

A woman with blonde hair, wearing a light-colored top, is smiling and looking towards another person whose back is to the camera. They appear to be in a meeting or collaborative work environment. A laptop is visible in the foreground, partially obscured by a dark overlay. The background is softly blurred, suggesting an office setting.

Guide:

Challenges Facing HR in 2021

ADVANCE
SYSTEMS

Introduction

Ask any HR professional and they will tell you that their day is packed full of challenges. 2020, however, presented a whole new obstacle for HR departments and their teams.

In fact, many HR leaders found themselves responsible for handling the biggest remote working experiment in history.

Not only were they forced to deal with a remote workforce almost overnight, but add in the intricacies of managing flexible furlough, redundancies and employee engagement all in the midst of a global pandemic and you have yourself a mountain to climb.

As we look to the future, it is expected that changes, particularly in the ways we work, will play a crucial role in influencing the plans and strategies companies must put in place as they work hard to keep up in the current climate.

Here we will cover some of the challenges that HR teams may face in 2021, including adapting to a new kind of normal, remote onboarding and managing a flexible workforce.

The impact of 'Covid-19' on HR departments

The 'Covid-19' pandemic paved the way for one of the most prominent workplace transformations of our lifetime.

How we work, shop, learn and communicate has changed forever. From the very start, HR teams were at the heart of their organisation's response to the pandemic and have continued to play a central role in keeping the workforce motivated, productive and resilient.

As we have entered 2021 and progress has been made in responding to the issues presented by 'Covid-19', a shift is occurring, whereby emphasis is now moving from the response phase into a recovery phase, to ensure organisations are ready to thrive.

HR teams have been given a unique opportunity to showcase their talent for helping businesses make strategic decisions regarding their employees.

[Personio research](#) found that:

71%

of managers believed HR added a strategic value to their business during the pandemic

80%

say it's important for HR to maintain a more strategic role post-pandemic

In 2021, HR teams should be embracing technology and automated HR processes to give them more time to focus on their people strategy.

Main challenges faced by HR departments

Preparing for the 'new normal'

The 'new normal' will look different across many businesses when we reach the post-pandemic era. Some organisations may struggle to determine what will work best for them, in terms of what is achievable and what employees require.

'Covid-19 forced many businesses to have their workforce suddenly working from home - now, a recent [Gartner survey](#) revealed that:

74%

over two-thirds of CFOs plan for their employees to work from home permanently once the pandemic subsides

With this in mind, employers need to ensure that they are prepared for the mental and emotional impact that various lockdowns may have had, or could have on their workforce. HR Managers should be adopting a consultative approach by surveying employees on topics such as flexible working preferences, which can provide vital insights to then inform strategic decisions.

Using opinion surveys can provide businesses with a detailed level of understanding into the needs and concerns of their employees and also allows management to address issues carefully and promptly.

When employees see that surveys can improve and enhance the organisational culture, they are more likely to respond to them. Surveys can also enable HR departments to build trust with employees, which in turn can help with boosting engagement and retention rates.

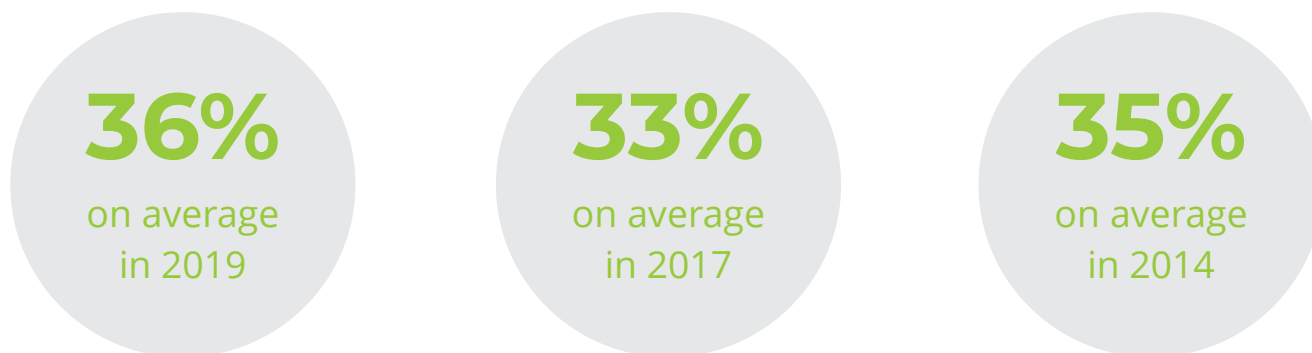
Diversity and Inclusion

Diversity and Inclusion (D&I) matters now more than ever, and in this challenging landscape, D&I efforts could easily take a back seat.

Evidence shows that companies who embrace diverse and inclusive cultures are more likely to make better and braver decisions — both of which are important business traits to possess during the pandemic and beyond.

According to McKinsey's report titled '[Diversity Wins](#)', diverse teams have demonstrated that they are better able to radically innovate and anticipate shifts in consumer needs and consumption patterns.

Additionally, companies in the top quartile for executive-level ethnic diversity financially outperformed their rivals in the bottom quartile.



Therefore, companies whose leaders welcome diverse talents and include multiple perspectives are likely to emerge from the crisis stronger. The report also said that the shift to remote working presented an opportunity for companies to accelerate D&I, as it could facilitate the retention of women and minority groups who often took on a disproportionate share of family duties.

To ensure organisations are best positioned to prosper in the future, they should protect the gains they have already made and prioritise D&I efforts going forward.

Ensuring qualifications, training and competencies are kept up to date remotely

A [Gartner survey](#) of more than 800 HR professionals found that although many expect their organisations to focus on growth in 2021, there was more focus on driving spending and cost reduction than in previous years, whilst improving operational excellence remained paramount.

