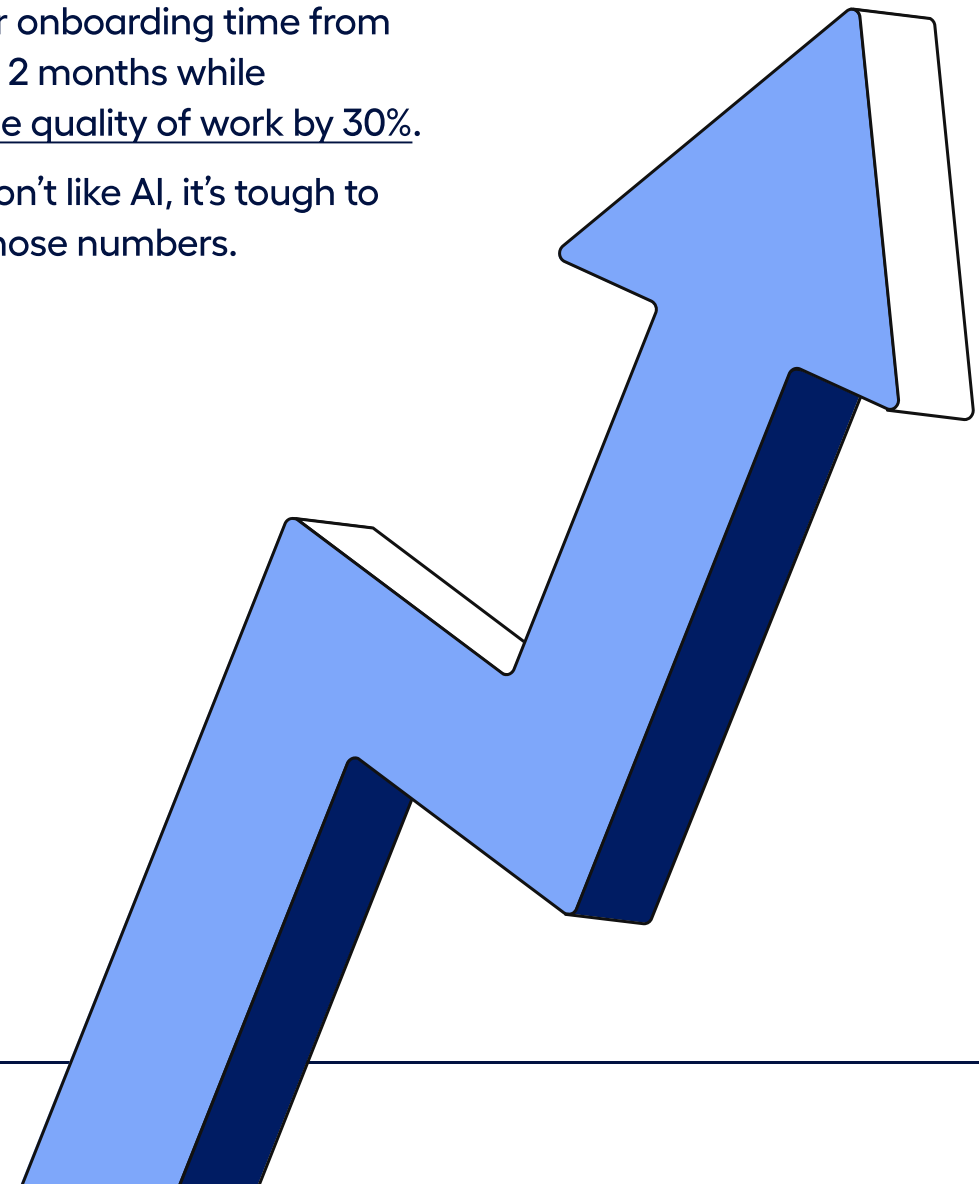
Remember the start of the pandemic? There was a massive growth of stagnant productivity. But to be fair, it was a global pandemic, and many people were remote working for the first time. However, productivity issues continue to plague the business world three years later. Scratch that. Entire countries have struggled with productivity in recent years.

Therefore, productivity is among HR leaders' top priorities for 2024 and motivates companies to explore options such as hybrid arrangements, returning to the office, and implementing automated technologies. The HR space's efforts with employee wellbeing and engagement led to the highest US job satisfaction rate in 36 years — yet productivity still struggles.

In 2024, HR will adopt a more holistic view of productivity by removing bottlenecks, creating performance-based strategies, and promoting behaviors that boost productivity. HR professionals will also become better at measuring real productivity via data-led goal-setting, closely monitoring output, and better understanding their business's recruitment needs.

Data analysis and forecasting will also prove vital, with companies like Microsoft using data to identify peak performance windows and adjust their work structure accordingly. The same can be said for generative artificial intelligence (GAI). A study shows that a Fortune 500 company using GAI reduced their onboarding time from 10 months to 2 months while increasing the quality of work by 30%.

Even if you don't like AI, it's tough to argue with those numbers.



Takeaways

1

The US job satisfaction rate is the highest it's been in 36 years, thanks to employee wellbeing and engagement efforts.

2

Productivity issues have forced businesses to seek modern, long-term solutions — such as using data analysis to understand recruiting needs, monitor performance, and create workflows that best suit your workers.

3

Large organizations such as Zoom are looking to return to the office in the hopes of improving productivity.

4

Data analysis and forecasting will help companies identify peak performance windows and adjust their work structure accordingly. Microsoft is already doing this.

5

AI is helping companies reduce onboarding times by several months.

