



Business Management



9 Trends That Will Shape Work in 2023 and Beyond

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In 2022, business leaders faced an increasingly unpredictable environment, with evolving return-to-office policies, higher employee turnover, and burned-out employees (more than ever before, in fact).

In 2023, organizations will continue to face significant challenges: a competitive talent landscape, an exhausted workforce, and pressure to control costs amid a looming economic downturn. How employers respond could determine whether they are an employer of choice.

Here are the nine workplace predictions, based on Gartner research, that highlight the aspects of work that leaders must prioritize over the next 12 months.

1. Employers will “quiet hire” in-demand talent.

The concept of “quiet quitting” — the idea of employees refusing to go “above and beyond” and doing the minimum required in their jobs — dominated work-related headlines in the second half of 2022. When employees “quiet quit,” organizations keep people but lose skills and capabilities.

In 2023, savvy organizations will turn this practice on its head and embrace “quiet hiring” as a way to acquire new skills and capabilities without adding new full-time employees. This will manifest as:

- Encouraging internal talent mobility by deploying employees to the areas where the organization most needs them. To compensate people for their evolving roles, organizations can offer a one-time bonus, raise, additional paid time off, a promotion, greater flexibility, and more.
- Providing specific upskilling opportunities to help employees to meet evolving organizational needs.
- Leveraging alternate methods, such as alumni networks and gig workers, to bring in workers with specific skills for high-priority tasks when new headcount is not an option.

2. Hybrid flexibility will reach the front lines.

As we enter a more permanent era of hybrid work for desk-based employees, it’s time to find equitable flexibility for frontline workers, like those in manufacturing and health care. According to a 2022 Gartner survey of 405 frontline worker managers, 58% of organizations that employ frontline workers have invested in improving their

employee experience in the past year; about one-third of those who haven't said they intend to do so in the next 12 months.

Our research has found that frontline workers are looking for flexibility when it comes to what they work on, who they work with, and the amount they work — in particular, control over and stability in their work schedule, as well as paid leave.

3. Managers will find themselves sandwiched between leader and employee expectations.

Sixty percent of hybrid employees say their manager is their most direct connection to company culture. But people managers are struggling to balance their employee expectations of purpose, flexibility, and career opportunities with performance pressure from senior leaders.

In 2023, leading organizations will provide fresh support and training to mitigate the widening managerial skills gap while simultaneously clarifying manager priorities and redesigning their roles where necessary.

4. Pursuit of nontraditional candidates will expand talent pipelines.

For years, organizations have talked about the strategic value of expanding and diversifying their talent pipelines. With more employees charting nonlinear career paths and organizations having trouble meeting their talent needs through traditional sourcing methods, now is the time to act.

To fill critical roles in 2023, organizations will need to become more comfortable assessing candidates solely on the skills needed to perform in the role, rather than their credentials and prior experience. Organizations will do this by removing formal education and experience

requirements from job postings and instead reaching out directly to internal or external candidates from nontraditional backgrounds who may not have access to certain professional opportunities, or even be aware of them.

5. Healing pandemic trauma will open path to sustainable performance.

As the immediate Covid-19 threat recedes, our collective adrenaline is wearing off, leaving employees to contend with long-term physical and emotional impacts. Employees' stress and worry in 2022 grew above even 2020 peaks — nearly 60% of employees report they are stressed at their jobs every day. The societal, economic, and political turbulence of the last few years is manifesting as decreased productivity and performance, no-notice quitting and workplace conflict.

In 2023, leading organizations will support employees by providing:

- Proactive rest to help employees maintain their emotional resilience and performance, as opposed to offering rest as a recovery solution after both have plummeted. This may include proactive PTO before high-demand working periods, no-meeting Fridays, allotted wellness time, and including team PTO in managers' goals.
- Discussion opportunities to work through challenges and difficult topics without judgment or consequences.
- Trauma counselors to train and coach managers on workplace conflict as well as how to have difficult conversations with employees.

