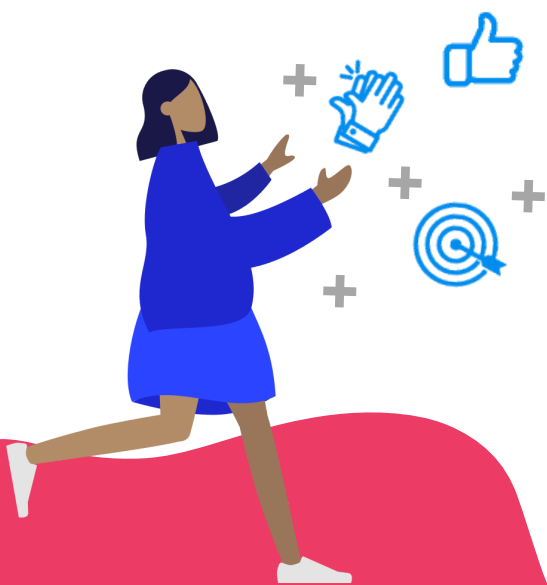




10 Key HR Trends for 2021



Intro

The pandemic pushed us all in the deep end and warranted a novel, and agile approach to managing in the new normal. Now, across sectors and organisations, CHROs are leading the discussions on business continuity, and the response to Covid-19.

The successful accelerated adoption of tactical digital HR tools has led to universal appreciation and recognition of what HR can achieve if pushed to act urgently. Let's now take a look at what we discuss what 2021 has in store for business and HR professionals.

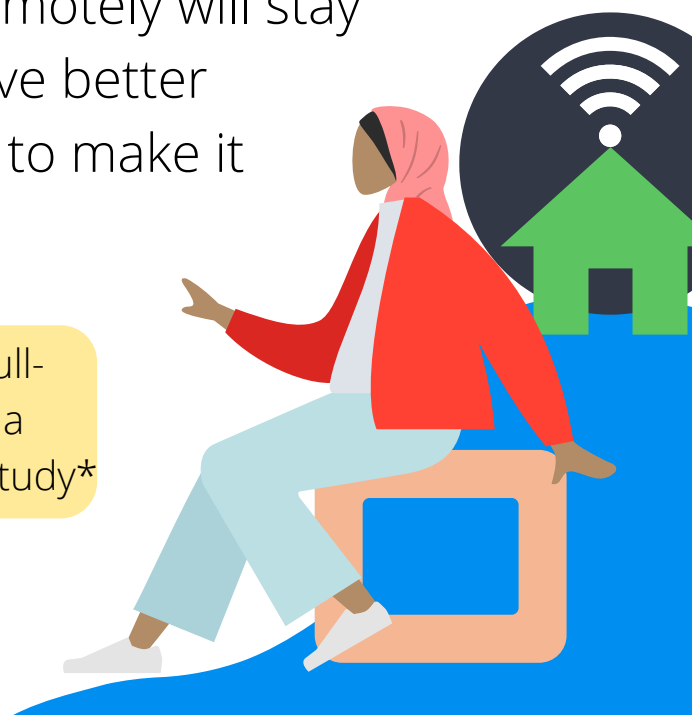


Remote work here to stay

We're starting off the HR trends for 2021 with something the most obvious and visible shift. Despite remote work being common for many knowledge workers pre-pandemic there weren't many organizations that had established great work from home policies. Nor were they equipped to go remote overnight!

Though we don't foresee the pandemic to transform all companies to remote functioning or being fully distributed, we do however believe that the ability to work remotely will stay an option and companies will have better policies and procedures in place to make it easier on the employees.

65% of remote workers want to work remotely full-time after the pandemic, while 31% would prefer a hybrid work arrangement according to a recent study*



Asynchronous work

Remote work brings with it the shift to asynchronous work. In 2021, we see companies and leaders focus on building confident and autonomous teams that work on their own time. Here expectations would be clearly set with well defined goals and tasks and employees will have the flexibility to work as they like. This would also take the form of asynchronous collaboration amongst teams.

