

Member's Quarterly

Winter 2025 Edition

Feature

The Evolving Employer - Employee Relationship



Sarah Doughty
Vice President of
Talent Operations
TalentLab

Adapting to the New Power Dynamics

In the ever-evolving workforce, the dynamics between employers and employees have undergone significant transformations. Historically, these relationships were dominated by employers who exerted considerable control, inciting the need for organizations such as unions and other grassroots organizations by employees. In more recent years, we have seen shifts in how the pendulum swings with trends. From the domination of movements such as 'hustle culture' to the pervasive need for 'work-life balance,' more employees are using tools such as social media platforms to advocate for their rights and demand better working conditions. Through analyzing past trends of employer-employee relationships, one can understand factors contributing to the rise of employee influence on the modern workplace and why it may ultimately be effective.

Historical Context of Employer-Employee Dynamics

The early days of employer-employee relationships were characterized by a significant power imbalance favouring employers. Employees' job security was tied to overworking, allowing them limited opportunities for autonomy or developing a work-life balance. Employers had substantial control over wages, working conditions and career progression, with employees left with few clear opportunities for advancement.

The Rise of Employee Influence

The rise of the gig economy, the proliferation of remote work technologies, increased emphasis on employee well-being and the growing influence of social media and online platforms in advocating for workers' rights have all shifted employee-employer power dynamics. These factors have contributed to a more balanced and flexible relationship between employers and employees, where workers have greater leverage and a stronger voice in their professional environments.

The Catalyst of Social Media

Online, employees have had more opportunities to connect with other professionals in their industries and voice common grievances in their workplaces. This has allowed people to communicate over unsafe and unfair work practices, paving the way for employees to work together and seek solutions. This, in turn, has given employees a lot more bargaining power than they had in the past; if someone is unfairly fired, they can go to social media and warn people not to work for that company, damaging their reputation and cutting down on that company's prospects.

Now that employees can affect an organization's ability to find talent, the company itself has more incentive to treat staff well and focus on long-term retention. As a result, if an employee chooses to leave of their own volition, they may recommend other talented professionals they know to fill their position—maybe even through social media.

Impact of Generational Changes

While it is a common refrain among young people that they don't "want to" work these days, this sentiment is not well substantiated in evidence. The reality is that the current generation entering the

Member's Quarterly

Winter 2025 Edition

Feature continued

workforce has fundamentally different values than previous generations, leaving employers scrambling to understand what motivates new hires.

Employees no longer tolerate being asked to do unpaid overtime, and they will not continue with jobs that make demands on their personal lives outside of the workplace without some benefit to them. This new generation of workers also cares more about their employers' ethical practices, often researching the business partners and practices of prospective employers to ensure that the values of a future boss line up with their own.

The Role of Economic Factors

Every generation has had a major economic event impact on the workplace environment. While older professionals remember the 2008 financial crisis, the current generation is living through a post-COVID-19 hiring slowdown. While fewer jobs are available, employees are more particular about who they will work for, comparing the factors that they value, such as salary and work-life balance, before agreeing to a contract.

The last few cycles of economic unease have undoubtedly led to more power for employees within the employer-employee relationship. Looking ahead, expect to see that power grow. Qualified candidates today are cemented in having more say in how work influences their lives and who they want to work for.

Adapting to the New Dynamics

Adapting to these new dynamics may be difficult but not impossible. Often, changes to an organization's structure can be made to attract new employees while retaining current ones, Emphasizing the importance of flexibility, transparency and employee engagement within your company (and following through on those promises) are all factors that can help draw in potential hires from younger generations.

The basics are also important in appealing to new employees. Offering improved or varied benefits, such as health care and professional development stipends, highlights that a company cares about its employees' well-being and career advancement without having to overhaul certain policies.

Embracing a New Era

As we embrace this new era, it becomes clear that the power dynamics between employers and employees are undergoing a profound transformation. This shift is characterized by an increasing emphasis on flexibility, transparency and employee engagement, driven by technological advancements, generational value changes and significant economic events. Organizations that recognize and adapt to these changes by fostering a supportive and ethical work environment will remain competitive in a landscape where employees have more influence and bargaining power than ever before. As we move forward, it is essential for both employers and employees to navigate these evolving dynamics collaboratively, ensuring mutual growth, respect and success in the workplace.

Sarah Doughty is the Vice President of Talent Operations at TalentLab. With a specialization in technical recruitment, Sarah brings over 12 years of hands-on experience, excelling in the pursuit of elusive digital talent.