FUTURE AND EMERGING HR TRENDS IN THE NEW NORMAL AND BEYOND
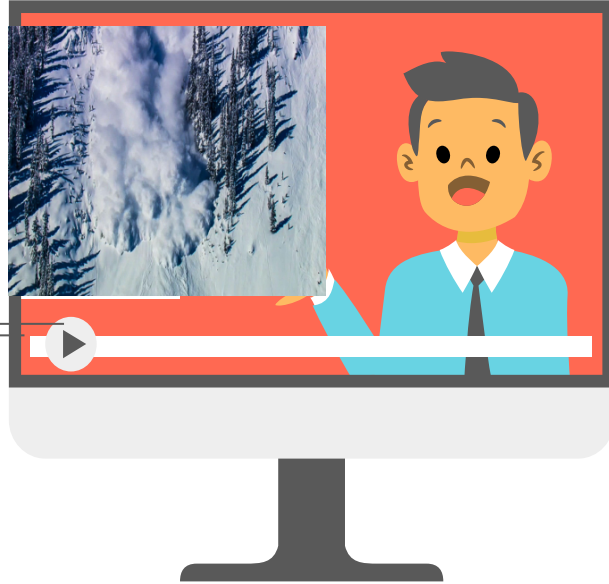
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AVALANCHE OF CHANGES TO THE HR INDUSTRY

ARTIFICIAL INTELLIGENCE

THE GIG ECONOMY

PUSH FOR DIVERSITY
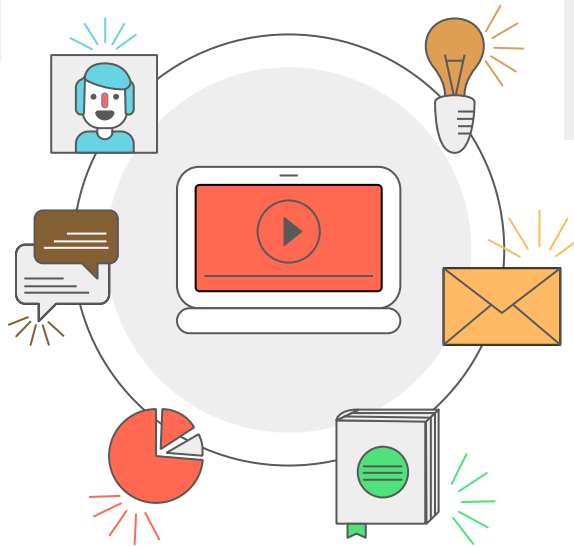
GLOBAL PANDEMIC

At A Glance

01 — Nearly 60% of employees want to work remote full-time after the pandemic.

02 — Technology adoption and deployment is a priority as organizations seek to unify dispersed, digital-first workforces.

03 — Two-thirds of employees value when their feedback is heard and acted on.

04 — In the face of mental health adversity, organizations respond by providing resources, cutting costs and taking other measures to support well-being.