Here the duty of care remains with the employer, who will have to be watchful of how working asynchronously can sometimes mean colleagues are burning the midnight oil and potentially wearing themselves thin, all because it's too easy to just jump into that next task.

At many companies, people spend around **80%** of their time in meetings or answering colleagues' requests, leaving little time for all the critical work they must complete on their own.*



Redesign work

Setting and forgetting goals is no longer an option. The current disruption and future uncertainty of our business landscape require an agile approach to goal setting which encourages employees to own their goals and expect change. Even anticipate it. In 2021 we see a new and redesigned approach to work. Managers should be given the expectation, authority and flexibility to tailor goal setting to the team and the individual as their work changes.

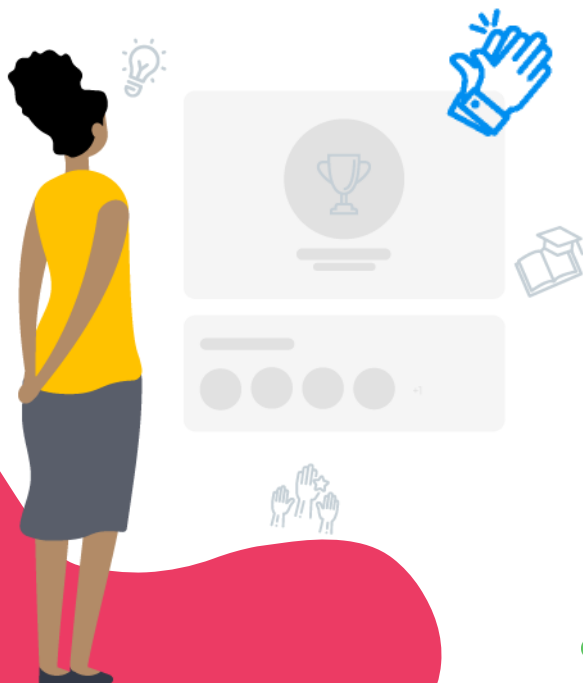
In turn, performance reviews should not come as a surprise to employees. This starts with the expectation that goals will be adapted as needed to keep them highly relevant and precisely targeted at high performance. And it ends with ensuring the goal posts don't move at the last minute, without warning.



According to a study*, goal-setting improved work performance by **12-15%**

More nudging less policing

For 2021 where themes of accountability and autonomy emerge it's only natural that the style of management will also change. We see a shift from policing to nudging as a form of eliciting behaviour change. Here, positive reinforcement and indirect suggestions as ways to influence the behaviour and decision making of groups or individuals. Nudging can be applied in many areas of HR, and is generally a lot more friendly than policing. There are less strict directives and are far easier to adopt due to the lack of sense coercion.



To nudge for deep work, one can introduce a “no-meeting” day—adopted already by numerous organizations which has lead to significant improvements in productivity*

Better HR software

To a large extent, the 2010s were about using HR technology to automate existing HR processes for better people management and to make them faster and more efficient. The upcoming decade will be about going beyond functionality and improving productivity. Artificial intelligence algorithms are transforming a range of HR practices — from recruitment to engagement to people management. Augmented analytics also enables employers to gain actionable insights about employees to make more informed HR decisions.

In 2021 HR tech that creates a more continuous process of employee evaluation and performance management, while creating a more integrated approach to people management, productivity, and well-being will be of prime focus.

Digital HR solutions that have a total of \$148 billion market value. The tools need to be complemented with the right processes and initiatives by the HR team*.