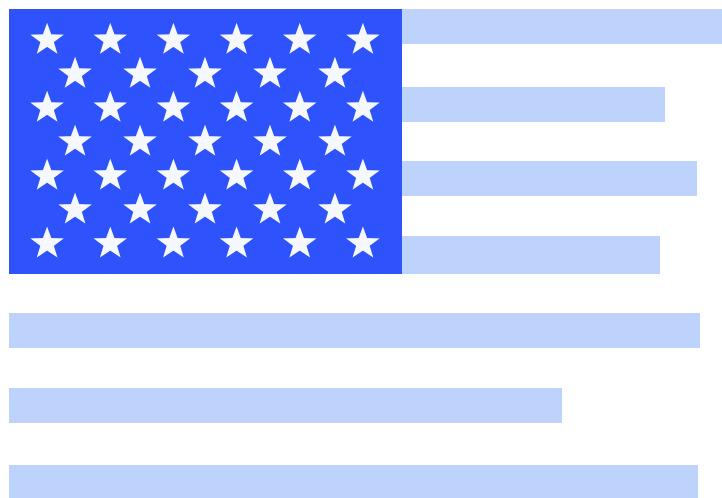
The rise of internal mobility: move around, not out

06



High attrition rates and a global talent shortage have companies concerned, to say the least. In response, organizations have recognized internal recruitment and reconfiguration as a valuable way to retain talent and improve employee agility, and it's much more cost-effective. However, statistics show that almost a quarter of companies (24%) have no strategy to facilitate internal promotion.

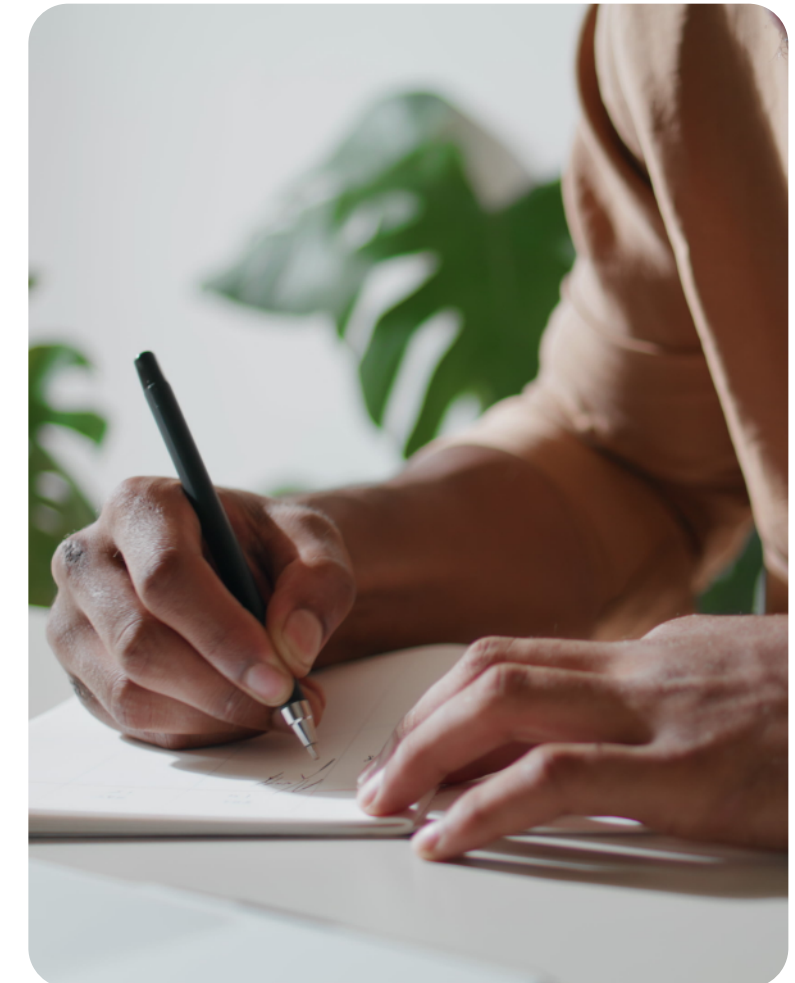
Why is something as effective as internal hiring still underutilized?



Historically, moving employees internally was challenging. The reasons for this are mainly qualitative. Employees don't get adequate support from peers and managers when transferring to internal roles. A [hiring and job search outlook report for 2023](#) found that 49.5% of US employers intended to hire internally or promote current employees.

Combining this with the fact that [81% of recruiters](#) believe that internal recruiting improves employee retention, it makes zero sense for companies to ignore what's right in front of them. Unfortunately, factors such as hiring biases and workplace politics can exacerbate things. In many cases, less formal ad hoc processes for internal recruitment lead to poor results.

A [study](#) of 11,000 internal hires at a Fortune 100 company over five years found that internal candidates hired through informal processes consistently underperform compared to internal candidates hired through formal postings. And that was back in 2015. We have the tools and insight for widespread change in 2024.



Internal mobility in 2024

We're in the middle of a big ol' talent crunch, and financial uncertainty is rife throughout many sectors. This has led to all companies looking to save money wherever possible, and for some, this requires reducing training budgets and making learning and development budgets discretionary. Therefore, internal recruitment is helpful to boost employee engagement and fulfillment by acquiring new skills without breaking the bank.

A Talent Shortage Survey by ManpowerGroup shows that 77% of employers need help to fill roles.

In times like this, innovative thinking and implementing new technologies are critical. Fortunately, the advances in HR tech are already helping companies streamline skill gap recruitment, provide vital employee development, and utilize existing skills to make employee mobility more straightforward and autonomous.