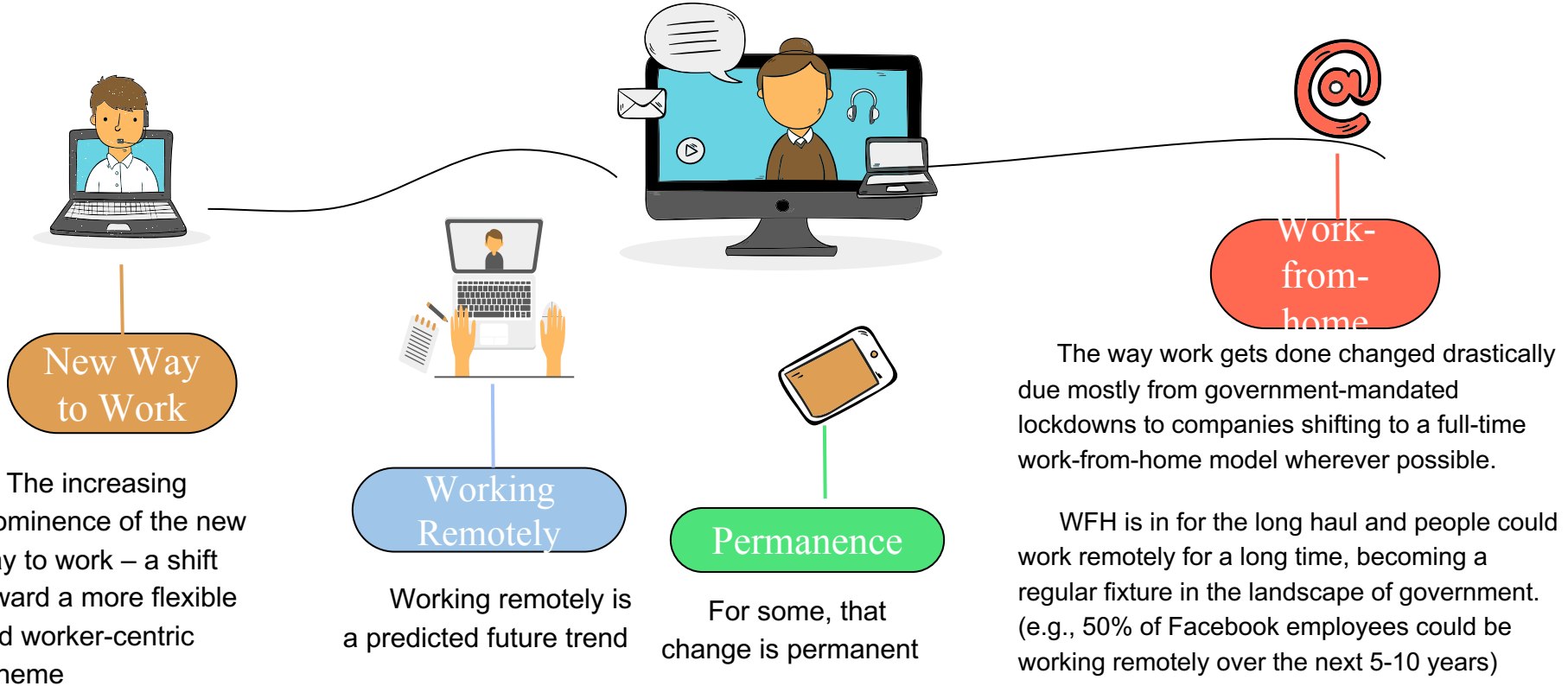**05** — Data will be the new currency and a core part of how HR operates in the coming years.

06 — Ensuring employees have the skills they need is a top priority among business leaders.

07 — Organizations that do not transform will get left behind

TOP HR TRENDS FOR 2021 AND BEYOND
Trend 1: Virtual Work is Here to Stay

New Way to Work

The increasing prominence of the new way to work – a shift toward a more flexible and worker-centric scheme

Working Remotely

Working remotely is a predicted future trend

Permanence

For some, that change is permanent

Work-from-home

The way work gets done changed drastically due mostly from government-mandated lockdowns to companies shifting to a full-time work-from-home model wherever possible.

WFH is in for the long haul and people could work remotely for a long time, becoming a regular fixture in the landscape of government. (e.g., 50% of Facebook employees could be working remotely over the next 5-10 years)

Trend 1: Virtual Work is Here to Stay

65% of workers would prefer to continue working from home post-COVID.

85% of respondents surveyed in the middle of 2020 wanted to work at home in some capacity after lockdowns lifted.

58% saying they wanted their main way of working to be remote.

TREND 1: Virtual Work is Here to Stay

69% agreed that the pandemic will permanently change the nature of work".

Working from home full time would be the most appealing option for 37% of respondents

with another 32% saying a split between home and the office would
be their choice.

TREND 2: Organizations Double Down on Digital

digital transformation is permanent

The Coronavirus has pushed governments and business nearer into the age of digital transformation.

with workplaces increasingly virtual and more disconnected from an office, we expect to see a focus on what's been termed "digital-first work".

Survey says...

77% of CEOs surveyed will "build on their use of collaboration and communication tools"

67% are more likely to invest in technology, compared to 33% investment in worker skills.

Over 83% of employees stated that their organizations had concentrated on digital technology during COVID-19.

33% of employees claim the top reason affecting their proficiency and effectiveness is the challenges in accessing necessary tools and resources.

Implications

"Introducing digital collaboration platforms" is the most important factor in sustaining this new way to work.

