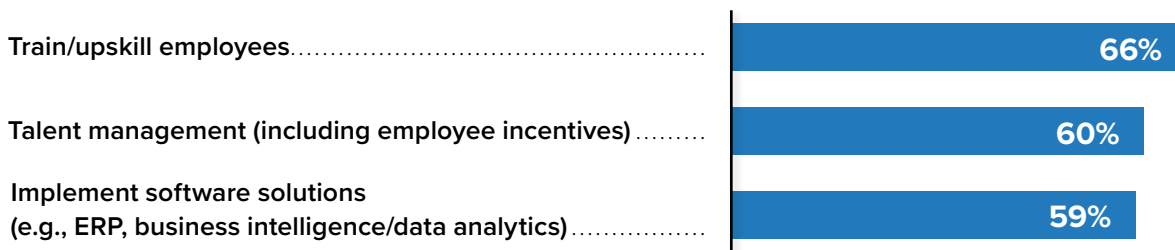


# Midsized Professional Services Firms Rank Training and Productivity as Key to Growth

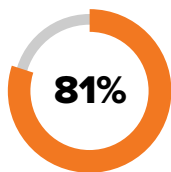


**Katie Evans**  
Research Director,  
Worldwide Small and Medium Business Research Program, IDC

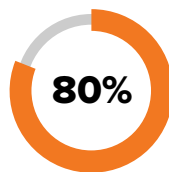
## Top Strategies Professional Services Organizations Currently Use/Plan to Use to Improve Productivity



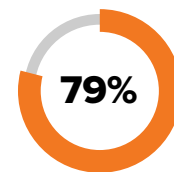
## Talent Wars: Top Recruitment and Retention Efforts



Improve recruiting & onboarding software applications to deliver better candidate experience



Increase pay and benefits



Improve employee engagement and acting on employee feedback

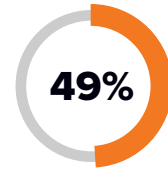
Source: IDC, 2022

Today’s skilled-labor shortages are compounded by new economic uncertainty which has resulted in many midsized professional services companies prioritizing employee productivity. An efficient staff, equipped with all the training and skills they need to thrive, is quickly rising to become a fundamental business objective for these companies to compete amid rapidly changing market conditions. In fact, recent IDC research, commissioned by SAP, revealed that increasing employee productivity/efficiency was the number one business objective at these companies, listed by 46% of respondents—beating out the objective of growing revenue (41%).

In responses to a question on how they will improve productivity, the top two strategies midsize professional services companies use or plan to use center around employees (train/upskill employees and talent management).

These companies are also eager to implement automation to eliminate manual processes, reduce human error, and to boost efficiency. Nearly 40% note automation as a strategy to improve productivity. With small or non-existent in-house IT staffs, they are looking to automation to take on technical processes and do the heavy technical lifting. Newer artificial intelligence-based software can also improve over time without human intervention. Many of these companies seek to automate routine manual tasks so they can spend time on high-value work that is more fulfilling and where employee skills and knowledge are required.

Nearly half of midsize professional services companies report difficulty finding talent in today's hiring environment. 49% of midsize professional services businesses are finding it harder to recruit and retain talent due to competition in the market. These firms leverage a wide range of strategies to improve their recruitment and retention efforts, led by improving recruiting and onboarding software.



of midsize professional services businesses are finding it harder to recruit and retain talent

## Sustainability: The Next Chapter — A Future Focus on People, Profit, and Planet

The research also shows that sustainability is an emerging priority for growth-focused professional services firms. Their sustainability strategies are centered around three common pillars:

- **Employee sustainability** – including long-term talent retention and employee engagement / inspiration.
- **Carbon footprint** – especially among travel intensive fields, such as consulting and audit tax.
- **Green IT** – such as embracing the cloud, which uses fewer physical infrastructure than on-premises technology.

Many professional services firms are investigating sustainability to drive longer-term cost savings and comply with forthcoming government regulations. Nearly 50% of growth-focused professional services companies say they are already actively working to reduce environmental impact in areas where they operate.

## Conclusion

The growth story for midsize professional services companies is a people story. It is about dedicating resources, boosting employee productivity and using process automation to do the heavy lifting to address skilled labor shortages and focusing on employee retention by committing to sustainability. These firms are all investing on people to fuel growth.

### Message from the Sponsor



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