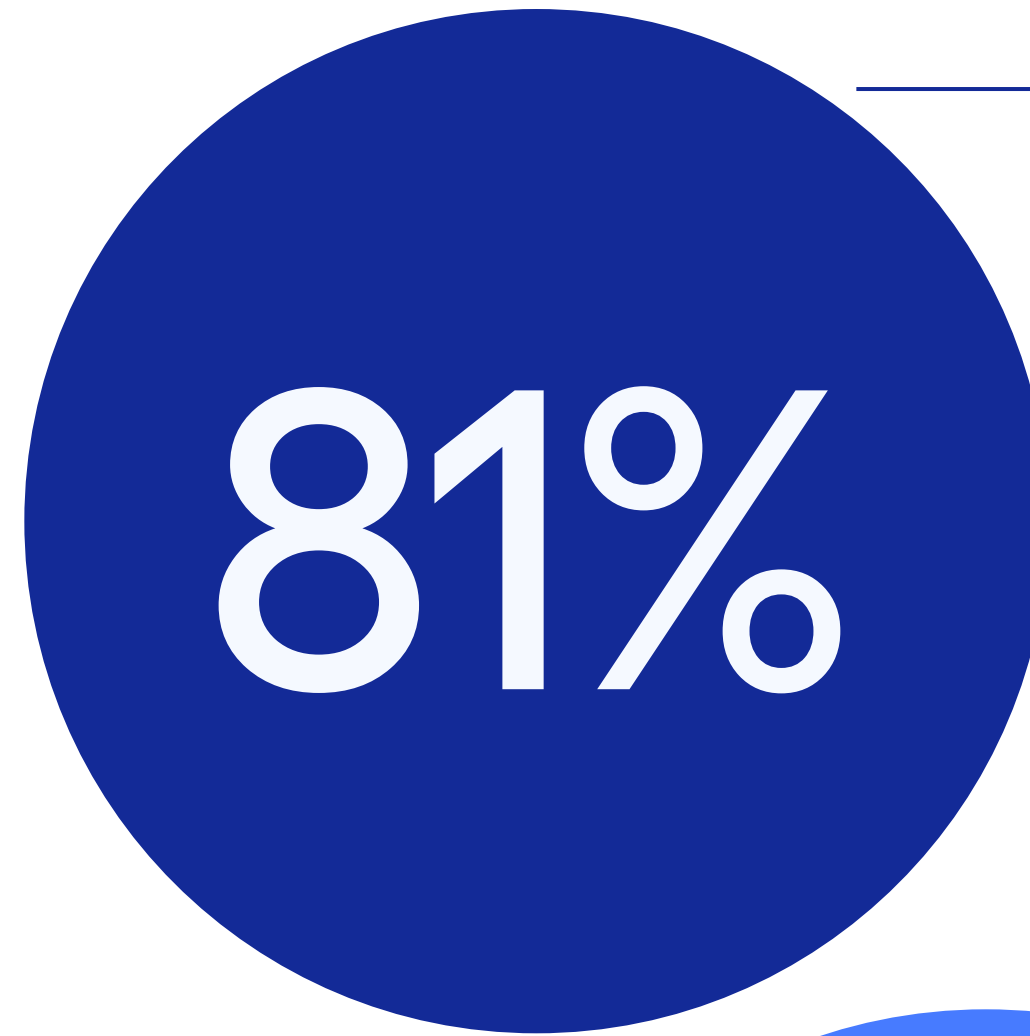
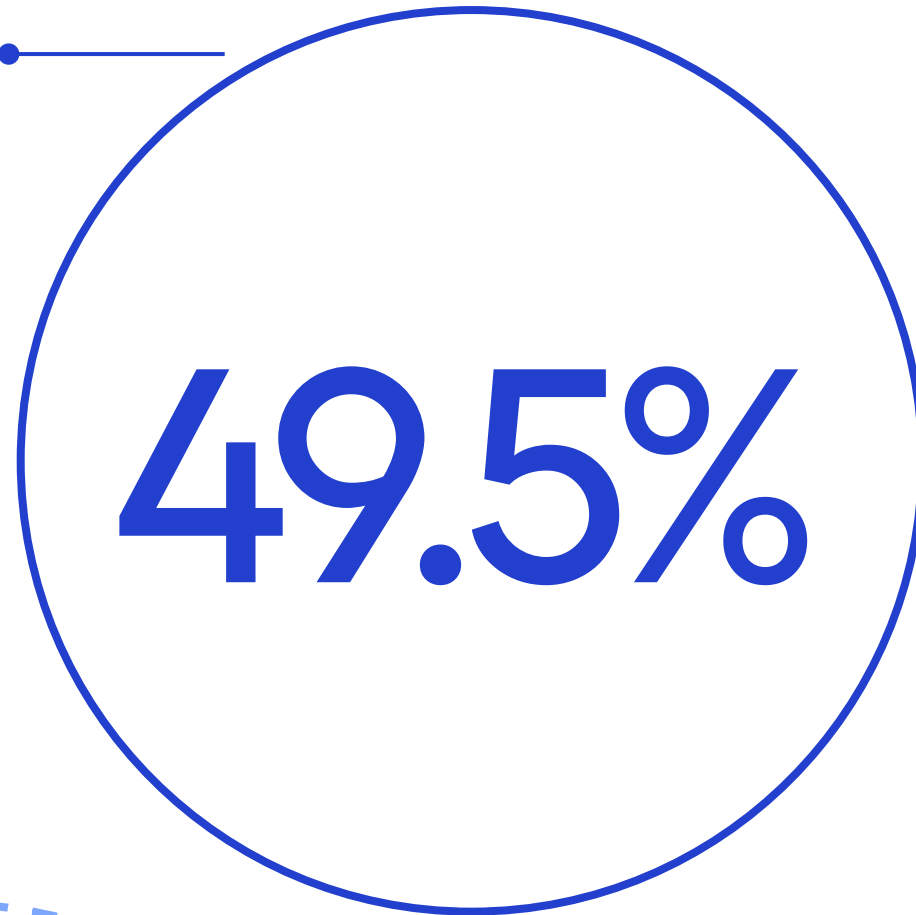
Additionally, integrated tools offer comprehensive workforce management and ensure transparency — so employees know when opportunities are available, and employers have a better idea of how to fill them.

Integration will also help employees set career and learning goals and track them against open positions within their company, thus boosting awareness of internal hiring and transfer opportunities.

