

Remote Happiness Report 2022

The 3 Key Recruitment Challenges Remote Work Can Tackle



Introduction

Remote work has become a keyword in the business world for more than two years now. We can't deny the fact that the pandemic forced even the most skeptical of employers to allow remote work, at least temporarily, to keep their operations going without putting their employees' health at risk. While it began as just an extreme measure against this sudden and widespread disruption, it is now becoming the new normal, as most companies have already seen and felt the benefits it brought to their businesses.

As a result, employees also experienced the advantages remote work has to offer. For this reason, the demand for flexibility has significantly grown in the last two years as more and more employees are expressing interest in this trend. OWL Labs research showed that **84% of over 2,000 full-time US workers** who have worked remotely during the lockdown said that it would make them happier if they could continue to do so even after the pandemic. Most of them are even willing to take a pay cut in exchange for such an arrangement or quit their current job to look for a new one with flexible work options. This means that companies with no plan to embrace a more remote-friendly approach could lose valuable employees.

In relation to this, the Tracking Happiness team stated that remote work positively correlates to employee happiness. This is after they found in their survey of more than 12,400 employees worldwide that the ability to work remotely **can increase employee happiness by up to 20%**, which can lead to better business results. But while this is the case, KPMG revealed that some companies are still hesitant or don't have any plans to allow remote work. This is according to their **survey of 530 companies**. If you are one of those companies, let us give you more reasons why it's time for you to adopt a remote work culture now more than ever.



1. Remote work can tackle talent shortage

The talent shortage has been one of the major challenges that companies have faced in the 21st century. However, the ongoing 2022 talent shortage is considered to be one of the biggest in recent history. This is after approximately **75% of employers globally** reported having difficulties finding the right talent to fill their vacancies. This phenomenon hinders every company's success, making it harder for them to rebound from the unprecedented challenges brought on by the pandemic in the last few years.

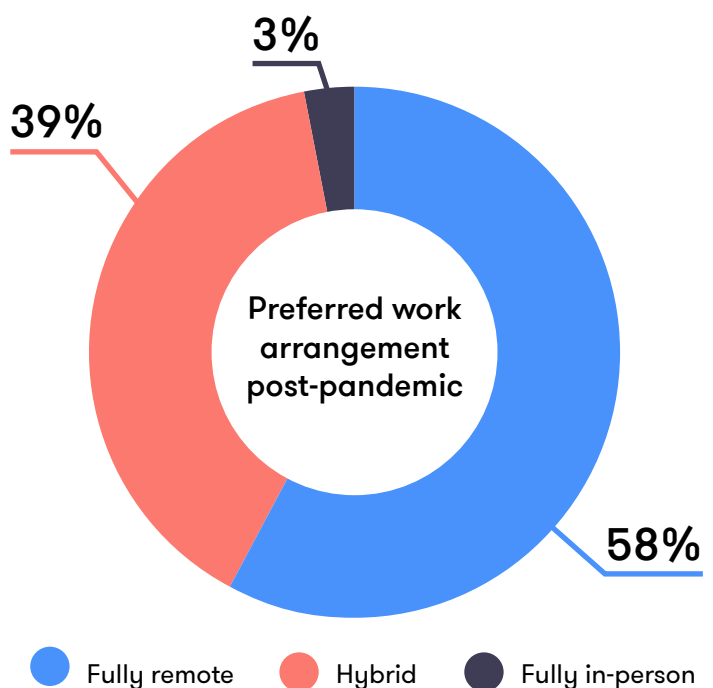
A **Korn Ferry analysis** found that the talent shortage won't end anytime soon. They projected a global talent deficit of more than 85 million workers by 2030, driven by ongoing digital transformation and automation. While this may promise great gains for almost every sector, the demand for workers who manage related needs will grow exponentially. This means employers will continue to compete even more aggressively to find and acquire top talents.

However, the recent changes in the labor market have made professionals redefine what they need in a job to feel happy and fulfilled. They are now searching for better work-life balance more than anything else. Hence, we believe that the traditional approach to recruitment and hiring won't be as effective as it was before.

