

# How 2020 Is Shaping 2021's HR Trends



It's important to reflect at the end of any year, but after one like 2020, it's especially necessary. Good or bad, there's always something to learn from past experiences. By looking at key shifts during 2020, we can anticipate what 2021 HR trends will mean for CHROs and HR departments everywhere.

## Reflecting on 2020

2020 brought with it a number of changes during a landmark year. It began normally in the first quarter, followed by the global pandemic in the second. This immediately ushered in uncertainty, and coupled with social unrest, created a tumultuous time period. In the third quarter, the curve became flatter and the economy reopened, followed by a 4<sup>th</sup> quarter that brought a fresh surge of COVID, social unrest, and more uncertainty surrounding the election.

These moments combined to thrust human resources into the spotlight. After all, HR was called upon to lead in the face of the people issues that arose in 2020. Tasked with going beyond traditional departmental responsibilities, CHROs had to interpret a global pandemic to determine how to keep employees safe, connected, and mentally strong. More than

just providing stability, these leaders took an active part in devising new company processes and high-level business strategies.

The best CHROs emerged as trusted voices during 2020, working shoulder-to-shoulder with CEOs and other executives to navigate the effects of the pandemic. It's a fundamental change to the leadership dynamic in so many companies.

By all accounts, CHROs are having a moment, one that elevated them in 2020 and will keep them there for the foreseeable future. Those who communicated clearly and built trust stood out in exceptional ways, while others faltered in the spotlight. COVID-19 created a make-or-break situation for these HR leaders, and those who rose to the occasion are the ones who are prepared for 2021's HR trends.

### **Looking Forward to 2021**

As the new year begins, companies will be looking back on 2020 to determine which strategies and decisions worked and which didn't. COVID-19 served as a reset button, changing the world overnight. While a reactionary period where businesses scrambled to address the pandemic is understandable, employees will expect stronger planning for 2021.

[According to Brian Kropp](#), Vice President of Gartner, "It's critical for business leaders to understand that large-scale shifts are changing how people work and how business gets done. HR leaders who respond effectively can ensure their organizations stand out from competitors." That means it's time to rethink HR and adapt to trends in remote work, the employee experience, and recruiting. The importance placed on these areas will even create brand new HR roles in 2021 such as Chief Remote Work Officer.

In fact, remote work represents the most sudden and significant change between the start of 2020 and the start of 2021. [Studies show](#) that remote work is here to stay despite all the challenges it presents for employers and employees. Flexibility is crucial as 70% of workers desire at least one day per week with no video meetings to help alleviate Zoom fatigue. Even though some remote workers are in less-than-ideal environments, half still say they would not return to a job that lacks a remote option.

With this digital shift, CHROs must also consider how organizations can be redesigned to capitalize on a remote workforce. The degree to which organizational design will look different in 2021 is unknown, but it is sure to be reinvented in some way. At a time when employees have had to adapt to so much, so quickly and who may be tired of

change, CHROs will need to plan with employee well-being at the forefront.

As a result, CHROs are tasked with creating policies that prioritize mental health and flexibility while still maintaining productivity in a new setting. Health will be tracked like other KPIs so that the emphasis on people matches the emphasis on profits. Fostering a healthy work-life balance to help support employees will be key. Likewise, HR will be revisiting a company's purpose and values, helping reinvent them if they aren't strong enough to make sure people feel good about where they work.

With an elevated employee experience and a purposeful culture of connection, recruiting is set to thrive in 2021. Candidates at every level are watching to see how businesses treat their employees during such a delicate time period. They are scrutinizing remote-work and return-to-work plans and looking to confirm that potential employers are putting employee health first. The companies that have already been focusing on these initiatives are set for successful recruiting, but those who are still unprepared will have missed a golden opportunity, unable to get the first chance at the most talented candidates. In fact, a number of companies resumed their external hiring in the late 3<sup>rd</sup>/early 4<sup>th</sup> quarter to get a head start on their competition. While remote work means recruiting doesn't have to be limited to one location, opening up the talent pool, it also means there are more competitors vying for the same professionals.

### **Leveraging 2021's HR Trends**

COVID-19 shifted the world overnight, but many of these shifts are here to stay even after the threat of a virus is over. People have gotten used to working remotely – they'll continue to look for that option more than ever before, and they'll want to feel a connection to their employer at the same time.

The key for CHROs is to maintain a holistic view. Change isn't easy but focusing solely on remote work and neglecting other parts of the employee experience can backfire. While it's tempting to just try and steady the ship, successful companies are going beyond that and using a time of upheaval as a time to change for the better and stand out from the competition.

Change will look different for every company, and it's HR's role to lead the people-centric changes taking place in 2021. These changes are in place to ensure the overall success of the business and to adapt to the strategic needs of the organization. It's imperative that HR systems, policies, and practices are firmly embedded in the organization to allow CHROs to remain focused on overall business strategy. CHROs that lose focus on the broader picture risk missing out

on this ideal time solidify their status as an equal partner.

Increased remote work, a focus on the experience, and making health a priority are not just trends that will come and go. They are outright shifts that require permanent adaption by employers. As 2021 gets underway, companies no longer have the luxury to sit back and see what they can learn from the way others react. It's time to embrace change, learn what works for employees, and double down on those initiatives.

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