HR Leaders Survey Results 2020

The challenges and complexities of the year 2020 is re-defining the role of the HR leader in a way that is without historical precedent and the lessons learned will shape organizational success in the years to come.

The impact on people, leadership, culture, organizational design and approaches to diversity, equity and inclusion will continue to change the shape of work. Bedford Group Transearch and Teal & Co's expertise in partnering with HR leaders to provide executive search and talent strategy solutions has provided first-hand experience with the trials, tribulations, challenges and opportunities that faced the HR leader over the past year and that will set the context for 2021 and beyond.

Given this unique positioning at the nexus of change, Bedford Group Transearch facilitated a number of HR leader Roundtable sessions throughout the year to provide thought leadership and peer-to-peer dialogue with the goal of shared learning. We also took the opportunity to hear from the HR community on their thoughts and perspectives, surveying Canadian HR leaders in both June and December 2020. Our goal was to gain insight we could share on how HR leaders were seeing their respective organizations change in the face of the crisis and what the lasting impacts might be.

Our hope is that this snapshot report can provide valuable insight to help you approach and position your organization for success in 2021 and beyond.

Sincerely,

Bedford Group Transearch | Teal & Co.

KEY RESULTS FROM THESE SURVEYS

What follows are the key results from these surveys, which are organized under the key headings of:

1. Business Performance
2. How We Work
3. Culture
4. Leadership

Respondents were Senior HR leaders, representing the unique breadth of Canadian business.

- Business and Professional Services – 22.9%
- Media, Technology and Telecommunications – 17.7%
- Retail and Consumer – 12.9%
- Manufacturing and Distribution – 11.3%
- Financial Services – 9.7%
- Engineering, Energy and Industrial Technology – 6.5%
- Not for Profit – 6.5%
- Healthcare and Life Sciences – 6.5%
- Construction – 3.2%
- Mining & Metals – 3.2%
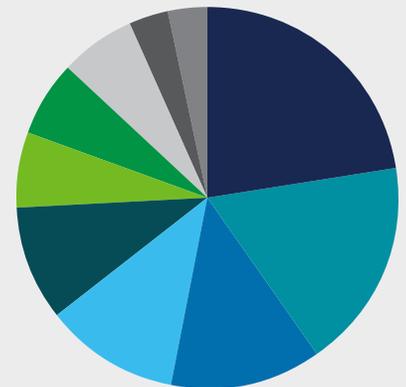
1. Business Performance

The impact of the COVID-19 crisis is being felt by all businesses around the globe, but after a long and challenging year, HR leaders clearly see a light at the end of the tunnel and agree change is imminent in 2021.

While 70% of those surveyed had an optimistic business outlook for 2021, more than 2/3rds agree that the crisis has prompted considerations for a fundamental reshape of their organization. Further, 40% of HR leaders believe that revising or adjusting their organization's business model will be the most likely change to their business in 2021 whereas only 3% believed downsizing would be the most likely change.

BUSINESS OUTLOOK FOR 2021

70%

of HR leaders have an optimistic business outlook in 2021.

FUNDAMENTAL RESHAPE POST COVID-19

2/3

More than 2/3rds of HR leaders surveyed would agree that the COVID-19 crisis has prompted considerations for a fundamental reshape of their organization.

MOST LIKELY CHANGE TO YOUR BUSINESS IN 2021

40%

of HR leaders believe that adjusting their organization's business model will be the most likely change to their business in 2021.
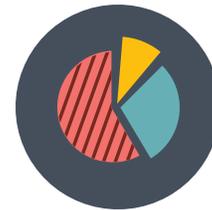
28%

Investment in new product and service offerings and organic growth was the next most likely change.

3%

Conversely, only 3% of HR leaders believe that downsizing is the most likely change for their organization in 2021.

2. How We Work

One thing we can say with certainty is the way we work will never be the same. The pandemic has broadened remote work and has provided us with a once-in-a-generation opportunity to reimagine how we work going forward.

Organizations increasingly see themselves moving to a place where more people will continue to work from home post crisis: 40% of HR leaders surveyed believe between 50% to 75% of their employees who did not work from home prior to the pandemic will do so in the future. This view has more than doubled from the June 2020 survey. It appears that in 2021 we can expect to see not only a return to the workplace but also greater flexibility in how we work. Of those surveyed, 85% believe their organizations will return to work in 2021 employing a hybrid model combining remote work and office time. Of those who plan to return to the workplace, 75% believe their employees will have returned to the office before October, 2021. When asked what the most significant barrier they believe employees are facing in returning to the workplace, over 50% of those surveyed cited a preference to work from home and family accommodation barriers. Interestingly, only 14% cited office safety (appropriate PPE, the ability to social distance etc.) as a significant concern.

POST CRISIS WORKPLACE

40%

of organizations see themselves moving to a place where more people will work from home than prior to the crisis. 40% of respondents felt that 50% – 75% of their employees who did not work from home prior to the pandemic will do so in the future. This view has more than doubled since June 2020.

