



Top 10 Human Resource Predictions for 2022: HR Is Gearing Up!

Human Resources Today | Lenmark Anthony Baltazar | April 25th, 2022

2022 will be a big year for HR. Incorporating the lessons we learned during the pandemic, HR is gearing up to become one of the most far-reaching departments of your company.

The last two years have been pretty challenging for HR. There were moments of highs like transitioning into remote/hybrid work and lows such as dealing with a skill gap, employee turnover, and restructuring. This year is a great opportunity to assess the impact of HR leaders while taking into account the lessons we learned throughout the pandemic.

Here are our top 10 HR Predictions for 2022:

1. Hybrid work will become the standard and the metaverse will shake things up

Before the pandemic, most people think that working from home is just an excuse for employees to goof off. Today, remote work is becoming the norm with employees willing to accept lower pay just to have the freedom to work wherever they want. Why? Here are some reasons why employees love to work from home.

Better work-life balance

Flexible working schedules means that employees can choose to work on the time and setting that they prefer. Having this degree of control over your work schedule is very important for an

employee who values work-life balance — whether it is cleaning the house, attending a school meeting, or running some errands.

Less commuting

Do you know that in the UK, the average commute is 62 minutes a day? Imagine doing that every day. It will add up in a year! Ditching the daily commute is what makes remote work or working from home very appealing to workers. The time savings can give you extra hours of sleep, more time to work out, or more time to spend with family.

Region	Avg. commute distance (miles)	Avg. commute time (minutes)	Miles per Hour (MPH)
London	20	85	14
North East	21	61	20
North West	21	58	21
West Midlands	22	56	23
Yorkshire and the Humber	22	57	23
Wales	19	48	24
Scotland	25	62	24
South East	28	67	25
South West	21	49	26
East Midlands	25	54	27
Northern Ireland	28	60	28
East of England	31	65	29

But how do commutes compare across the UK? Moneybarn has calculated how far commuters are likely to travel in an hour. | Source: www.sme-news.co.uk

Workers in London have the UK's longest and slowest commutes, travelling at just 14 MPH, despite paying some of the highest prices for fuel and monthly season tickets for public transport.

More savings

Transportation expenses, parking fees, gas, car maintenance, lunch outs and maintaining a professional wardrobe can all add up over time. With remote work, an employee can forgo most of these needs resulting in more savings at the end of the year.

Nearly 60% of employers don't help make commuting easier for staff

Despite its advantages, 70% of managers still prefer to have their teams back in the office. "I am super passionate to get everyone back. What we are missing is creativity, spontaneity and the ingenuity and talking to your teammates face-to-face. The whole creativity has kind of been gutted without people being together. I've seen a big cultural effect of connecting to your co-workers," says Curion CEO Sean Bisceglia.

According to Nicholas Bloom, an economics professor at Stanford University, "the idea of a full return [to the office] is dead." And we tend to agree. This pandemic has shown us that

productive work can be done outside the cubicle. From this day forward, remote work is only going to grow and companies must adapt to this new form of hybrid work to stay competitive and relevant in the future.

The future of work is in the metaverse

One of the most glaring problems of hybrid work is not the lack of tools to make remote work possible and seamless. It's the lack of human connection. As one subtly puts it, "if you are not there, you are not real." Giant tech companies like Facebook (now Meta) and Microsoft are trying to fix this problem by introducing the metaverse.

Bill Gates predicts our work meetings will move to metaverse in 2-3 years

What is the metaverse? In its simplest form, the metaverse is a virtual shared space that is persistently online and active. In the metaverse, you and your workers are represented by avatars that can interact with each other like a normal person would in real life. Imagine this: you have a staff meeting and you enter a virtual room (using your avatars) and you interact and move around as if you are there. With the metaverse, you no longer need to travel across the globe just to meet with your colleagues in Asia, for example. Think of the possibilities!

The technology is still young but we can see the metaverse shaking up the very foundations of hybrid work in the near future.

2. Businesses that don't invest in learning, skills, and career pathways will be left behind

One of the most dramatic impacts of Covid-19 is the unprecedented rate of unemployment and the sheer number of workers that were laid-off or furloughed. Even major industries are not immune. Hiring a new talent has become so expensive that plenty of businesses cannot afford to hire a new workforce to fill the gaps. If there's any silver lining to this it's that upskilling and reskilling have been brought to the spotlight.

Let's define these terms quickly below:

Upskilling – the process of learning new skills or teaching employees new skills

Reskilling – the process of learning new skills so you can fill a different role (i.e., training employees to do a different job).

Both upskilling and reskilling are considered to be very effective strategies in combating skills shortage in the company — more especially during this pandemic. According to the World Economic Forum, 54% of employees will need serious reskilling this year.

Businesses that want to keep their advantage must invest in upskilling and reskilling programs today. Even tech giants like Amazon are taking reskilling seriously, pledging to invest \$700 million into upskilling and reskilling their workforce.