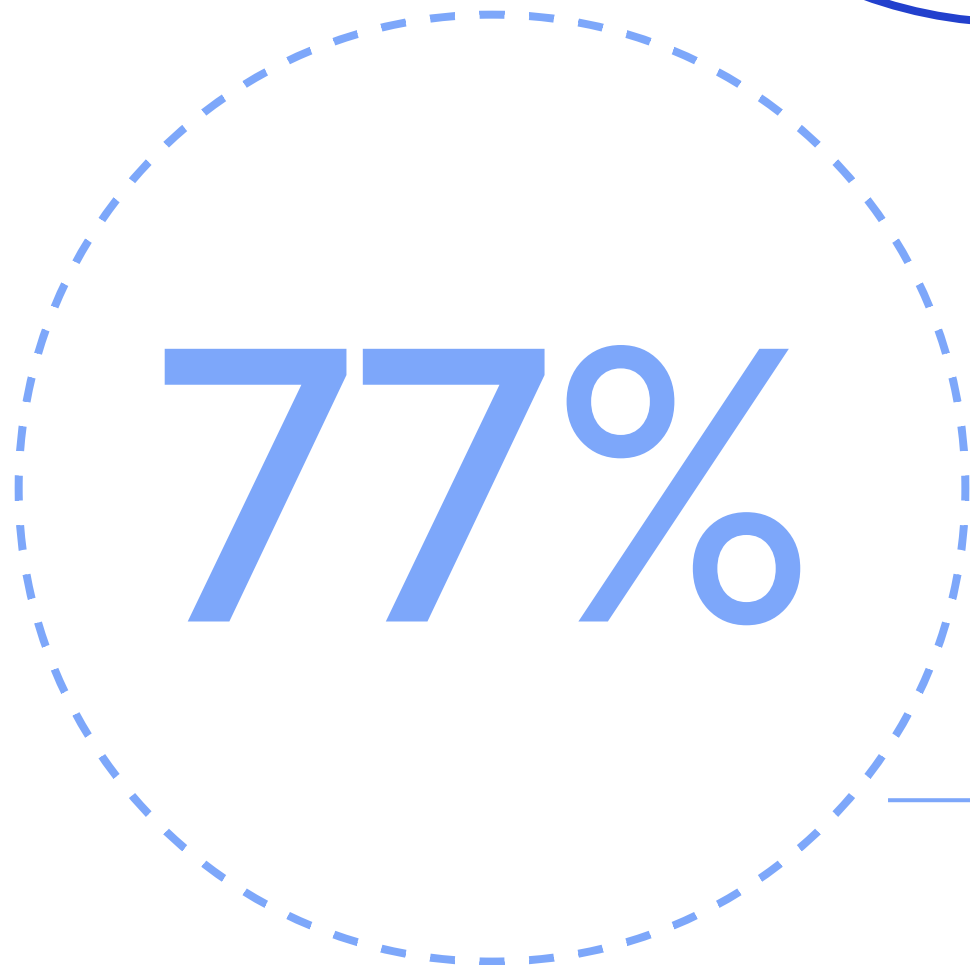
Attrition rates are still predicted to put pressure on companies to retain talent, with 86% of companies expecting their turnover rate to remain high and above the target level in 2024. To counter this, many companies will likely attempt to implement non-monetary incentives to increase morale and engagement.

We've already seen a considerable shift in how companies prioritize their culture, but over the coming years, company culture will continue to be essential for talent acquisition and retention. Many companies will look to culturalize internal hiring and include it as a crucial part of their hiring strategy.

Throughout 2023, 49.5% of US employers intended to hire internally or promote current employees