According to a FlexJobs survey, **97% of 4,600 professionals** prefer some kind of flexible work arrangement. While a higher salary may still be a top priority for many job seekers, a study of 1,000 respondents revealed that **over 77% are willing to take lower pay** if the company offers remote work options, flexible working hours, and more paid time

off. Moreover, we've also found a statistic from Global Workplace Analytics showcasing that **80% of US job seekers** don't want to work or won't accept a job offer unless it's remote. So, companies that want to come out on top of job seekers' hearts and minds should offer more than just a paycheck.

A study conducted by LinkedIn in February 2022 showed that **remote jobs received approximately half of all applications** despite representing only 20% of all jobs posted on their job board. This proves that providing remote work opportunities makes companies more appealing to candidates. But the benefits it offers go beyond that. Remote work can eliminate geographical barriers, giving companies access to a more diverse talent pool that extends across the globe. Being able to find and connect with candidates anywhere in the world can significantly increase their chances of hiring talents with the right skill sets and experience that their business needs most.



Source: FlexJobs survey



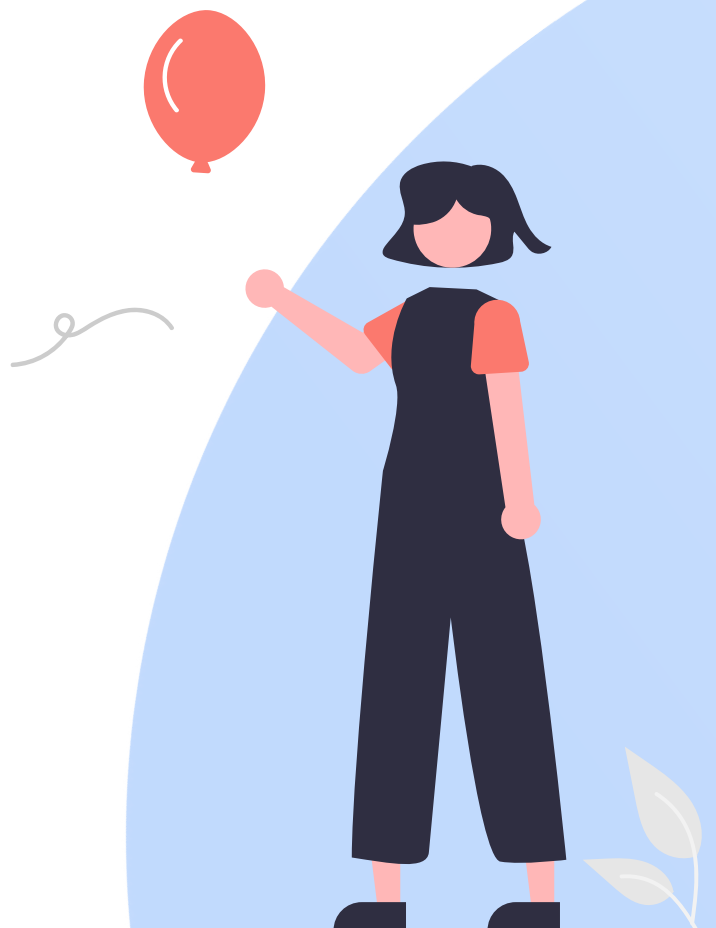
2. Remote work can increase business profits

Some companies still believe that remote work can lead to a lack of productivity and time waste. However, several recent studies have proven that this is not really the case. In fact, **remote work has been shown to increase productivity** and employee performance. Many employees stated that working remotely helps them focus better. Additionally, it allows them to have more family time, which makes them happier and more engaged at work.

In relation to this, we believe that remote work can help build a **culture of happiness** where employees can feel that they are relevant and have an impact. This culture can bring the maximum potential of every employee, allowing them to create a greater impact on the business in the long term. This is supported by the **TINYpulse study**, which showed that remote workers are happier and more productive than on-site workers.