A hybrid approach with countries not facing COVID-19 restrictions is developed with workers going to a physical office but not as regularly.

The challenge now is learning to facilitate connections and collaboration in this hybrid world in which many employees continue to work remotely but periodically meet with others for in-person collaboration and innovation."

David Millner, Founder and Consulting Partner at HR Curator, for his take on top strategies we can expect in the coming years said THAT:

Digital will play a major role. However, digital HR goes beyond supporting changes that lead to "transformation-based initiatives".

"Digital HR is about process optimization in which social, mobile, analytics and cloud-based technologies are leveraged to make the HR function more efficient.

"However, the application of new technologies is not what makes the function digital. It's also about culture alignment, talent practices, structures and processes to balance efficiency and innovation opportunities, all focused on ensuring there is an ability to provide a clear, sustainable, measurable impact on the organization as it continuously transforms."
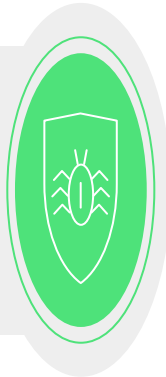
TREND 3: Teams Play an Essential Role

Steven Cates, Graduate Professor of Human Resources Management at Purdue University Global, for his thoughts on where HR is heading the next few years…..

"The concept and creation of virtual teams that goes along with virtual work will become a huge issue moving into 2021," and beyond.
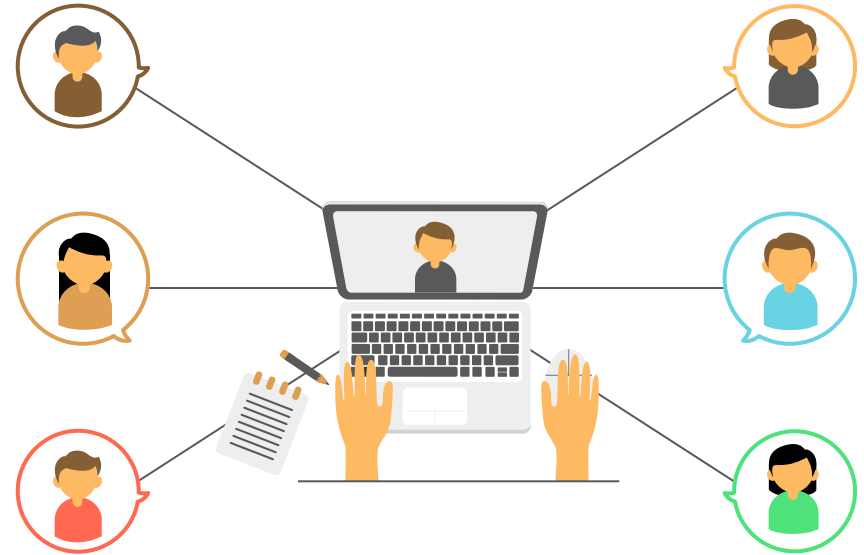
Superteams

"Superteams" is becoming a way of the future. A superteam combines people and technology to produce outcomes more quickly and at a greater scale than would otherwise be possible.

Attributes of successful superteams include:

Creating a "culture that celebrates growth, adaptability and resilience" (45% of executives surveyed).

Enabling a capable workforce "through upskilling, reskilling and mobility" (41% of executives surveyed).

"Implementing new technologies" (35% of executives surveyed).

SHIFTS AND CHALLENGES FOR HR ABOUT THE PANDEMIC'S EFFECT:

"How will [employees] be trained? How will they communicate? How will they develop bonds among members? How will they be evaluated for performance?"

On hiring, refine assessment methods and techniques to embrace more online methods such as video-based interviews and automated-based sifting."

"Changing core HR practices such as the remote onboarding of new employees, the shift to virtual/online learning and development interventions".

Failure in the past to avoid is top management not investing in the infrastructure that is needed to train and evolve teams so they can perform the intended work they were designed to perform.