6. Organizations will drive DEI forward amid growing pushback.

Our research found 42% of employees believe their organization's DEI efforts are divisive. This pushback to DEI efforts can decrease workforce engagement, inclusion, and trust.

To address this fraught moment and maintain DEI momentum, HR must equip managers with tools and strategies to engage resistant employees and address pushback early before it evolves into more disruptive forms of DEI resistance. This could include:

- Creating group-specific safe spaces based on key employee demographic characteristics (e.g., gender, race/ethnicity) to proactively surface problems.
- Tailoring communications and incentives to motivate allyship, for example, by recognizing and giving visibility to allies on internal platforms and company websites.
- Upskilling employees with definitive “how-to” guidance that enables allyship by showing employees how, specifically, they can advance DEI goals via the actions they take in their professional capacities.

7. Getting personal with employee support will create new data risks.

Being a human organization means knowing more about employees as people — a shift that has the potential to violate boundaries around deeply personal and private information. Organizations are increasingly using emerging technologies — artificial intelligence (AI) assistants, wearables, etc. — to collect data about employees’ health, family situations, living conditions, and mental health. While these technologies can enable employers to respond more effectively to employees’ needs, they also have the potential to create a looming privacy crisis.

In 2023, leading organizations will create an employee data bill of rights to support employees’ need for healthy boundaries in addition to overall well-being. HR leaders should ensure they prioritize transparency around how the organization collects, uses and stores employee data, and allow employees to opt out of practices they find objectionable.

8. Concerns around AI bias will lead to more transparency in recruiting tech.

As more organizations leverage AI in recruiting, the ethical implications of these practices have become more urgent. In 2023, we expect this issue to come to a head, particularly as governments begin scrutinizing the use of AI in hiring. For example, [a new law in New York City](#) went into effect on January 1 that limits employers' use of AI recruiting tools and requires organizations to undergo annual bias audits and publicly disclose their hiring metrics.

Organizations that use AI and machine learning in their hiring processes, as well as the vendors they rely on for these services, will face pressure to get ahead of new regulations. This includes being more transparent about how they are using AI, publicizing their audit data, and giving employees and candidates the choice to opt out from AI-led processes.

9. Organizations must address workforce-wide erosion of social skills.

Many new-to-the-workforce employees are struggling: [51% of Gen Z employees](#) say that their education has not prepared them to enter the workforce. And the pandemic means that these employees have had few in-person opportunities to observe [norms](#) and determine what is appropriate or effective within their organizations.

Our analysis has made clear that, in fact, it's not just Gen Z — everyone's social skills have eroded since 2020. Burnout, exhaustion, and career insecurity erode performance. No one, from any generation, has cracked the code for navigating our new shared professional environment. Focusing exclusively on Gen Z will not adequately address this challenge; organizations must redefine professionalism for their entire workforce.

Rather than forcing employees back to in-person work to establish connections, leaders need to build intentional connections among employees across geographic — and generational — boundaries. Gartner research shows that to successfully create intentional interactions among employees, employers should focus on three elements: employee choice and autonomy, a clear structure and purpose, and a sense of levity and fun.

For example, to enable choice, one company has employees complete a connection preference assessment that lets their managers know exactly how they want to engage with coworkers (e.g., some employees prefer happy hours while others prefer lunch-and-learns). Structuring interactions around clear norms and organizational values, such as which meetings require participants to be on video and those that don't, removes confusion and doubt, making it easier for employees to participate more freely. One employer, for example, lets teams co-define norms for interaction and communication so employees can feel safer authentically connecting.

A 2022 Gartner survey of nearly 3,500 employees found that when organizations help employees build connections intentionally, their employees are five times as likely to be on a high-performing team and 12 times as likely to feel connected to their colleagues.

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In today's environment, the organizations that succeed at addressing the most critical aspects of work — acquiring and retaining critical talent, supporting all employees holistically, and confronting how they ethically collect and use employee data — will be able to differentiate themselves as employers of choice. Companies can position themselves for future success by designing robust future-of-work strategies that get ahead of these trends and address emerging challenges proactively.

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