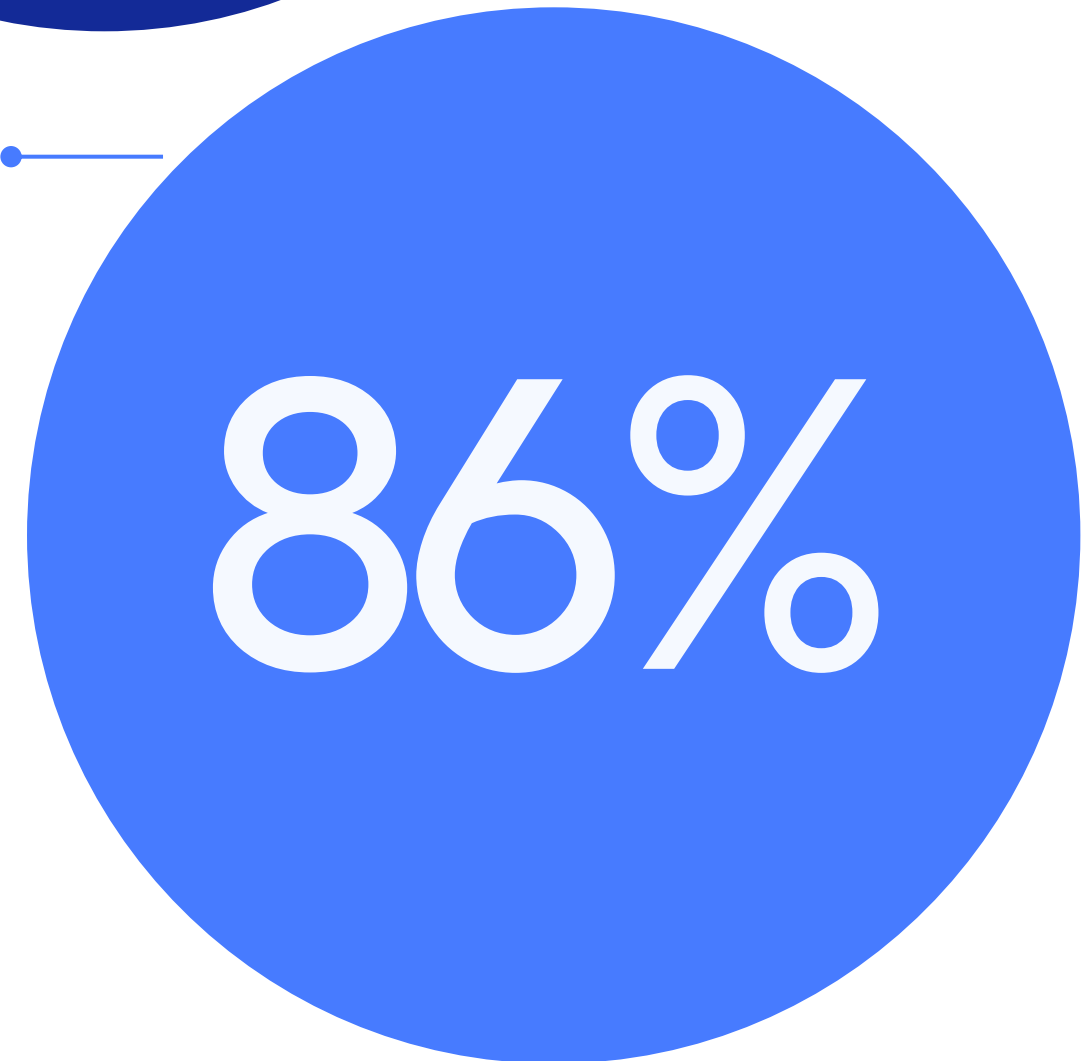


81% of recruiters believe that internal recruiting improves employee retention



Amid the talent crunch, 77% of employers need help to fill roles

Attrition rates will pressure companies to retain talent, with 86% of companies expecting their turnover rate to remain high in 2024

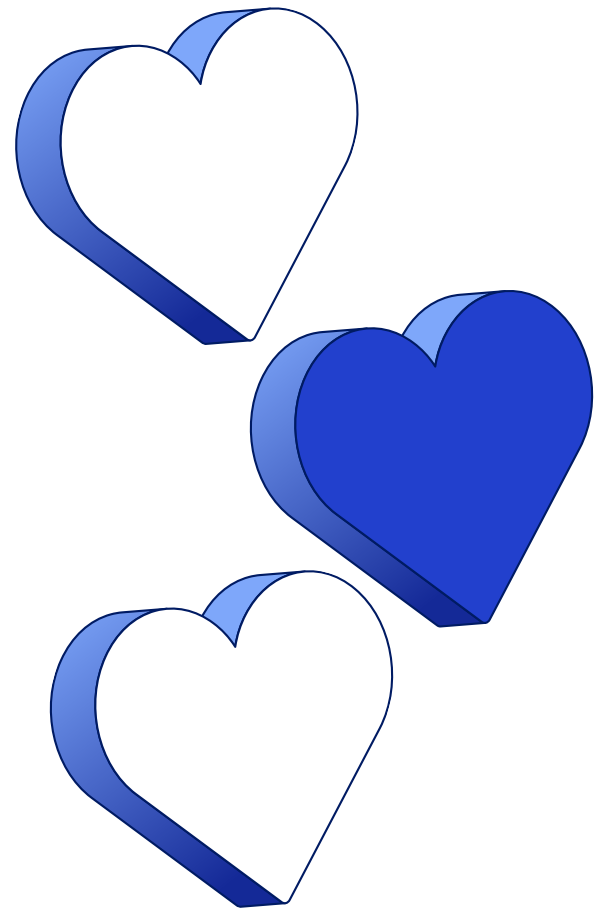


Employee health
& well-being is still
a top priority

07



In 2024, companies across all industries will look to emphasize the critical nature of employee health and well-being. It's by no means a new trend but one that still requires a great deal of time and investment. This priority shift stems from increasing pressure on employers to retain talent following The Great Resignation.



Virgin Pulse's 2023 Global Workplace Health and Wellbeing Priorities Survey found that health and well-being are the top concerns for HR leaders hoping to retain talent. The survey offers excellent insight into the ever-evolving business landscape and, more specifically, how workplace priorities are changing. Since the COVID-19 pandemic, many employers have committed to prioritizing employee health and well-being, ensuring their organizations can and will adapt to the significant changes to employee needs.

Of course, this shift was ignited by the pandemic, for which freedom and flexibility became the new norm, and employees began to place more emphasis on being happy and healthy.

“Employees want to work for a company where their health and well-being is a priority and where each individual is seen as a whole person.”

— Dr. Jeff Jacques, chief medical officer for Virgin Pulse

The survey of over 600 HR leaders

More than

70%

of HR executives experience a return on investment (ROI) with well-being strategies.

Moving forward, the survey also shows that

59%

of respondents plan to introduce well-being programs over the next year or so, doubling down on their increasing importance within the workplace.

Additionally

67%

of respondents state that employee participation and engagement improved, attributing well-being programs to positive impacts on employee behaviour.

Before the pandemic, a similar global survey revealed that as little as

23%

could measure the impact of well-being initiatives.

Statistics such as this are a big step in the right direction for the working world. It demonstrates that investment in the right areas, such as employee well-being, can positively impact many areas of an organization in 2024.

Ultimately, employee well-being is a necessity for employers. A [survey](#) of 150+ large US organizations found that 77% report an increase in employee mental health needs, and an additional 16% expect this to rise in the near future. So, if there's ever a time to get serious about employee health and well-being, that time would be right now.

Take care of your people, take care of your business

At Multiplier, we strive to maintain a supportive and compassionate culture, ensuring employees experiencing mental or physical health issues never feel alone. For this reason, we partnered with [Intellect](#), an organization that facilitates mental health support for businesses and individuals — making Multiplier the first EOR with a mental wellness program.

In 2024, more companies will implement mental health programs and work with external partners to ensure diligence and accountability. After all, mental health challenges can be severe for employees and have subsequent effects on the organization.

