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## FAST FORWARD TO THE FUTURE

– Your guide to what's trending in HR





## INTRODUCTION

We all recognise this: we live in an era of constant innovation and change, and this is no different for HR. Yet trying to keep up with the latest trends while managing your day-to-day work can be exhausting. Sounds familiar? Don't worry! We've summarised the available knowledge on the latest HR trends in this guide, in order to make them easier for you to navigate.

Business today is obviously all about people, meaning that processes, practices and trends are vastly diverse – as they should be. However, certain HR trends are frequently featured in annual trend reports, headlines, and popping up during industry-leading events. In this guide, we will summarize our knowledge and findings on four different hot topics within HR today: **HR analytics, new technologies, new work and millennials, and focusing on your employees.**

Some trends might already be familiar to you, but we hope we can provide some clarity into how to approach these trends and how they can help you in your day-to-day work. We'll provide an overview of current developments and provide practical examples of what they mean for you as an HR professional.

We've designed this guide in such a way that you can easily pick and choose the topics that are relevant to you. When you learn more about industry trends, you'll have a better grasp on where you and your organisation currently stand. You will then be able to more easily recognise which trends you should research further. We'll help by introducing the current industry pioneers within each trend and provide tips about how you can follow their lead. So, without further ado, let's dive in.

### The future of 'Human Resources'

New trends and developments within the field have had an impact on the use of the term **HR** itself. As HR is developing, the term should be better in line with the work that is done: the term 'Human Resources' could imply that people are a resource that can be used just like machinery. You are most likely already familiar with redefining terms such as **People Operations** or **People & Culture**. These changes should be embraced, because they reflect on the new and coming nature of HR. However, be careful not to use trendy terms just for the sake of it! Whatever you choose to name HR in your company, make sure it reflects the work you are doing.

In this report, we use the term HR, but we are anticipating that the established term may be completely different in the near future.

# 1. PUT YOUR DATA TO USE WITH HR ANALYTICS

Let's start with **HR analytics**. HR analytics is actually neither an unknown concept nor a new trend – most people know what it means – but that doesn't mean they're putting analytics to good use. In fact, very few HR departments are getting the most out of their data or are fully utilizing analytics tools.

As Intel's General Manager of Talent Intelligence and Analytics Alexis Fink put it, "*most people use data the way drunks use the lamppost: for support rather than for illumination.*" Often, this misuse of data can be chalked up to hard to use tools or simply getting lost in a sea of data.

HR departments have been collecting data for decades, but most haven't been putting that data to proper use. Hopefully, this is all set to change. However, until HR professionals start truly using their data and closing the gap between theory and practice, HR analytics is going to keep popping up on trend lists.

## What exactly is HR analytics?

In short, HR analytics is a data-driven approach to identifying and analysing people-related problems. With the help of HR analytics, HR professionals can combine and analyse the data they collect in order to discover new and useful insights. This provides the information needed to make better decisions, which are based on objective data rather than intuition or gut feeling.

Overall, leveraging analytics lead to better working environments for employees and better profits for the organisation. What's more, it can even give HR the evidence-based leverage they need to back up their decisions with management. This is without a doubt the reason that **recent research from LinkedIn** reported a triple increase in HR professionals in North America who list analytics skills and keywords on their profiles over the last five years.

## What analytics can do for HR

So, in what way can the field of analytics help HR? With the right combination of data at hand, the possibilities are practically endless.

For example, an organisation with a high employee turnover rate likely already knows what that turnover rate is, but they don't know the why. By putting the right data to use, the organisation could, for instance, figure out why employees aren't sticking around – or even predict when they are most likely to leave – and find an actionable solution to reduce churn rate.

To do this, HR would first need to determine the relevant metrics. While every organisation's situation is unique, looking at resignation rates, drivers and segments is a good place to start. Then look for correlations with metrics such as pay increases, performance and promotion wait time. This can provide insight into who is leaving and why, so that you can craft a tailored employee retention plan to keep the best employees from slipping away.

### FROM OUR BLOG:

**"Three essential things HR Managers should know about HR analytics"**

## Maturity Test: Back to basics

**How long does it take for you to gather the following data and answer these few example questions about your organisation?**

If you are done withing a few minutes, great! If not, it might be time to start thinking about how and where to gather HR data in one place to make any analytics project smoother, or possible in the first place.

**BASIC** (these questions should take you less than 30 seconds to answer)

- How many people work within your organisation?
- What are the average age, gender or salary distributions?

**ADVANCED**

- How long have your employees on average been working for your company?
- Are certain segments at risk of leaving the organisation? If yes, why?
- When is the annual peak of sick leaves and what factors correlate with the increased amount of sick leaves?