TREND 4: HR Design is a Strategic Focus
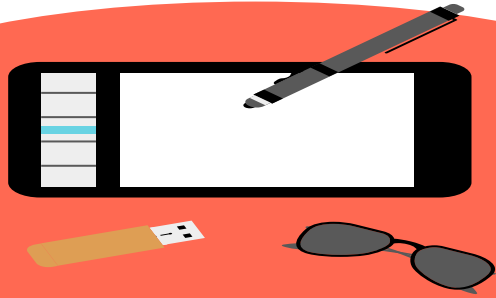
HR design aids strategy in three important ways:

1. "Shaping the design of the new organization of the future.

1. "Designing the new and re-shaped jobs that new working practices and automation will demand.

1. "Identifying the new capabilities and requirements that the new world of work will make upon the workforce, its managers and its leaders in terms of behavioral and technical demands.

Some of the old techniques that don't seem to be a part of the regular HR toolkit (such as organizational design, job design, scenario planning, etc.) need to be revisited and HR practitioners reskilled as necessary.
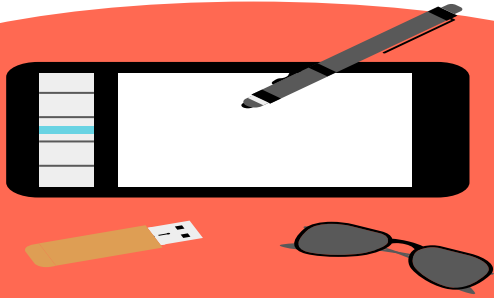
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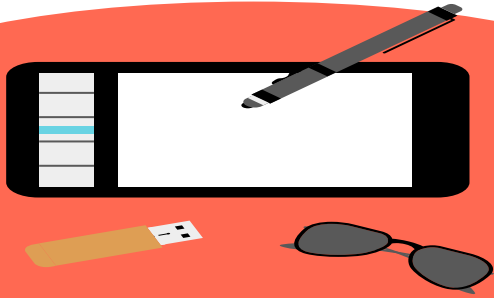
"Organizational design and change management" was also the second-most important priority for HR leaders in 2021.

HR Challenges at hand……

1. Managers who aren't equipped to lead change (37%)

1. Employee fatigue due to the amount of change happening (36%).

TREND 4: HR Design is a Strategic Focus

The main issue is organizations' inability to react quickly in response to changing conditions which range from rigid processes and overwhelmed teams to a work design that's misaligned.

Organizations need to clarify team boundaries, ensure work design lines up with how work actually happens now and formally create process flexibility.

Work design, like investing in collaboration tools and redefining expectations for schedules and meetings is a focus and aspects like leadership training and access to the appropriate technology to support work.

Survey shows a disconnect between executive and employee priorities. Workers ranked "improving worker well-being" as the third-most important outcome, while it ranked eighth out of nine according to executives.

TREND 5: Employee Experience is Redefined

In 2019, Employee experience (EX) was the third most important key initiative among HR leaders in 2019
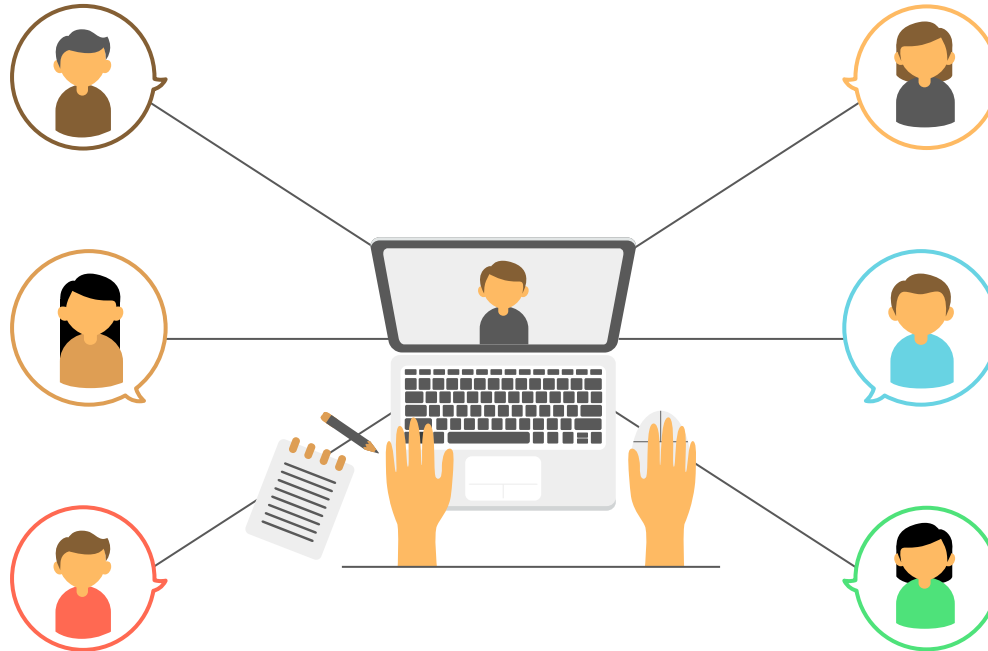
For 2021, employee experience as the fifth highest, and the trend undeniably will continue to be relevant and important heading

