

Press release
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Employers feel more powerless to retain employees in 2023

- 70% of employers are more concerned about employees leaving their organisation this year than they were in 2022, with employers at medium-sized organisations (77%) the most concerned.
- Up to 43% of employers do not feel able to address their workers' concerns.
- 43% anticipate that retaining top performers will be their biggest staffing challenge in 2023.
- Working (semi-)remotely (71%), expanding/enhancing professional development (70%) and ensuring the work environment is inclusive and fun (70%) are the top three measures employers are focusing on to retain staff.

Sydney, 22 March 2023 – Despite the majority (70%) of Australian employers being more concerned about their staff leaving their organisation in 2023 compared to 2022, many have stated that they are unable to address their employees' concerns to entice them to stay, new independent research by specialised recruiter [Robert Half](#) reveals.

Why employers feel powerless to stop an exodus

With staff retention being a top priority for Australian companies, many employers have sought feedback from staff as to why they want to leave the organisation. However, employers state they can't always meet the needs of their employees to retain them.

- 43% of employers say that employees have expressed concern about their workload and burnout, however their business has no plans to hire more staff to cope with these issues.
- 31% of employers say their employees have expressed concern about their colleagues and managers, however they are unable to change the team's setup.
- 30% of employers say they can't compete with other companies' salaries, benefits and perks
- 25% of employers say they don't have the desired career progression and/or professional development programs in place
- 25% of employers say they can't compete with more attractive brands/brand names
- 21% say they aren't able to offer flexible work arrangements or remote work
- 20% say they don't have elaborate recognition programs

Why the concern is growing

[Robert Half's 2023 Salary Guide](#) reveals almost half (43%) of employers anticipate their biggest staffing challenge this year will be retaining their top performers, in the wake of the number of job vacancies advertised in 2022 reaching levels not seen since 2008¹. However, even with the Australian jobs market showing signs of easing, the available talent pool - for specialised staff especially - remains tight so staff retention continues to be a topic on the business agenda.

While employers were concerned about employees leaving their organisation in 2022, when the Great Resignation first emerged in the wake of the Covid pandemic, 70% of employers are even more concerned in 2023. The increased concerns are being felt much greater by medium (77%) and large (75%) organisations than small businesses (57%). NSW employers have the greatest concerns of any state, with 79% more worried that their staff will leave this year, compared with 73% in Victoria, 64% in Western Australia and 63% in Queensland.

¹ [Internet Vacancy Index, 2023, Jobs and Skills Australia](#)

Only 12% of employers have carried the same level of concern into 2023 as they had in 2022, and less than one in five (18%) employers are less concerned about employees leaving this year, highlighting the importance of a well-developed retention strategy regardless of the economic climate.

How employers are re-recruiting tenured staff

While not all employers are able to accommodate their staff's wishes, there is a common understanding amongst business leaders that having concrete staff retention measures in place is crucial to minimise the risk of their employees leaving the company. Employers realise that the employee experience is what best enables them to retain staff and while 62% are increasing compensation, either through higher salaries or offering financial extras such as bonuses, they are adopting other methods and strategies to ensure they stay attractive compared to other employers.

More than half (56%) of employers are accelerating promotions for high-performing staff. However, non-financial experiences are often just as important to employees as financial ones, and 57% of employers are offering greater access or more of these types of benefits to staff. Allowing employees to work remotely or semi-remotely (71%), providing greater professional development opportunities (70%), and ensuring the work environment is inclusive and fun (70%) are the preferred methods for employers to create an all-round attractive employment package.

"Mass hiring was a trend in 2022, resulting in many companies having focused primarily on attracting new talent to their business. With today's market showing signs of a potential slowdown, companies are again looking inwards with retention of top performers, who are still being headhunted by competing organisations, returning to the business agenda as a top priority," said **Nicole Gorton, Director at Robert Half.**

"As the candidate-driven jobs market of 2022 has started easing, combined with companies' focus on cost management, business leaders are gradually becoming less likely to attribute substantial pay rises or other benefits that might be important to employees in 2023. That said, the cost of refilling a role generally outweighs the cost of ensuring an employee is paid at market rate for their role and has harmony between work and personal life. It's a balancing exercise for employers, where open communication between employee and employer is key to ensure retention concerns are proactively addressed," concluded **Gorton.**

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Notes to editors

About the research

The study is developed by Robert Half and was conducted online in November 2022 by an independent research company, surveying 300 hiring managers, including 100 CFOs and 100 CIOs, from companies across Australia. This survey is part of the international workplace survey, a questionnaire about job trends, talent management, and trends in the workplace.

About Robert Half

Robert Half is the global, specialised talent solutions provider that helps employers find their next great hire and jobseekers uncover their next opportunity. Robert Half offers both contract and permanent placement services, and is the parent company of Protiviti, a global consulting firm. Robert Half Australia has offices in Brisbane, Melbourne, Mount Waverley, Perth, and Sydney. More information on roberthalf.com.au.

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