Reskilling and upskilling is not just a way to keep your company afloat during this pandemic. Over time, these programs will also improve employee retention, attract quality hires, and improve collaboration between various departments in your company. Lastly, a properly

reskilled and upskilled workforce can easily adjust to changing trends giving your company a clear advantage over the competition.

Why career pathways are important?

Remember that a career pathway is not a “career path”. Instead, career pathing is a series of carefully designed development steps that take an employee from his current role to a job description that is more in demand and better paying. Here are some of the benefits of creating career pathways in your organization:

- You are equipping your employees to meet future demand – career pathways help you identify skills and capabilities that are already available for your company. This way, you can design a training program that addresses skills that may be missing or will become in demand in the future.
- You can identify hidden skills – an effective career pathways program empowers your employee to assess their skills. This could reveal potential capabilities that you may be not aware of.
- You are creating a talent mobility culture in the company – employees love and stay in organizations that value their people. A career pathway allows an employee to grow laterally and vertically. New talents are always on the lookout for these opportunities making your company stand out from the rest.

3. Internal mobility and talent acquisition will come full circle

Why hire externally when you have someone in your company who can fill in the role and maybe even do better? This 2022, expect talent acquisition and internal mobility to converge. Hiring new talent has become more expensive, considering that most businesses are still recovering from the impact of the pandemic. It has also become more competitive.

Talent mobility empowers employees to move between positions in the company — laterally or vertically. Promoting internal mobility in your organisation is good for talent management and employee retention, given that 63% of employees want to be considered for new roles. To be successful in internal mobility, managers should have a strong understanding of their employees’ skills, priorities, and needs. Transparency is also key. Employees need to know what opportunities are available and will be available for them.

Below are some of the benefits of promoting internal mobility in the workplace:

- More employee engagement
- Lower turnover costs
- More productive employees
- Better employee satisfaction

4. A talent marketplace will become a must for every organization

What is a talent marketplace?

A talent marketplace is a platform (usually AI or data-driven) that matches employees with potential roles and opportunities based on their preferences, interests, and skills. It also connects them to experiential, on the job learning projects that will give them a chance to develop new skills or practice the ones that are currently learning. On the management side, a talent marketplace gives HR leaders a pool of on-demand candidates that can be deployed to new projects as new challenges come or as the needs of the company change. It also gives your organization valuable insights on how to future-proof your workforce.

What makes an ideal talent marketplace?

The ideal talent marketplace doesn't just look at the skills and capabilities of an employee. It takes into account the entire individual. It looks into learning preferences, style of work, and interests. Simply put, the best talent marketplace knows who's the right person for the job, what he wants to do, and how he wants to do it.

A talent marketplace utilizes a bottom-up approach where workers are empowered to take control of their careers and how they grow in the company. Some of the development opportunities that you can make available through your talent marketplace include:

- Short-term projects that align with your employees' goals and interests
- Fellowship opportunities to gain a new perspective or develop new skills
- Training to support the development of new skills
- Upskilling and reskilling opportunities
- Mentoring and mentorship programs
- Gig work that gives employees to practise new skills that they are learning
- What are the benefits of a talent marketplace?
- Some of the benefits of deploying a talent marketplace in your company include:
- You are developing an agile workforce that stands ready to respond to any trend changes
- You are closing the skills gap in your organization
- You are creating a diverse, inclusive, and equitable workspace
- You are encouraging a growth mindset among your workforce
- You attract to new talent who looking for companies who value the growth and development of their people

Keep in mind that the most successful companies put career mobility into the hands of their employees and then help them steer into the direction which they are most passionate about.

5. The focus on employee experience will intensify

The term “employee experience” is probably the most ubiquitous HR phrase ever. Its scope is very wide — covering mundane issues like “I have a problem with my daily commute” to the most sensitive ones like “I don’t think the company’s leader trust me.”

Employee experience problems vary from one company to the other. Here are some tips that may help you:

- First, define the problem

You cannot solve a problem if you don’t know it exists. So, the very first step in addressing EX issues in your company is to identify the issue. You do this by listening to your workers, asking the right questions, and analysing their responses.

- Assemble a multifunctional team

Now that you know the problem, it’s time to assemble a multifunctional team across all departments. Most employees experience problems involving various departments in the company. That’s why you need to approach each issue holistically. Bring in representatives from every department — IT, HR, legal, safety, operations, etc. to take a look at top priority issues and decide what interventions, tools, short- and long-term solutions to employ.

- Take a look at your service delivery

While employees appreciate self-service initiatives, there will always be occasions where they need to talk with HR or IT about certain issues. Employee experience at its core is a service delivery strategy, so take a look at your service delivery setup and make adjustments as needed.

- Think long-term!