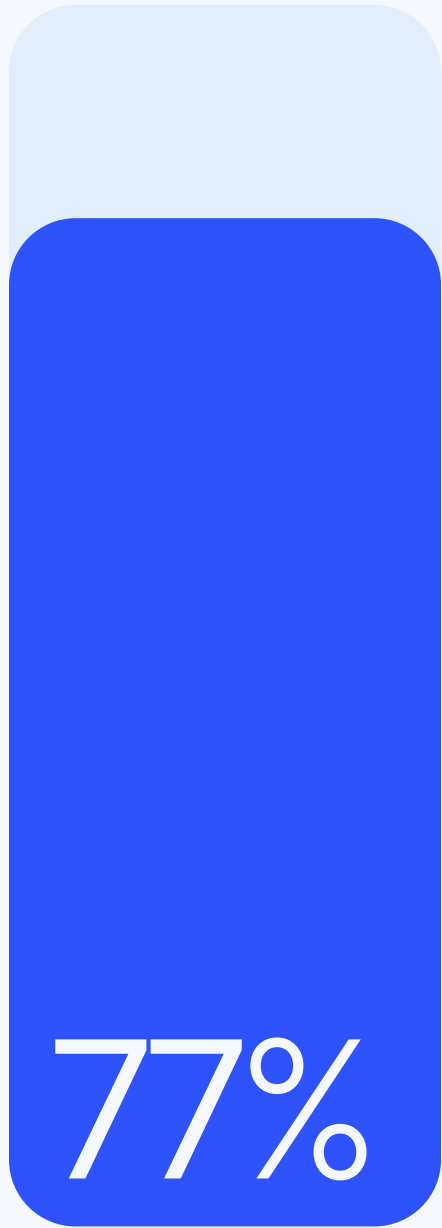
According to the [World Health Organisation](#), about one in eight people experience symptoms of depression. A [landmark study](#) in Singapore estimates that employees suffering from mental health challenges could cost businesses as much as \$28,720 per employee in reduced productivity and increased absenteeism.

This tells us two things. Firstly, there's about a 12.5% chance that you have an employee in the office struggling with mental health challenges. Secondly, if that's the case, your business will likely experience financial losses because of it.

There's plenty of hard data on the negative impacts of mental health on organizational costs, such as reduced productivity and employee engagement. Now, more than ever, mental health must be at the forefront of a company's priorities.



Takeaways



of large organizations report an increase in employee mental health needs; an additional 16% expect this to increase soon.



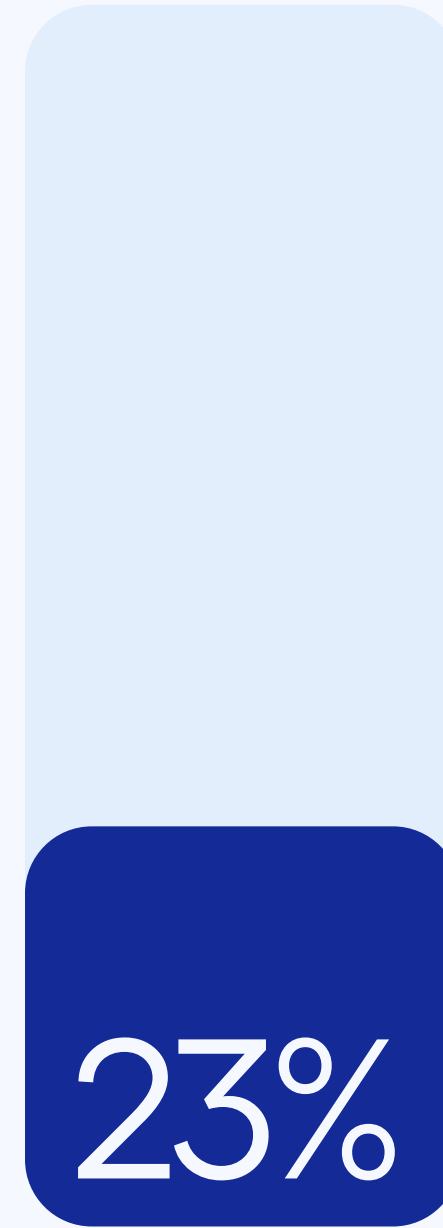
of HR executives experience a return on investment with well-being strategies.



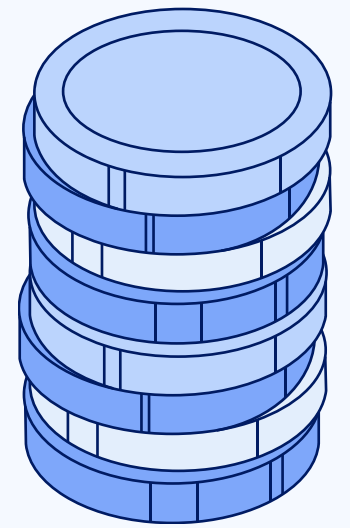
of HR Leaders state that well-being programs positively impact employee behaviors such as engagement and participation.



of HR leaders plan to introduce well-being programs in 2024.



Before the pandemic, as little as 23% of HR leaders could measure the impact of well-being initiatives.



Due to reduced productivity and increased absenteeism, mental health challenges can cost as much as \$28,720 per employee.

The evolution of the gig economy

08



As a result of the pandemic, remote work created an unprecedented global shift in how people view employment and the workplace. And, in some ways, there's no going back.

Professionals wanting alternatives to full-time jobs contributed much to this growth. Throughout 2023, the gig economy has continued to show promise for the future while offering a solution for the talent crunch. The gig economy offers a new level of flexibility and autonomy for employees.

Upwork's study found that American freelancers contributed about:

**\$1.35
Trillion**

to the US economy in 2022

79%

of full-time independent workers are happier working independently than in conventional work structures.

So, it's hard to envisage a world where the gig economy doesn't play a key role in global employment.

**\$50
Billion**

more than in 2021

**\$73
Million**

By the end of 2023, there will be around 73 million freelancers in the US, a three million person increase from the previous year.

Professionals wanting alternatives to full-time jobs contributed much to this growth. Throughout 2023, the gig economy has continued to show promise for the future while offering a solution for the talent crunch. The gig economy offers a new level of flexibility and autonomy for employees.

A study says 79% of full-time independent workers are happier working independently than in conventional work structures.

So, it's hard to envisage a world where the gig economy doesn't play a key role in global employment.



By 2025, Global Workplace Analytics predicts that about 70% of the workforce will work remotely five days a week.

70%

Meanwhile, Tata Consultancy estimates that 40% of the global workforce will work from home by 2025.

