



HR Tech Helps SMBs Navigate the “Great Resignation”

As the employer-employee paradigm goes through a period of turbulent change, HR technology provides a lifeline for small and midsize businesses

Even before the onset of the Covid-19 pandemic, it was clear that a foundational transformation was underway in the U.S. labor market. The pace of change has only accelerated over the past two years, leading up to what has been dubbed the “Great Resignation.” Small and midsize businesses (SMBs), which have always fought an uphill battle against larger organizations in the competition for the best employees, now

face even more challenges. Advances in HR technology can help overcome them.

Voluntary separations (“quits,” in U.S. Bureau of Labor Statistics parlance) hit a record high in November at 4.5 million. They came close again in December, and they averaged 4 million a month throughout 2021. Among the hardest-hit sectors have been hospitality, food service, health care, transportation, and warehousing.

“The HR challenges SMBs are facing today require significant insights and expertise to solve,” says Tom Gearty, senior vice president of traditional employment solutions at Insperity. “They are putting real pressure on HR to perform at a much higher level. The good news is that HR has a new set of tools at its disposal to help companies address these issues.”

Seller’s market for employees

With almost 11 million job openings at the end of 2021 and 467,000 new ones added in January, it is a seller’s market for potential employees. Underlying causes of this shift in the labor market include an increase in stress levels for workers and their greater willingness to resign from jobs they do not find fulfilling, says Kerry Gilliam, vice president of marketing at Jobvite, a talent-acquisition tool developer.

Nearly half of recruiters in Jobvite’s most recent survey said finding qualified workers is the biggest challenge they face, and almost 60 percent of organizations said they have experienced increased turnover. Emerging technologies like automation and artificial intelligence (AI) can help recruiters streamline their processes and reduce time spent on administrative tasks. Many SMBs may be under the impression that this tech is out of reach for their size, Gilliam says. However, that is a mistaken notion.

Gearty agrees that attracting and retaining highly skilled employees tops the list of HR-related challenges SMBs face. Developing employee skill sets to evolve at pace with changing business demands, strengthening culture, and inspiring discretionary effort among hybrid and remote employees are close behind. He notes that many HR technology solutions available right now address these challenges.

End-to-end solutions

“Cloud-based human capital management (HCM) platforms are becoming very popular in the SMB market,” Gearty says. “These core infrastructure solutions are designed to address the needs of the business and support the entire employee-employer relationship from the first time a candidate engages with

a company’s career page to the day they ultimately retire.” Gearty also points to a variety of application-specific solutions designed to enhance HCM platform performance. They offer capabilities in areas such as performance management, learning and development, and employee engagement.

In seeking out technology tools and solutions to help meet their HR challenges, SMBs should focus on multiple criteria, suggests Lucas Martinez, co-founder and co-CEO of job site Talent.com. HR tech should be affordable as well as quick and simple to implement. It should be user-friendly and include self-service features, while still allowing SMBs to retain control of their hiring process. The best HR tech should deliver high quality results quickly and provide strong customer support for troubleshooting, he says.

Rather than approaching HR tech simply as a tool for managing workers, SMBs should view it from the perspective of how it can be used to benefit employees. That will help them attract the best candidates and retain them for the long term, says Doug Donovan, CEO and co-founder of Interplay Learning, which uses virtual reality (VR) to provide assessment, training, and upskilling tools for the essential skilled trades.

An employee-focused future for HR technology

“Despite the rising wages we are seeing across industries, people want more out of a job than money,” Donovan says. “They want to grow and acquire new skills that make them great at their jobs and more fulfilled.”

Looking ahead, Gearty sees employee experience (EX) continuing to drive the bulk of HR tech development roadmaps, with engagement and employee well-being taking priority above all other areas. “Insperity’s comprehensive solutions combine highly functional, extraordinarily scalable HR technology with dedicated support to help clients solve business challenges,” he says. “Our mission is to deliver HR that makes a difference—for SMBs, for their employees and families, and for the communities where they live and work.” ■

HR that turns pitfalls into possibilities

Evolving labor laws, the competition for talent, leading hybrid teams while also cultivating an inclusive culture – for employers, the target is always moving. Insperity can help you embrace opportunity as you adapt to the new world of work.

Change can create uncertainty, but it also brings possibilities. Turn today’s business challenges into tomorrow’s achievements with Insperity behind you.

**FULL-SERVICE HR
EMPLOYEE BENEFITS
HR TECHNOLOGY**



Learn more at insperity.com
or call 800.465.3800.

 **Insperity**
HR that Makes a Difference™