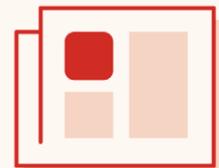
## What next?

HR analytics is an exciting field with a lot to offer. First, make sure to find out which questions you should be asking. The best questions are those which lead to actionable insights. Then, figure out which metrics will help you answer those questions. By taking these simple steps, you are already on your way towards contributing to a more data-driven organisation.

To help you get started, we've gathered a few helpful articles that will help you narrow your focus and determine which questions and metrics might be most useful for you.

### READING TIPS

- **Three essential things HR managers should know about workforce analytics**  
(blog post, Jaakko Mattila, Sympa)
- **A seven-step guide to getting started with workforce analytics**  
(blog post, Jaakko Mattila, Sympa)
- **What is HR Analytics?**  
(blog post, Erik van Vulpen, Analytics in HR)
- **11 key HR metrics**  
(blog post, Erik van Vulpen, Analytics in HR)
- **9 tips for using HR metrics strategically**  
(article Mark Feffer, Society for Human Resource Management)



## 2. UPCOMING TECHNOLOGIES AND HR

Most value-creating development initiatives within modern businesses require a solid foundation – often, this foundation consists of technology. The technological landscape is changing faster than ever, which means that new tools, systems and infrastructures become available as we speak. Let's take a quick look at a few of the latest technologies that we think everyone, not just HR professionals, should be familiar with: **RPA** (Robotic Process Automation), **AI** (Artificial Intelligence), and **VR** (Virtual Reality).

### Robotic Process Automation

Quoting **CIO magazine**, "RPA is an application of technology, governed by business logic and structured inputs, aimed at automating business processes". In practice, RPA tools are fantastic for supporting data driven processes. Companies can configure software, or a robot, to interpret applications for processing a transaction, manipulating data, triggering responses and communicating with other digital systems – automatically.

### RPA meets HR

Saving time and being more effective is always highly appreciated by any organisation or industry, but what can RPA do specifically for HR? In short, the automation RPA allows HR professionals to focus on the most important parts of their work.

Let's take an example from the recruitment world: instead of having to manually update the applicant tracking system after a new hire, make a new employee record for the employee database, and gather employee documentation, RPA can do it all. Thanks to the fact that different software systems can communicate with each other, RPA is also able to double-check HR compliance.

### Artificial Intelligence

AI is a common subject of conversation at the moment, and for good reason. It's considered by many experts to be driving the fourth industrial revolution. Or, as Sundar Pichai, CEO of Google, said at the World Economic Forum Annual Conference in 2018: *"I think of it as something more profound than electricity or fire."*

But what exactly is AI? In simple terms, true AI is an algorithm that takes data and as a result of that data can do something beyond what it was coded to do originally. This means it can learn something without human intervention.

Luckily, that doesn't mean robots are taking over your job. As a **recent report by PWC** put it, *"The judgment calls of the human professional are, and always will be, decisive in people management"*. AI will, however, provide more time, more capacity, more budget, and better information for us to make those important decisions.

#### QUOTE

*"I think of AI as something more profound than electricity or fire."*

- Sundar Pichai  
CEO, Google



## AI meets HR

Most pure AI applications available today are for recruitment and hiring processes. They reduce recruiting timelines and help in candidate screening. AI can also help to predict when to start hiring people for a certain department to prevent having unfilled positions during crucial periods.

What's more, AI can make HR operations run more smoothly, so people get more done instead of drowning in paperwork. AI can keep track of operations to help HR stay on top of things and create valuable insights by suggesting actionable strategies based on data. It's for reasons like this companies around the world, big and small, are beginning to use AI applications.

When considering AI, it's important to understand that automation and analytics are not AI. In our experience, many of the processes in HR currently labelled as AI are actually automated processes, so be careful not to confuse them or try to buzz things up by name-dropping AI. Remember: true AI means it can do something that it's not coded to do. This ultimately means that most advanced AI applications are expensive and not widely used just yet. As tech evolves however, they will be more readily available and will become an integral part of our daily lives.

## Virtual Reality

In simple terms, VR seeks to create a realistic 3-D image or environment, which humans can perceive as real and interact with in realistic ways. Quite logically, this makes VR an ideal gaming technology. There are a number of exciting ways it can enhance HR capabilities as well, especially within recruitment and hiring, onboarding, learning, and development.

## VR meets HR

A well-known example of the successful use of VR technology is The British Army, who already uses VR to overcome its recruitment challenges. It recently created four VR experiences based on combat training, adventure training, tank training and parachute training. These were then posted on YouTube 360 as a part of their recruitment strategy. The results were excellent, with an increase in applications of 65% in the first month the campaign ran and an increase of 41% in the second month.