40%

Such figures show that the gig economy is here to stay and has swiftly become a lifeline for workers who no longer feel happy and productive in traditional employment.

The gig economy could also be the talent acquisition lifeline companies desperately need.

A new era for employment

If the business landscape is a desert, then specialized skills are vials of water. Vital for survival, but few and far between. However, the gig economy may be an unexpected savior in 2024.

Blended teams are becoming more common in the workplace, meaning employers may seek to implement more teams made up of employees and freelancers.

At the start of 2023, 73% of US workers planned to move to or remain in the gig economy.

That's a large crowd. Heading into 2024, even if that number halves (very unlikely, but let us have our fun), that's still more than a third of US workers in the freelance market — a pretty diverse talent pool for employers to dive into.

Organizations recognize the value on-demand talent brings to the table — specifically, flexibility and specialized skills in an uncertain economy. Therefore, integrating freelancers into the workforce when you need them can create more diverse, agile, and collaborative work environments.

The technological advances in workforce management ensure recruiting and onboarding freelancers is more seamless and simplistic than ever. Additionally, these tools possess incredible data analysis capabilities, allowing employers to easily monitor and manage employees and freelancers — while continuously optimizing their processes and policies to suit an evolving workforce.

For freelancers, the key will be to identify the skills organizations require and leverage these abilities to find new lines of employment. Critical skills in 2024 include AI, cybersecurity, data analysis, remote project management, and content creation. These are vital roles in modern business growth but can be outsourced to top-tier freelancers — reducing the expense of internal training and development, benefits, and other costs of hiring traditional employees.

With that said a new [EU deal](#) may pave the way for greater protection for freelancers, with the potential to gain social security and other benefits. Again, this shows how the gig economy continues integrating with traditional employment.

Takeaways

1 American freelancers contributed about \$1.35 trillion to the US economy in 2022, \$50 billion more than in 2021.

2 By the end of 2023, the US will have around 73 million freelancers, a three million increase from 2022.

3 Critical skills for freelancers in 2024 include AI, cybersecurity, data analysis, remote project management, and content creation.

4 Global Workplace Analytics predicts that about

70%

of the workforce will work remotely five days a week by 2025.

5 79%

of full-time independent workers are happier working independently than in conventional work structures.

Recognition to reinforce diversity, equity, and inclusion

09



Organizations and institutions have stepped up their efforts to implement diversity, equity, and inclusion solutions. The global market for DEI was estimated to be:

In 2020	\$9.3 Billion
By 2026	\$15.4 Billion

it's projected to be twice that amount (\$15.4 billion) — reflecting the increasing urgency and investment businesses are putting into these initiatives.

The popularity of employee resource groups (ERGs) shows employers are more in tune with what employees require from a DEI standpoint. These groups help organizations benefit from enhanced cultural awareness, leadership opportunities, improved job satisfaction, and reduced employee turnover. For today's companies, DEI isn't a box to tick. It's a vital characteristic of an employer of choice.

What is the state of DEI right now?

Most would assume things are on the up and up if the value of the global market for DEI is anything to go by. But data tells us otherwise, at least from a global employment perspective. LinkedIn's [2023 Workforce Report](#) shows a staggering 168% increase in chief diversity and inclusion (CDO) role hiring since 2019. However, the mammoth hiring surge hasn't resulted in much change yet.

According to a [Gallup report](#), 97% of HR leaders state that their company made changes to enhance DEI efforts, whereas only 37% of employees echoed the same sentiment. While HR and DEI efforts are increasing, there's somewhat of a disconnect between these initiatives' intent and impact. And a lot of it comes down to recognition.

“Diversity, equity, and inclusion are not just buzzwords; they are the cornerstones of innovation and progress. To me, as a female leader, embracing and championing these values within our organizations is not just a moral imperative but also a strategic advantage. This advantage fuels creativity, fosters resilience, and drives sustainable success.”

— Lina Szaks, SVP of Operations at Multiplier

Recognition is key

Many HR initiatives fail because employers try to implement a one-size-fits-all solution. All you have to do is look at the first letter of DEI, which stands for diversity. When you have a diverse workforce, you benefit from a multicultural environment where professionals feel safe and free to be themselves and be creative. But everyone is unique, and one-size-fits-all just doesn't cut it anymore.

Daily work stress remains high, and employers continually struggle to find new and effective ways to increase employee engagement. Throughout 2023, many companies have adopted a more "humanized" approach to DEI, focusing more on their people when creating processes. When people feel recognized, it's inspiring, engaging, and offers genuine job satisfaction.

Gallup's report mentioned above also shows that:

x3.8

Employees are more likely to be strongly connected to their company's culture if they feel that recognition is a top priority.

x20

Employees are more likely to be engaged if they receive positive recognition than those who receive none.

72%

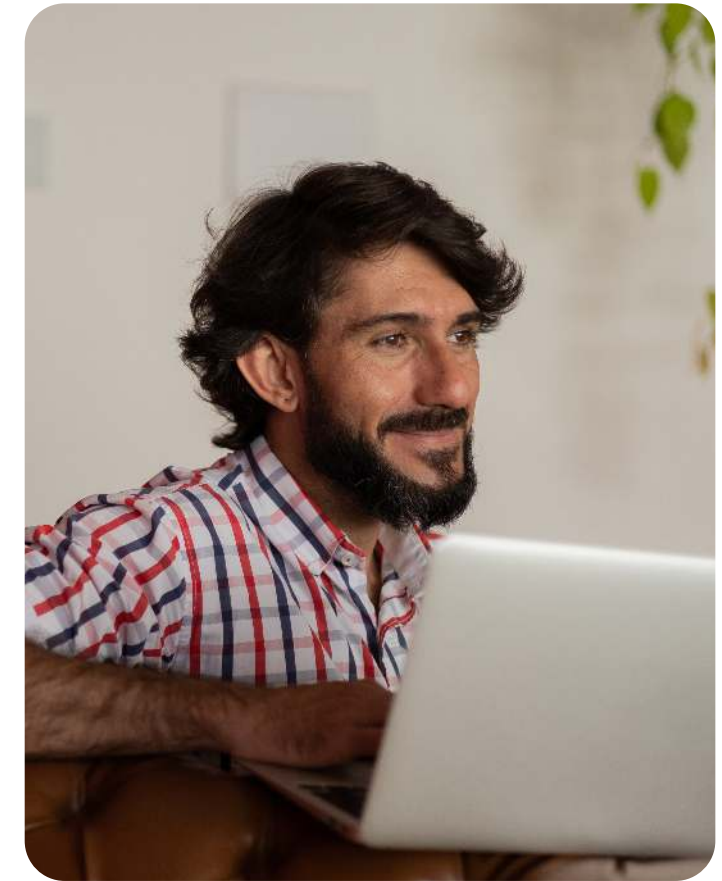
Of employees who receive great recognition say that good performance on "little things" is commonly recognized.