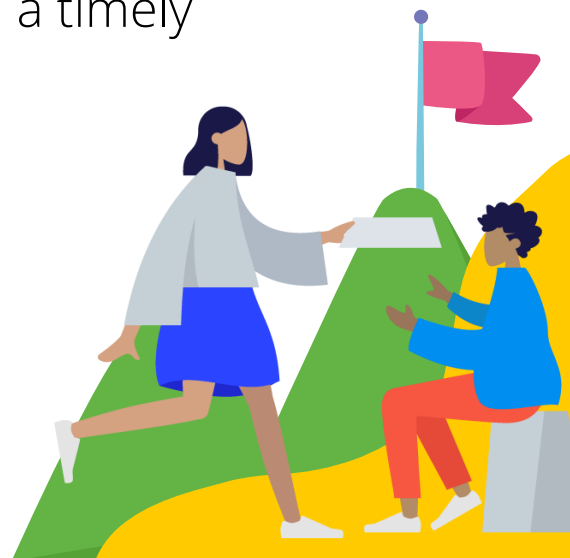


Transparent performance reviews & goals

Nearly half of employees say they receive feedback from their manager a few times a year or less. This annual style of sharing feedback in retrospect will see a change in 2021 if a company wants to survive. As time is of the essence the only viable management style going forward will be ongoing coaching conversations that establish a rhythm of collaboration and create shared accountability for performance and development. Goals of the company, team, and individual will be more transparent. This will help keep the larger question of “what am i working towards?” at bay and also help keep everyone accountable.

Additionally, continuous feedback is crucial for the remote workforce. It ensures that valuable time is well spent on items that matter and problems are mitigated along the way in a timely manner.

Early evidence* indicates that teaching managers and employees to have more frequent, meaningful conversations about work expectations, progress and development improves engagement and performance.



Continuous feedback & coaching

Commit to a continuous feedback culture. Performance management platforms must facilitate ongoing feedback on professional progress, growth, and development opportunities. Executives must define the feedback experience for their people. Doing so forces leaders to define and develop a shared perspective about what high performance means.

In 2021 we see managers taking on a mentorship role where the professional developments of an employee are important to both parties. Conversations like “how can I or the company help you achieve these goals?” will start being more predominant in feedback conversations.

A good manager, like a good coach, can see their employees from both an objective and subjective point of view.



Focus on well-being & mental health

Burnout can occur from remote work and the limited boundaries like bedroom offices, longer hours and less breaks. These factors continuously impact an employee's wellness.

For 2021 we see a great deal of focus on well-being and mental health. One way companies can support this is to encourage employees to take full advantage of PTO, mental health days and vacations. Companies that celebrate time off and resting will become the norm. There will also be less glorification of over-working and never taking PTOs. Companies may also seek assistance from therapists with whom employees can book time to discuss their mental health.

76% of people believe companies should be doing more to support the mental health of their workforce*



Analytics based decision making

As more employees are working remotely due to the pandemic, companies are increasingly investing in tools to help them assess the productivity and engagement of their workforce. HR departments rely even more heavily on data-driven insights to guide their decisions. During these times HR departments are having to find ways to make sure employees are hitting targets while maintaining a work environment that takes mental well-being into consideration.

HR professionals are adopting more sophisticated tools to measure not only employee productivity but also well-being. All of this data feeds into the decision-making process around improving workplace conditions and making smarter hiring decisions.

According to one of Forrester's* recent reports, data-driven businesses are growing at an average of more than 30% annually.



Promote diversity, inclusion & equity

In 2021 the importance of building diverse teams will get focus. Numerous studies have shown that diverse teams, on average, outperform more homogeneous ones. Diversity in business can bring underrepresented thoughts and experiences to the table, inspiring increased creativity and innovation within teams. For this reason, building diverse, equitable and inclusive teams will remain imperative to business success.

To promote this, business leaders will have to focus on gender equity, pay parity, flexible work arrangements, and added emphasis on physical, mental and financial health initiatives. Organizations must look to close any inequity gaps present in their business, whether they are based on gender, ethnicity or any other factor.

A Berwick Partners study found that 85% of UK workers value company culture over financial incentives and culture that attracts high-talent can lead to 33% higher revenue*



Summary

10 Key Human Resource Trends for 2021

New World of Work

- Remote work is here to stay
- Asynchronous work
- Redesign Work



Technology Acceleration

- Analytics based decision making
- Continuous feedback & coaching
- Transparent performance reviews & goals
- Better HR software

Truly People First

- Promote diversity, inclusion & equity
- Focus on well-being & mental health
- More nudging, less policing