Employee experience is not something you can fix in a day, week, month, or even a year. Together with your team, develop solutions that can mitigate the issue in the future. For example, if employees complain about a lack of prompt response from HR for certain issues, you can consider deploying chatbots that can help answer the most common questions thrown at your department.

6. Diversity will be about belongingness, inclusion, and equity

Diversity in the workplace is a difficult problem. What makes it even worse is the fact that only 20% of companies are wholeheartedly answering the call for a more diverse and inclusive workplace. On the flip side, about 40% of businesses practice diversity, equity, and inclusion just to avoid legal and compliance issues.

Safety is paramount if you want to have a productive, innovative, and reliable workforce. As this pandemic taught us, employees value their safety more than anything else. If they don’t feel safe in your company, they will not perform their best. Worse case, they will leave and you, as the employer, will lose out.

Diversity wins!

While hiring more people of various colours and ethnicity is good, it's not the solution to the equity and inclusion problem. The best way to develop belongingness, inclusion, and equity in your workplace is to reframe your business to become a caring, flexible, empathetic, and respectful environment.

7. Pay and rewards will be revamped

Do you know what's the biggest driver of employee satisfaction? It's not the free lunch or the ping pong tables. It's fair and equitable pay. Does that mean you have to pay people more? No. It means that as a manager, you have to focus on pay equity, transparency of the process, and fairness in rewards and recognitions.

This 2022, making pay and recognition fair and equitable should be a priority for every company if you want to win the war for talent.

Take a look at this video to see how Unilever revamped its pay and rewards program to be more transparent, fair, and equitable.

8. Companies will redesign their HR tech

2022 will be a year of consolidation for most HR tech. As we all know, HR technology comes in waves. A couple of years ago, the HR tech industry focused on integrating/digitising common HR processes like payroll, time tracking, leave management, etc. In come the late 2000s, mobile and cloud computing boomed bringing most of your favourite HR applications to the cloud. This year, expect companies to merge various services into one single solution as the entire HR tech industry consolidates and matures.

9. People analytics will have an impact on every level of your business

What is people analytics? Simply put, people analytics is the practice of gathering people, talent, and organizational data to improve certain critical aspects of the business. People analytics enable HR to make decisions on processes, talent, etc that are data-driven. People analytics goes beyond HR. It could include other data sources like marketing, customer, operations, and finance.

Below are some of the benefits of employing people analytics in your company:

- It enables you to practise evidence-based HR
- It enables HR to make data-driven decisions
- Better improvement in performance, across the board
- Cost savings
- Bridging skill gaps in the company
- It allows HR to intervene and reshape organizational strategy based on data

People analytics will reshape companies this 2022. Despite this, 83% of businesses don't practice advanced people analytics. If your company is one of this 83%, here are some steps on how you can get started with people analytics from scratch:

- *Define the problem* — to start your journey towards people analytics, you first need to identify the challenge that you are trying to solve. Is it a lack of employee engagement? Is it staffing and hiring issues? Or high turnover rate?
- *Review your data source* — once you have identified the problem, ask yourself what kind of data you have to illustrate it and where can you find this data? Some common data sources include employee performance surveys, demographic data, and insights from managers or team leaders.
- *Gather your data* — now that you know where to get your data, it's time to build a database that will become the very foundation of your data ecosystem. There are various people analytics tools that you can find online.
- *Clean your data* — remove any data that are not relevant, inconsistent, or are extreme outliers.
- *Analyze your data* — what is people analytics without analysis? Once you have your data cleaned, it's time to perform a descriptive, diagnostic, and predictive analysis. Descriptive analysis answers the question "what happened?". Diagnostic analysis shows the relationships between each data and predictive analysis answers the question "what will happen?" based on the data you have.
- *Evaluate your results* — after completing your analysis, you need to conduct a thorough evaluation to see which are the most relevant ones and which ones are just noise. During evaluation ask yourself "are my results satisfactory?", "do they confirm my hypothesis?", or "do I need to conduct more analysis?"
- *Communicate your findings* — communicate your insights to relevant people in the organization. Make sure these people are well equipped for the next step.
- *Act* — once you have communicated and explained your insights to relevant people, it's time to take action and formulate an intervention strategy. After some time, re-evaluate your efforts to see if they are having an impact or not.

10. Building HR capabilities and skills is a must

HR will continue to evolve this 2022. From a back-office job a couple of decades ago, HR, this year, will become a design profession. HR leaders will be asked to consult, design, listen and adapt. HR will no longer function in silos. Instead, it will have an impact on every aspect of the business.

For your company to have an advantage, your HR must be up to date. Below are some of the skills and capabilities a modern, 21st century HR should have:

- Data analytics skills
- Technology skills such as data science and programming

- Critical soft skills like flexibility, creativity, communication, empathy, willingness to learn, organization, negotiation, leadership, and teamwork
- Multitasking skills
- Expertise in administration
- Coaching and advising

There you have it! These are our top 10 HR predictions for the year 2022. Feel free to share and let us know what you think!