Recognition comes in many forms and tends to change from business to business and workforce to workforce. However, when initiatives are put in place to recognize the successes and struggles of employees, it paves the way for real change and promotes business growth.

When authentic recognition is a priority, organizations create diverse and inclusive environments, continually improving and optimizing the employee experience. Employers must also highlight where mistakes have been made in the past and shine a light on the ways employees have been overlooked or found themselves without support. Accountability is crucial for evolving workforces.

And finally, employers absolutely must implement health and well-being initiatives to prevent burnout and to ensure turnover is reduced amid the talent crunch. Losing your best talent due to poor DEI policies is terrible for your business reputation and sends the wrong message to your other employees.

Simply put, effective DEI efforts improve employee engagement, retention, performance, and well-being — so it's a no-brainer why businesses will step up their game in 2024.



Takeaways

\$15.4 Billion

The global market for DEI is estimated to be \$15.4 billion by 2026.

97%

of HR leaders said that their company made changes to enhance DEI efforts.

Employees are 4x

more likely employee's feel connected to their company's culture if recognition is a priority.

37%

of employees agreed.

Employees are 20x

more likely to be engaged if they receive positive recognition.

The big “return to the office”

10



Before the pandemic, most employees would never have predicted a work life with the flexibility and freedom of remote working. However, COVID-19 emerged and changed the working world forever.

Before the pandemic, most employees would never have predicted a work life with the flexibility and freedom of remote working. However, COVID-19 emerged and changed the working world forever. Today, most employees (98%) want to work remotely and would recommend it to a friend. However, you may have noticed that “returning to the office” (RTO) has been a trend throughout 2023 and will gain more traction by the end of the year as we move into 2024.

A survey of 1000+ company “decision makers” shows:

90%

of businesses will return to the office by the end of the year

72%

stated that RTO has improved revenue.

Combine this with the productivity slump businesses find themselves in, and you can see why there’s motivation to return to the office.

But there’s resistance from lots of employees, as the stats show. Employees want their freedom and flexibility, and businesses want productive employees in the office. This puts HR leaders in a tough spot, as it’s crucial to keep all parties happy as tensions rise. The report also shows that 28% of employers will threaten to fire employees who fail to RTO, whereas 39% of employees say they’d quit if a return to the office is mandatory.



Innovative hybrid models to save the day?

So, employees like remote work, and employers prefer workers in the office. What a pickle.

In 2024, one of HR leaders' top priorities must be refereeing this employment tug of war, ensuring they find creative means of keeping everyone happy. This is where hybrid models will continue to demonstrate their value and evolve to suit the needs of employers and employees, requiring new policies and technologies to ensure efficiency, engagement, fairness, and productivity.

As the name suggests, hybrid models offer the best of both worlds for working remotely and in the office, ensuring employees get the flexibility they need while benefiting from collaboration and other in-person advantages. By the end of 2023, Gartner predicts that 39% of knowledge workers will be in hybrid arrangements.

You don't need a crystal ball to see that hybrid models are here to stay. Still, HR leaders must be diligent and creative to establish new structures that help all parties thrive — leading to higher employee engagement, employer satisfaction, productivity, and great innovation potential.

This means it's crucial to tailor hybrid workflows to the unique needs of organizations, which offers an opportunity to involve employees in decisions that will affect their daily lives. Technology will also play a vital role, from performance monitoring to in-depth data analysis; hybrid models should be an innovative and evolving process — use data and insight to optimize your policies as time passes.

Finally, leadership within the workplace. HR and workplace leaders need training to adopt new strategies and unique approaches to remote and hybrid models. The modern workplace is so different now, as this report shows you. Leaders must prioritize good communication and empathy while using performance management to continually improve workforce productivity and engagement.

Take care of your employees, and your employees will take care of your business. Really, really take care of them, and they'll help your business thrive.

Takeaways

98%

of employees want to work remotely and would recommend it to a friend.

90%

of businesses will return to the office by the end of 2023.

72%

of companies state that returning to the office has improved revenue.

28%

of employers will threaten to fire employees who don't to return to the office.

39%

of employees say they'd quit if a return to the office is mandatory.

39%

of knowledge workers are predicted to be in hybrid arrangements.

Conclusion

2024 is shaping up to be an exciting year for innovation and long-term change. Businesses need to build workforces that attain ever-increasing levels of productivity and collaboration while navigating workplace expectations such as hybrid work, learning and development, internal mobility, and more.

In light of these, your HR leaders must be key decision-makers, driving fresh initiatives and ensuring employee needs are never put on the back burner. With so much focus on people and people-centric policies, HR staff can help you keep up retention and engagement rates with their skills to gauge people's expectations and align them with business goals.

To succeed, companies will look to reduce costs while optimizing operations to retain existing employees and find new talent. If 2024 is anything like we expect, every HR and business leader will need to up their game, and a big part of that is implementing new tools.

While you hold down the fort, Multiplier's [workforce management platform](#) handles onboarding, payroll, benefits, and other vital yet mundane tasks.

See you next year. 🚀

Multiplier

© Copyright Multiplier 2023 — All right reserved.