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#### FOR IMMEDIATE RELEASE

# Are Employers Ready to Wage War?

The 2016 Emerging Workforce Study from Spherion Reveals Salary Reclaims Top Spot Among Employee Priorities

**ATLANTA – June 28, 2016** — In recent years, employers have enjoyed a comfortable status quo in which they maintain the upper hand over anxious job seekers. However, new findings from the 2016 Emerging Workforce<sup>®</sup> Study (EWS) commissioned by Spherion Staffing reveal that changing economic conditions and a strengthening job market may be shifting the power back to employees.

According to the 2016 EWS, more employees believe they have leverage to demand higher salaries and better benefits from their employers – or to seek these improvements elsewhere. The annual study was conducted online by Research Now among 416 U.S. human resource managers and 2,810 employed U.S. adults ages 18 and older.

"The growing demands across the workforce for improved wages highlight that employees are no longer willing to settle for just any career opportunity," said Spherion Division President Sandy Mazur. "Not only are the job market and economy trending upward, but we are witnessing a major change in mentality with critical implications on employer-employee relationships. While salary has significantly influenced employee decisions throughout the first 19 years of the EWS, we've never before seen workers this motivated to improve their situation."

More than one-fourth (26 percent) of workers are at least somewhat likely to look for a new job in the next 12 months (up from 18 percent last year). More than half (51 percent) feel the expanding job market gives them more power to negotiate a higher salary either with their current company or with another. This outlook has implications for retention strategies as well as companies' overall salary approach. In fact, employees list financial compensation, benefits, and growth and earnings potential as the top factors influencing their potential retention.

While employers seem to recognize the importance of raising wages to retain top employees, they largely are undecided on how to respond. At this critical juncture, the pressure is on for employers to keep up with wage trends, as nearly three-fourths (74 percent) of companies say they have increased wages to remain competitive. A nearly equal number (73 percent) say they have seen their competitors raise salaries. However, the EWS found that 62 percent of employers who recognize the need to pay higher wages say they cannot afford to do so.

The impending "wage war" is not the only hot-button issue fueling changes in the workplace. The EWS highlighted many additional factors influencing how both employees and employers evaluate today's most critical issues.

# **Diverse Feelings on Workplace Diversity**

Employers and employees generally seem to agree on the importance of diversity in the workplace. For the most part, both parties (75 percent of employees and 89 percent of employers) recognize that a diverse and inclusive workplace fosters growth and learning.

Despite this mutual understanding, both employees and employers agree that diversity and inclusion initiatives could be better executed. Only 24 percent of employers and 28 percent of workers would give their companies an "A" grade for their efforts to create a more diverse and inclusive workplace. Perhaps more alarming is that 32 percent of employers and 33 percent of workers would give their companies a "C," "D" or "F" grade instead.

The growing push for diversity may have significant implications as employees consider a career move. Around one-third of workers (37 percent) and employers (31 percent) respectively believe that their company is more concerned with hiring for diversity than qualification when looking to fill open positions.

### **Disconnects Creating Critical Threat to Employee Retention**

Employers also continue to struggle with retention, with 47 percent reporting they have replaced more than 20 percent of their workforce in last 12 months. Not surprisingly, the EWS found that employers and employees share differing views on the factors influencing retention. While employees prioritize financial compensation in their decisions, employers believe workers value more personal influencers, such as supervisor relationships.

For more than 19 years, the Emerging Workforce® Study has tracked the shifting opinions and attitudes of workers and their employers in the context of ongoing social and economic events The 2016 study also explores employers' and employees' opinions on themes such as the state of the skills gap, top workplace concerns, recruiting challenges, the transformation of the modern "office," and work/life balance.

### Methodology

The 2016 Emerging Workforce® Study was conducted online within the United States between February-March 2016 by Research Now Group, Inc., on behalf of Spherion among 416 human resource managers. Results were weighted as needed to reflect the composition of U.S. companies, based on company revenue. An online survey of 2,810 employed adults also was conducted by Research Now on behalf of Spherion during the same time period. Results were weighted as needed for age, sex, race/ethnicity, education, region and household income to represent the target population. No estimates of theoretical sampling error can be calculated. A full methodology is available.

# **About Spherion**

Spherion Staffing Services is a leading recruiting and staffing provider that specializes in placing administrative, clerical, customer service and light industrial candidates into temporary and full-time opportunities. As an industry pioneer for more than 70 years, Spherion has sourced, screened and placed millions of individuals in virtually every industry through a network of offices across the U.S. To help clients meet their workforce goals, Spherion offers companies a unique combination of personalized customer service and in-depth knowledge and expertise of the communities where Spherion offices are located. Each local office is individually owned and operated by a team of staffing specialists who are well-known and acquainted with the community and supported by a strong network of talent. To learn more, visit <a href="https://www.spherion.com">www.spherion.com</a>. Also, as part of one of the fastest-growing industries, Spherion is actively expanding into new territories, with more than 75 franchise markets available. To inquire, visit <a href="https://www.spherion.com/franchise">www.spherion.com/franchise</a>.

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