PLANS TO RETURN TO WORKPLACE

85%

of HR leaders feel that there will be a return to the workplace using a hybrid model.

75%

of those who plan to return to the workplace, 75% of organizations believe their employees will return before October 2021.
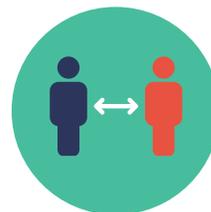
25%

of HR leaders remain unsure about the timing for a return to office work.

BARRIERS TO RETURNING TO THE WORKPLACE

50%

Over 50% of those polled believe the most significant barriers were employees preference to work from home and family accommodation barriers.

14%

Only 14% cited office safety (appropriate PPE, the ability to social distance etc.) as a significant concern.

3. Culture

Leaders overwhelmingly agree an organization's culture has never been more essential to future success. The pandemic has had a remarkable impact, resulting in the leadership team and employees questioning long-held assumptions about the nature of work and corporate interactions.

As leaders prepare for the recovery, they must consider which positive culture changes should be maintained and which negative changes must be counteracted. The accelerated adoption of digital tools during the pandemic could give the misleading impression that a physical presence in the office is no longer necessary. Almost 60% of the HR leaders surveyed believe a virtual culture and lack of face-to-face interaction is the most significant issue to negatively impact their organizational culture in 2021. Further, the crisis is having an increasingly negative impact on employee engagement over time. One topic on which HR leaders overwhelmingly agree is that Diversity, Equity & Inclusion (DE&I) practices will be necessary to their organization's sustainable recovery. That said, only 18% of those surveyed viewed their organization's current DE&I practices as excellent, identifying unconscious bias, a lack of focus on DE&I and a lack of communication as the top three impediments to offering a diverse, equitable and inclusive environment within their organizations.

COMPANY CULTURE

4/5
of HR leaders believe that the net effect of the crisis on company culture is either neutral or positive.

43%
of HR leaders believe that the net effect of the crisis on company culture has been positive.

2021 ISSUE & OPPORTUNITY

Issue
Most significant issue is virtual culture (lack of face to face interaction).

Opportunity
Most significant opportunity is to empower and engage employees to office work.

EMPLOYEE ENGAGEMENT

3x
In December 2020, 3 times more HR leaders noted that the crisis has had a negative impact on employee engagement versus when asked the same question in June 2020.

26%
of HR leaders believe COVID is having a negative impact on employee engagement over time.

DIVERSITY, EQUITY & INCLUSION

18%
of HR leaders view their organization's current DE&I practices as excellent.

Top 3
impediments to offering a DE&I environment are unconscious bias, lack of focus and lack of communication.

4. Leadership

Since the onset of the pandemic, leadership capabilities have truly been tested. It is becoming increasingly clear that in order to emerge from the crisis stronger than before, organizations need to reconsider what it means to lead and prioritize empathy, open and authentic communication and trust.

HR leaders agree that empathy, resilience, agility and the ability to lead virtual teams will be the most critical competencies for business and culture in 2021. Interestingly, 55% of those who responded would not have chosen the competencies they did prior to the pandemic. When asked which capabilities are most likely to help leaders work effectively with partial or fully remote teams, as we expect them to be for the upcoming year, the most common responses were agility, empathy, clear communication, flexibility, authenticity and trust. COVID-19 has forced organizations to revisit many of their previous assumptions about how resilient they would be in a crisis, including their succession plans. It is clear that as time goes on, more organizations are recognizing this need: today, 57% of HR leaders agree that the crisis has significantly impacted the way we are evaluating leadership. This is a significant increase when compared to responses in June where only 15% agreed.

LEADERSHIP COMPETENCIES

55%

HR leaders agree that empathy, resilience, agility and the ability to lead virtual teams will be the most critical competencies for business and culture in 2021. Interestingly, 55% of those who responded would not have chosen the competencies they did prior to the pandemic.

- Empathy – 65.6%
- Agility – 57.4%
- Resilience – 52.5%
- Ability to lead Virtual Teams – 45.9%
- Innovation – 36.1%
- Digital Savvy – 26.2%
- Talent Management – 24.6%
- Decision Making – 18.0%
- Other – 1.6%
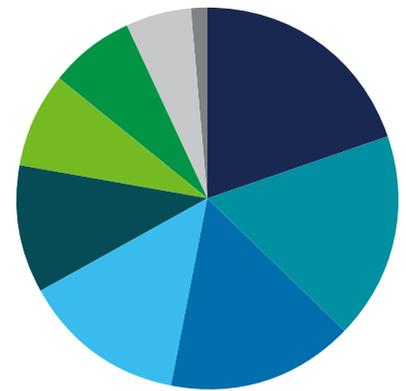
LEADERSHIP SUCCESSION

57%

of HR leaders agree that the crisis has significantly impacted the way we are evaluating leadership in comparison to June when only 15% agreed.

REMOTE LEADERSHIP

Critical skills when working with a remote team:

- Agility
- Communication
- Authenticity
- Empathy
- Flexibility
- Trust

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