To support these goals:

68%

of HR leaders say they will be building critical skills and competencies - an objective that has topped the priorities of HR leaders for the last three years.



Data from the [survey](#) shows that the total number of skills required for a single job is increasing by 10% year on year, and a third of the skills present in an average 2017 job posting are no longer necessary in 2021.

The findings outline that HR leaders need to foster a dynamic approach to reskilling and redeploying talent. Employees and management need to work together to sense shifting skill needs and find ways to develop skills when new requirements arise.

Gartner found that when using this type of dynamic approach to reskilling:

Employees **apply 75% of the new skills** they learn and learning begins sooner, as needs are identified faster.

In 2021, HR will need to work on connecting employees who don't already have close relationships.

Encouraging new connections through mentoring and skill-sharing partnerships allows for talent, skills and capabilities to grow and can help with closing the skills gap which has been widened by the pandemic.



Remote onboarding

'Covid-19' has created a series of challenges in relation to onboarding new employees remotely whilst also providing them with the support they need. Mentoring, one on ones, formal inductions and introducing new employees to the wider team have all become more complicated and even if your employees can work onsite, wearing masks and social distancing policies may undermine your efforts at team building.

Research by [Glassdoor](#) found that:

Organisations with a strong onboarding process improve new hire retention by

68%

and productivity by over

70%

With this information in mind, many organisations have implemented creative ideas for remote onboarding through the use of virtual meetings and interactive activities. Mentorship is also vital during the onboarding process and should still hold priority within a remote workforce.

Pre-pandemic, new recruits would often sit next to their mentor in the office and shadow their daily activities. To circumnavigate this in 2021, pairing mentors and mentees together in frequent video calls can enable the onboarding process to run smoothly and also help with making the mentee feel supported within their role.

Another way to improve productivity and ensure employee satisfaction, is the provision of a clearly defined first project. One recommendation is to design what the first month will look like for the new recruit, this should include what they will be responsible for, an outline of the project and looks like and what the ideal outcome is.

This can help new recruits by familiarising them with the company and providing them with a sense of accomplishment.

Managing a flexible workforce

The demands of the current workforce mean working patterns are now more fluid and because of this, the need to implement a flexible work policy is crucial - however, this has come as a challenge for many leaders.

Understanding how to manage a digital workforce effectively and ensuring that the uptake of remote working doesn't negatively impact productivity are other key considerations for many leaders.

It is important that employers establish trust with their remote working employees by outlining clear objectives and planning regular catch ups to check progress.

Organisations should also be using technology to support productivity, by making use of file sharing solutions - plus taking advantage of plat-forms that enable screen sharing and collaboration on documents.'





To stay on top of managing a flexible workforce, [using HR management software](#) is recommended to intelligently manage employees, run accurate payroll and provide one central repository for all your HR data whilst gaining insight and reports from key areas of your organisation.

CIPD has [created a guide in collaboration with Affinity Health](#), which explores the effective and creative approaches taken by organisations across different sectors and industries. It draws together viewpoints from HR professionals, line managers and flexibly working employees to offer insights and recommended actions on what works.

The sudden 'Covid-19' outbreak brought employees' mental health to the forefront of priorities during 2020 and that will undoubtedly be a consistent focus throughout this year, too.

Improving our wellbeing has now taken on an increased importance. Moving forward, companies with a culture that supports employees and embraces the need for wellness may hold an advantage.

Below are some of the ways that employers can encourage wellbeing amongst their workforce



1. Encourage regular breaks

This year, HR leaders should take a proactive approach in training managers to identify the signs of burnout and encourage employees to know when to step away from work to prioritise their mental health.

It is a good idea to place emphasis on taking small, regular breaks throughout the day. To ensure this works, you must also set realistic timelines and achievable goals for your remote employees.



2. Provide optimum information and guidance

95% of respondents from [a new major survey by the Chartered Management Institute](#) stated that communicating clearly is the most important trait for managers right now.

It is therefore essential that employers are providing their remote workers with all the knowledge and information they need – including specific guidelines on working procedures and any other changes that are happening across the company.

By helping employees to understand what is in place for them, it instils confidence and morale in the workforce.



3. Interaction with colleagues

Daily interactions with colleagues are vital for the mental wellbeing of all employees. No employee should feel alone, particularly in the remote community.

Technology can help businesses to achieve a sense of togetherness by making use of the array of internal messaging and video call services available. It can also help with morale if employees are encouraged to not just stick to communications that are exclusively work-related.

Some messaging and video call apps allow users to create separate social channels that can be utilised to discuss the latest news, share tips and tricks for working remotely or even their plans for the weekend.



4. Provide access to mental health services

This year, HR will have an increased agenda to ensure that mental health support is provided and that everyone feels comfortable to talk about any issues. This will be challenging, as both remote working and uncertainty surrounding job security continue.

Alongside checking in on employees and creating a virtual environment where they feel they can discuss issues, using employee benefits packages that include access to mental health services and implementing mental health first aiders within the workplace could help to address this challenge.

Leveraging a remote workplace that freely discusses and normalises mental health issues could also encourage employees to be open and honest about how they are feeling which allows for steps to be put in place to help.

In conclusion

In 2021, adapting to the new world of work will be one of HR's biggest challenges.

However, by harnessing data and shifting attention to the valuable and strategic role HR can play, businesses can ensure their employee experience is in alignment with the evolving needs and expectations of the workforce.

Being flexible in what they can offer to their employees can also help with attracting and retaining the people who will bring about success.

If you need help with increasing your organisation's productivity levels or managing flexibility in the face of 2021, contact us to discuss how our [HR management software](#) can help you.



How we can help

With over 20 years of experience in workforce management, our software is designed to help businesses across all industries improve their internal processes and save time, something that is more important now than ever.



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