VALUE OF EMPLOYEE EXPERIENCE

Focusing on the experience that employees have with the company, much as a brand focuses on the customer experience, can:

01 Boost productivity

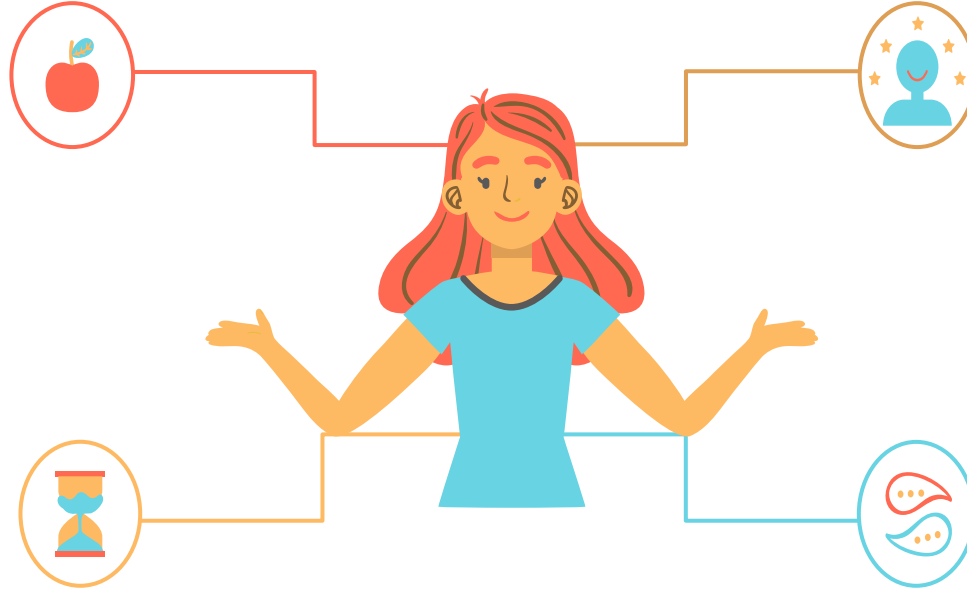**02** Improve satisfaction

03 Lead to greater employee loyalty

04 Encourage investment in the organization's vision

With a slew of changes caused by the pandemic, the employee experience has taken on new shape and meaning.

In-person connections have become completely technology-based. Meetings are virtual and employee engagements are nothing but virtual if not set aside for now.

HR will need to focus on those critical HR practices and understand how they can be improved and made more relevant for the workforce of tomorrow,"

How does that play out at a practical level moving forward? "The link between the rise of automation and the employee experience is being made to provide personalized solutions and information for the workforce in a cost-effective and sustainable way.

POWERFUL MECHANISM AT EX:

Gathering feedback from employees and then acting on their input is the best way to improve EX.

To improve the employee experience in uncertain times is to give employees a voice.

SURVEY SAYS...

65% of employees saying it's very or extremely important for their organization to listen to feedback. Another is looking at the benefit of "turning feedback into action".

Employees are twice as engaged compared to those at organizations with no listening program.

- Almost 70% are very or extremely likely to stay with a company longer.
- More than 90% will be more resilient in the face of change.

WWW

Reminder from David Ulrich on EX improvement:

Stopping at EX improvement isn't enough. The idea of the employee experience needs to be taken a step further for organizations to truly realize the benefits. "Building employee experience is not enough—HR must link employee experience to customer experience and people's confidence.