VR can also be used as part of a screening process for other hands-on roles. What's more, tailored VR experiences help pinpoint the most skilled candidates pre-interview. Once at the interview stage, VR can enable candidates to demonstrate their practical skills. This means that if a lot of on-the-job training is required for the role, VR can be a fantastic investment.

## What next?

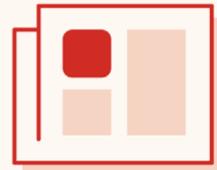
New technologies are emerging faster than ever. Some technologies will transition from 'expensive risk' to 'essential tool', some will completely revolutionise our lives and the way we work, and some will disappear – or make other technologies disappear.

You don't need to master all of the latest technologies, but you do need to keep an eye on them and have a good understanding of how they will affect your industry and how they could help your HR operations. No one can predict the future, but one thing is certain: technology will keep being a game changer, so be prepared for the exciting journey ahead!

From the wealth of information out there, we've gathered some useful articles to help you gain an even greater understanding on the above-mentioned technologies.

### READING TIPS

- **How Artificial Intelligence is reinventing Human Resources**  
(article, Barbara van Pay, Entrepreneur Media)
- **What you should know about AI in HR Tech**  
(article, John Sumser, Human Resource Executive)
- **AI in HR: A real killer app**  
(blog post, Josh Bersin)
- **Robotic Process Automation is coming to HR – Here's what you need to know**  
(blog post, Jonathan Benhamou, Forbes)
- **The Future of HR: How HR can use virtual reality**  
(blog post, Kirsty Chalmers, ICS learn)
- **21st-century HR: How VR is changing the face of training**  
(blog post, Samsung)



### 3. NEW WORK AND MILLENNIALS

As mentioned earlier, the new technologies will not lead to all of us being unemployed (phew!), but instead free our time to perform different kinds of tasks. But what does the future of work look like? It can be tricky to keep track of the ever-evolving world of working life, so let's take a look at some examples of how it's changing.

You might already be familiar with the term **new work**, a term that not only describes a single phenomenon, but a set of interconnected trends and developments. We've already entered the era of new work, as our perception of work is profoundly changing.

Today, more people than ever are subscribing to the idea that it doesn't matter what degree you have forgotten about. What matters most is the end result and your values and engagement, both on an individual and organisational level. For most companies, change is necessary. This makes employees who are capable of inspiring change, both within the organisation and within themselves, truly indispensable. This description luckily loosely applies to almost an entire generation: **the millennials**.

#### Millennials on the rise

People used to love complaining about millennials. The truth however, is that they're one of the main drivers of positive change. Born in the digital age, millennials are tech-savvy and value digitalisation in all its forms. At their best, millennials bring fresh ideas and new workflows into an organisation and value new ways of working.

This is great news for companies. When you consider the fact that millennials now make up the majority of the work force, it becomes clearer than ever that they are not a trend or a theoretical concept. They are here and now, reshaping our world and how we work in it. As the next generation, Generation Z, who are used to instant access to just about anything, joins the work force, these changes are sure to accelerate even more.

#### What do millennials want?

When compared with previous generations, millennials generally value different aspects of working life. This means you may need to study up on what makes them tick to make sure you're seeing eye to eye.

**Flexibility:** Flexible working arrangements, such as remote work and flex hours, equal better work-life balance.

**Communication:** Collaboration, transparency and feedback are all important to younger generations, especially when it leads to learning. Preferred communication methods usually involve technology such as mobile devices, apps and social media.

**Strong values:** According to **research done by Deloitte**, 75% of surveyed millennials believe businesses are too focused on their own agendas when they could pay more attention to the greater good and societal impact.

## New work calls for new leadership

Luckily, modern management and HR trends are shifting towards a more people-centred approach. This not only accommodates the expectations of millennials, but also allows people from all generations and walks of life to thrive. After all, who wouldn't want to work in an organisation with values that supports your well-being and development? These new leadership concepts promote self-management, empowerment, teamwork, agile processes and emotional intelligence. In fact, the list of new management and leadership concepts is endless.

Here are a few well-known examples of these principles related to the new ways of working and structuring of organisations.

### Holacracy

**Holacracy** is a new, decentralised challenger to traditional working methods. In a **holacracy**, power doesn't operate top-down, but is equally distributed throughout the organisation. This gives employees the freedom to self-manage without straying from the organisation's purpose.

A structured set of rules grants this freedom and eliminates problems like uneven power dynamics and duty-related guesswork.

### Gig economy

**Gig economy** is an economy that, well, runs on gigs. In this type of labour market, short-term contracts and freelancing reign supreme over permanent contracts. This grants employees flexibility and freedom to pick and choose jobs or even the amount of work performed.

Gig economy is more than just a small movement these days. In fact, **more than 57 million workers** in the United States – that's one third of all workers – are part of the gig economy.