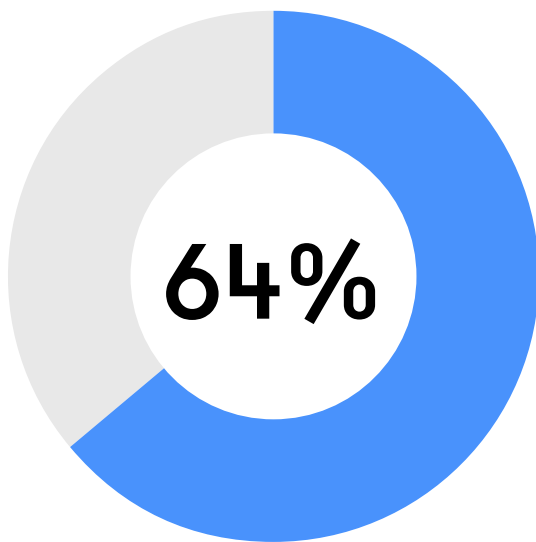
In addition, according to the **University of Warwick's research**, happiness made people 20% more productive and engaged. In other words, happy employees tend to give more, which means they work harder, are more likely to show up, and are more driven to achieve their goals for the company. They view their jobs positively and are more compelled to work, which can be reflected in their output. For example, productive and engaged employees can go the extra mile to meet customer needs. Great customer service creates a positive experience that can lead to more sales, higher revenue, or repeat business.

A Gallup report showed that highly engaged workers could be up to **21% more profitable** for a company. On the contrary, another study found that disengaged employees could cause a company up to **\$550 billion in lost productivity per year**. In today's employment market, having the opportunity to work remotely plays a crucial role in employee engagement. In fact, Gallup's State of the American Workplace Report revealed that **an employee's optimal engagement boost** occurs when they've got to spend 60% to 80% of their time working from a place they prefer or where they feel most productive. Based on the data we gathered, we can conclude that remote work shows a strong positive association with employee happiness, productivity, engagement, and business profitability.



3. Remote work can improve employee retention

Finding the right talents is challenging, and so is retaining them. As the economy is recovering from the pandemic, retaining high-performing workers can help companies maximize productivity and save costs, allowing them to get back on their feet in no time. On the contrary, having a high employee turnover can bring multiple challenges to the business, including high costs, time waste, and productivity losses. In addition, employees with less experience in the job at hand can have a negative impact on the quality of work, which can in turn jeopardize business outcomes.



According to ADPRI's survey, 64% of participants stated that they have already or would consider resigning if their employer required them to return to the office full-time.

Source: ADP Research Institute

According to **ADPRI's annual survey of more than 32,000 workers** from 17 countries worldwide, there is no doubt that employees are asking for flexibility. In fact, 64% of them stated that they have already or would consider resigning if their employers required them to return to the office full-time. A separate annual survey by FlexJobs showed that **80% of over 7,300 employees** said that they would be more loyal and

likely to stay if their employers offered them opportunities to work remotely, even at least for some time. Also, the same study reported that 30% of these respondents had left a job because it didn't allow them to work anytime and anywhere, making them unhappy and unsatisfied.

In a nutshell, unhappy office employees may leave to find flexibility and happiness, which could cost a company up to **\$4,400 per employee**. However, providing employees with options to work in a way that suits them best may help increase job satisfaction and happiness, which can result in reducing turnover rates. In fact, according to Catalyst, employees with access to such opportunities are **30% less likely to look for another job** because they feel more trusted, valued, and appreciated at work.