"As customers experience dramatic pandemic change, talent has to adapt as quickly (e.g., using digital information to access products and to manage people virtually)."

TREND 6: Mental Health Gets the Attention it Deserves

IMPACT OF THE PANDEMIC TO MENTAL HEALTH

35% of employees surveyed experienced depression symptoms often

the pandemic caused mental wellness to drop 27%.(US and UK)

41% reported work burnout

45% said they felt "emotionally drained from their work".

Employees' emotional and mental health programs have been brought into the organizations' attention by 95% of employers.

2.   Many people have to face various types of stress and concerns such as household and childcare responsibilities as well as financial burden.

Ideas of coping and aiding HR's mental
    health in a variety of ways –
1.   access to licensed counsellors
2.   a recognition program
3.   a daily newsletter with resources,
4.   monthly challenges to promote mental health

More than 90% of employers will offer telemental health

The number of organizations providing mental health resources will climb from 69% in 2020 to 88% in 2021.

Costs for mental health services will be waived or reduced in 54% of organizations in 2021.

KEY AREAS of expected growth in the mental health arena where large organizations are concerned

TREND 7: Data Becomes the New Currency

Strategic Focus on HR DATA:

The shift to remote work caused by the pandemic meant governments had to increasingly rely on tools to gauge how engaged and productive employees were, and, by extension, turn to data insights for direction.

"Data is the new currency when it comes to the workforce and as long as HR retains that human touch, the advent of data should not scare any HR practitioner."

Why is data taking center stage?

It shows how successful HR practices are in adding value at the strategic or business level.

Data allows HR to identify ways to enhance practices and the employee experience.

It enables HR to show how its various functions align with related strategies and customer demands.

CRITICALITY OF DATA

60% of executives say the top HR trend offering impact is using talent analytics to make decisions rooted in data.

TREND 8: GEDSI/DEI Receives Major Focus

HR is faced with increasing expectations – particularly from younger generations – to support DEI initiatives (diversity, equality and inclusion).
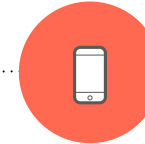
Matters of diversity and inclusion have become part of the conversation as HR professionals seek to address bias, unfair wages and other problems.

TRIGGERS AND CIRCUMSTANCES OF GEDSI

81% of leaders indicate their organization has or will "publicly announce new anti-black racism measures (US survey)

01

02

Spurred by the pandemic is the decrease of women in the workplace.

Women are nearly 1.5x more likely to leave the workforce, (e.g. U.S. potentially losing more than 2 million women). New home life demands created by school shutdowns and other factors played a major role.

03

04

15% of mothers are spending five or more hours on their household than before the pandemic, compared to 7% of fathers.

TREND 9: Workers are Equipped with the Skills and Tools They Need to Navigate Uncertainty

The war for talent has been a hallmark of the past several years.

The new frontier of the talent war, prompted by the pandemic, will hone in on empowering employees with the tools they need to gain the skills they need, rather than simply attracting top talent from outside the organization to fill vacancies.

"Building skills and critical competencies" is the top priority in 2021 for 68% of HR leaders.

50%-100% of employees will need to change their skills over the coming three years.

Leaders view talent risk as the top threat to growth thanks to the pandemic.

HR Solutions in Coping with the Pandemic

Put emphasis on internal talent development and mobility. Reinventing job roles and quickly redeploying workers have the greatest impact.

Focus on resilience, going well beyond merely reskilling to helping workers, and by extension organizations, adapt to uncertainty by supporting them with tools and strategies – forms a vital part of the equation.

Apply AI and robotics as the central driver of this but adequately equip employees in the face of this evolution.

- 68% of executives expected hiring to increase across automation and technology roles
- 35% saying AI, automation and robotics were specific areas that would require more skilled workers.

TREND 10: Companies Show Their True Colors

01

2021 will be the year that employers and employees alike discover the true nature of their organization.

02

The pandemic, social justice causes and economic difficulties cast a spotlight onto organizations

03

Everything discussed thus far circles back to the matter of how organizations have and will respond as the journey into an uncertain future unfolds.

