

HR Trends For 2022

Work is having its moment. The transformation of the global workforce accelerated in 2021, and is now beyond what would be recognised in the early 21st century. The changes seen in the workplace over the past couple of years have been driven by the continued impact of the COVID-19 pandemic, strains on businesses amid record labour shortages and shifting worker priorities.

The workforce landscape has evolved and gone through drastic changes in the past year – there are fewer employees that are expected to do more, all in the same 8-hour working day. Employers are so concerned about staff shortages; some were offering bonuses of up to £2,000 to recruit Christmas workers in time for the festive season. Research from Adzuna showed that there were 26,307 seasonal job vacancies ahead of the pivotal Christmas shopping period, almost double the 13,668 seen a year previous.

Our own research, by the ADP Research Institute® People at Work 2020: A Global Workforce View from 2020, has highlighted how almost two-thirds (64%) of the workforce has been negatively impacted by the COVID-19 pandemic. However, vaccines have brought a degree of light to the end of the tunnel. A similar number (66%) of workers say they now feel optimistic about the next five years at work. Many feel that the cloud will have a silver lining and believe the pandemic will have a positive lasting effect on workplace flexibility (34%) and their work-life balance (28%).

In many ways, I'm surprised the figure isn't higher. How and where work gets done has been permanently redefined. A survey undertaken by Deloitte last year, found that more than two-thirds of respondents (67%) were still working remotely. Over half (54%) of staff say they would prefer to continue working from home even after the pandemic ends. It is, therefore, up to businesses to adapt to the morphing demands of talent so that they can recruit the best of the best and remain competitive.

Three Key Challenges Ahead

In the UK, there are three key challenges that have defined how we will work in 2022 and beyond. The first is that unpaid overtime has steadily risen from six hours in 2019

to almost eight hours during the grip of COVID-19. Much of this could be down to the obliteration of the commute, meaning workers have more time on their hands and little else to do. However, it is often due to the enhanced monitoring of time-keeping and attendance that employees brought in at the advent of the pandemic when concerns of employee productivity was rife. Either way, the increase in overtime is a trend worth noting and HR must be cognisant of the potential burnout of staff.

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The second challenge is that of diminishing worker confidence, particularly among Generation Z. Whilst around half (54%) of workers in the UK across all age groups feel they were professionally impacted by COVID-19, two thirds (73%) of 18–24-year-olds report concern. Further, overall worker optimism regarding the next five years across all age groups is down (from 73% to 66%) from pre-pandemic levels.

HR directors in 2022, also need to be mindful of statistics that point towards widening gender inequality. In the UK, only 68% of women received a pay rise or bonus for taking on new roles and extra responsibilities during the pandemic, compared to 76% of men. This has led to almost three-in-ten UK employees (28%) not believing that there is pay equality in their workplace today. Surely, it is time to finally breach this gap.

Three Areas To Prioritise In 2022

To overcome these challenges and rebuild worker confidence in 2022, HR Directors should be prioritising on three key areas within the businesses. The first is fostering a

team ethic despite a workforce that is more disparate than ever before. It is essential to nurture a connection in the absence of physical proximity. People data should be used to help shed insight into the ebbs and flows of engagement and performance. This will help managers pull the right levers to support remote or hybrid teams. More than anything though, there needs to be a workplace dynamic built upon mutual trust to help drive employee engagement and performance. This is important, as an employee's head can turn quicker today than ever before.

The workplace culture in 2022 will have to be driven by people and purpose. As HR look for ways to drive inclusion amidst new work models, connection will become an important measurement of workforce culture. As their most valuable intellectual property (IP), employers will need to heighten their focus on their people and reflect on the larger purpose that unites their workforce.

All this will be underpinned by the need for reliable data and technology to drive innovation and resiliency within the business. To navigate forward, business leaders will need to rely more heavily on real-time data to tackle compliance and guide decision-making. HR teams must also turn to technology to drive efficiency by eliminating task work and refocusing efforts on strategic growth initiatives.

Empowering The Workforce

It is a time to empower the workforce. Businesses that empower their employees to work in a way that suits them will see higher levels of engagement and productivity in the long run. Technology is now firmly at the helm of business success. Successful HR Directors understand the power of using data and insights to drive their decision making and to better understand their employees' needs.

HR teams already hold some of the most valuable data within the business. However, as the world of work becomes more people and culture centred than ever before, this data will only become more instrumental in driving strategy and change. It is the difference between surviving and thriving.

Uniting Technology And Talent

Uniting technology and talent together can help transform the employee experience and improve performance. Having robust technology is the bedrock of any business today. It helps them attract the best

people and then propel them towards high performance. From recruiting and onboarding to learning and development, it is important to ensure you have the right technology and tools to help support the HR journey.

Similarly, top-performing organisations depend on high-performing leaders and teams. By having the right platforms and programmes, HR teams can boost employee performance by aligning individual, team, and organisational goals. Plus, they can optimise achievement via digital feedback, coaching and skills development. They can also create succession planning and individualised career development. It is about treating staff as more than a number to develop the very best leaders and teams.

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Creating The Best First Impression

You only get one chance to make a first impression. However, creating a positive first impression has been challenging for HR Directors whilst the world has been confined to their own four walls. It has never been more important to create engaging job posts that grab the attention of top candidates. However, it is what happens next that has shifted the most. HR teams need to harness the power of technology, data and services to streamline the hiring process and ensuring

that the best talent doesn't fall through the net. Once they are signed up. It is important to equip new employees with a digital onboarding experience to welcome them to the team.

A Shift In Worker Priorities

We have all experienced a tremendous amount of change in the last year, across both our home and work life. Workers' priorities have shifted, perhaps indefinitely. The effects of the pandemic have seen record levels of unpaid overtime in the UK. It has also hindered the closing of the gender pay gap that has been talked about for years. In particular, the pandemic has affected the professional lives of those who have just joined the workforce. It is those I feel perhaps most sorry for. It has forced them to re-evaluate what they want and need from their working lives. Now, and in the future.

Brexit, global supply chain issues and the long tail of COVID-19 has created a perfect storm for businesses in the UK. Moving into the new year, it is more important than ever to address the needs of your teams and ensure communication is a two-way street. Hybrid working is here to stay. This year has shown that everyone works differently. Having people clocking in and out at specific times, or using rigid metrics to define performance, is unlikely to result in increased productivity or engagement. In fact, the opposite is likely, and it can be a quick path to a resignation. Rather, in 2022 leaders must harness individuals' strengths and provide opportunities for employees to develop new skills or embark on a new career trajectory with more room for growth.

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Melanie joined ADP in October 2007 to support the growth of the Sales & Marketing business through strategic thought leadership and the creation and delivery of a human capital management agenda. Melanie has been involved in many global projects and Business Process improvement initiatives across ADP while supporting the International business through periods of rapid growth and change. Melanie supports her business units with her experience and knowledge of best practice HR developments, alongside awareness of labour regulations, to enable the design and implementation of appropriate, cost-effective organisational change. Working together in this way, Melanie and her partner units are able to identify and implement effective strategies to drive business growth through leveraging technology, efficiency improvements, market trends and best practice HCM.

Melanie is a Fellow of the Chartered Institute of Personnel & Development and holds an MSc in Human Resource Management. She has 20 years' experience in a variety of HR roles predominantly within the Engineering sector, including the Institution of Mechanical Engineers.

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