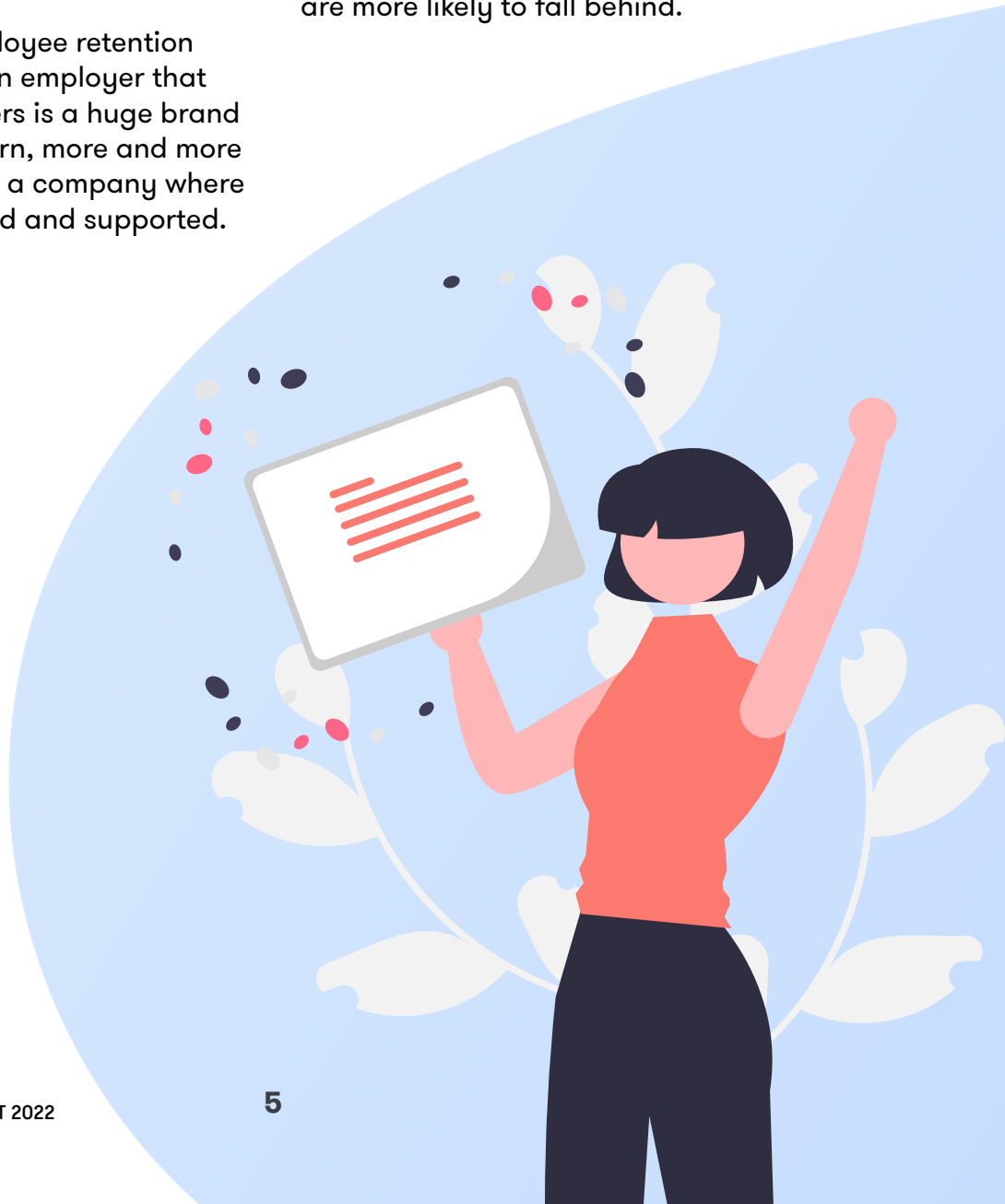
Conclusion

Research clearly shows that remote work can be a great solution for both talent and employers. Also, some of the employers' old-fashioned stigmas around flexible working, such as employees being lazy or escaping their tasks when working remotely, are far from the truth. In reality, employees who want to attain this type of flexibility and are given the ability to work remotely are happier, more efficient, productive, and engaged. This means they can deliver better quality and higher quantity of work, bringing higher profits to the business.

Remote work can aid in employee retention as well. Being regarded as an employer that values flexibility for its workers is a huge brand and reputation booster. In turn, more and more people will want to stay with a company where remote workers are welcomed and supported.

Lastly, remote work can make a company more appealing to candidates, which is beneficial, especially during this time of talent shortages. This will not only give access to a wider pool of talents but will also increase a company's chances of finding the best fit for a vacant position.

In other words, employee happiness and business success can go hand-in-hand. With this, one thing's getting clearer, companies that ignore employees' demand for flexibility and fail to embrace these new ways of working are more likely to fall behind.





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