04

Values, priorities, culture and more will solidify or emerge, depending on how organizations react to things like:
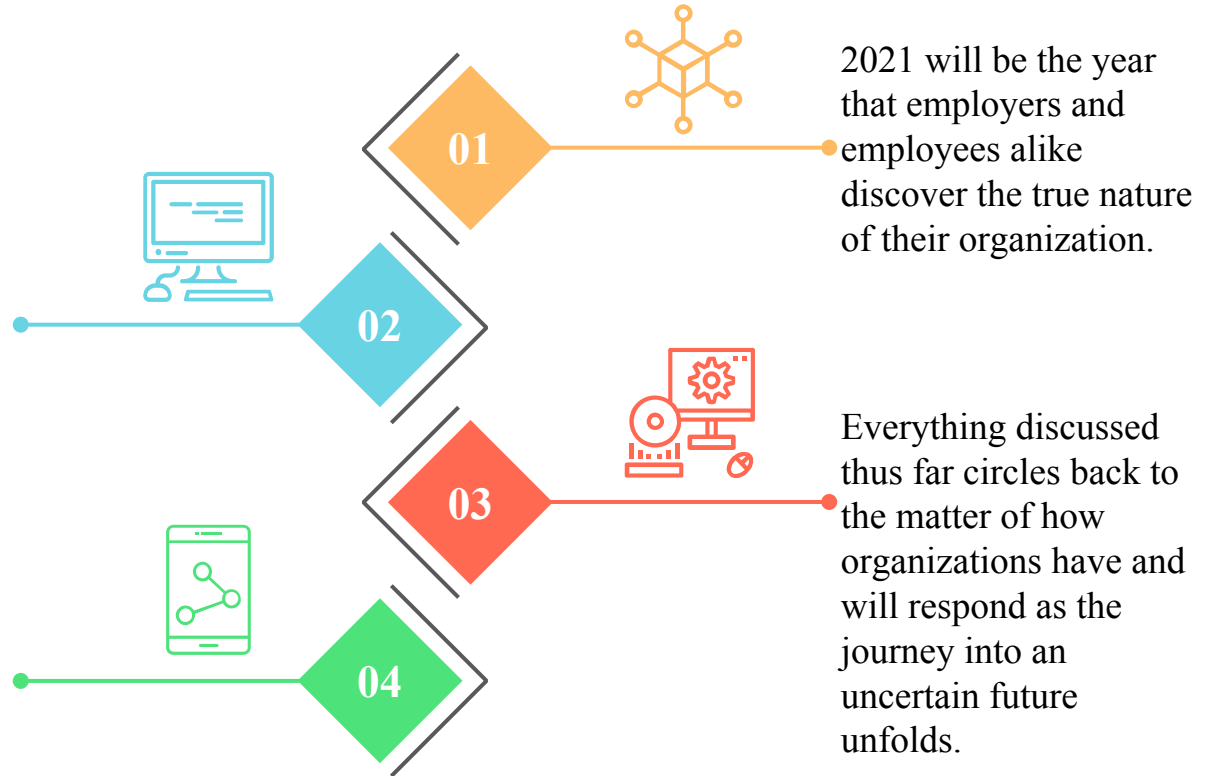
Indicators of Values, Priorities and Culture

1.Whether to require vaccination for in-office workers and how they handle potential ensuing backlash and criticisms.

2.How and when to return to work, along with safety measures taken to alleviate employee concerns.

3.The extent to which employees are allowed to work from home when it's no longer required for safety reasons.

4.What well-being measures to invest in and encourage among employees.

5.How diversity, equity and inclusion practices are woven into the culture of how a organization operates.

6.The extent to which managers and executives listen to and then act upon employee feedback.

7. How well employees from the top floor to the home office display empathy for their colleagues.

8. The level to which leaders show trust in their people, rather than trying to retain control by micromanaging from afar.

Embrace the Future

- 2020 was a year of drastic, unparalleled change.
- As we move further into 2021, a new landscape will emerge, one marked by lessons learned from the pandemic and new or renewed dedication to areas such as the employee experience, virtual work, mental health and DEI.
- Team design and evolution, as well as skill development, will heavily influence organizations' ability to execute and succeed.
- The move to digital will become even more marked as organizations seek to transform in the face of new challenges, leveraging data to enhance practices, deliver value and create alignment.
- HR will also help drive success through guidance and by taking an outside/in approach.