For many people, the gig economy provides lifestyle benefits that often are hard to come by in traditional working life, such as a high degree of flexibility and the opportunity to be your own boss.

### Teal organisation

Based on **the work of Professor Clare W. Graves**, a **Teal organisation** is the proposed next level in a series of colour-coded developmental levels throughout human history. Graves believed that humanity was ready for a momentous leap forward – which, according to followers, is a leap into Teal.

Teal organisations revolve around three specific values: self-management, wholeness and evolutionary purpose. In practice, this means hierarchies are removed and people are empowered to be their true selves, while working together towards a goal without competition.

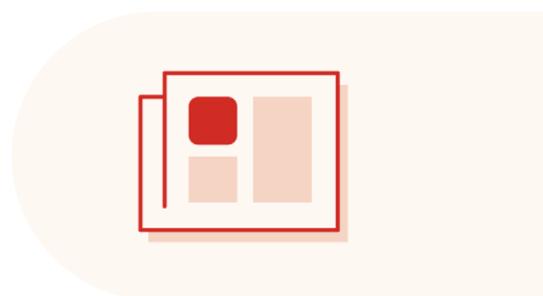
## What next?

In the end, the processes and platforms you use in your work aren't what matter – it's the results that matter. If we look at the emerging new work trends, the best results often come about when employees are involved in the process of selecting and measuring their own goals. This means it's important to foster curiosity and diversity, encourage learning, and get employees involved from the get-go. Moving towards a truly people-centric approach is key for us all, no matter the industry or role.

Below you'll find a few hand-picked tips on interesting reads. To be honest, they do in no way even begin to cover all the valuable insights there are to be found on the topic. Our best tips to get inspired? Actively research topics you find interesting and valuable, stay curious, and make sure to actively engage in dialogue with others.

### READING TIPS

- **Millennials and the Paradigm Shift for HR Departments**  
(article, Nickhil Jakatdar, Entrepreneur)
- **8 lessons on building a company that people enjoy working for**  
(TED talk, Patty McCord)
- **State of Mind at Work**  
(book, Tommie Cau)
- **Reinventing Organisations**  
(book, Frederic Laloux)



## 4. FOCUS ON YOUR EMPLOYEES

By now, we have established that there are a lot of changes hitting us from different directions. Getting people onboard and committing to change and a common goal can be tricky, despite knowledge of the latest leadership concepts.

Traditionally, employees have been seen as a cost rather than appreciated as the most important source of revenue. By now, most of us realise that employees are the ones with first-hand experience of your company's structures, systems, products and services. Not only can they tell what works and what doesn't, they also have the power to accelerate the changes by engaging themselves and others to the process.

### QUOTE

*"In spite of all its technology, a firm is only as good as its people."*

- Christian Grönroos  
Emeritus Professor of Marketing in Hanken  
School of Economics

### Employee experience

All the observations and perceptions employees have during their time working for an organisation be described as the **employee experience'**– i.e., the journey the employee takes with your organisation. The employee experience cycle includes all phases from attracting and hiring talent, onboarding and engaging the new employees, steering performance and development, to offboarding. Understanding and developing this experience as a whole should be at the top of every HR department's list, since it can lead to tremendous benefits for both the employee and the organisation.

By promoting employee experience, HR can for instance help increase employee well-being and ultimately reduce sick days and sick leaves. This knowledge will also increase employee retention, as employees don't feel the need to switch to another company. What's more, keeping employees engaged creates a more dedicated workforce for powering sustainable growth. Finally, it can work magic over your employer brand, making it easier to find better matches among candidates and recruit new talent.

### Employee engagement

All of the phases within the employee experience journey are important when attracting people and having them commit to your company. When it comes to managing change, **engaging your employees** is especially important. If you can't make your own employees believe in what your company is doing, how can you expect your employees to make your customers believe in it?

Employees need to feel their relationship with the company they work for is meaningful. After all, on average they spend over 90,000 hours of their life working. If people spend those hours feeling dissatisfied, frustrated and stressed, they're clearly not going to give their best for the company. Consequently, the ultimate goal is to foster employees who aren't just committed to the company but are driven to help it meet its goals by building strengths and purpose.

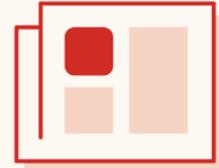
To make sure the employees are engaged, they first need to know what the company's goal is. Second, they need to believe they can fulfill it and be motivated to reach it. Finally, they must feel that they're being listened and have access to the right resources, such as training, databases, information and networks.

## What next?

By being able to collect all the needed data in one place with reliable tools, you're off to a good start. Thanks to sophisticated analytics and artificial intelligence or machine learning, HR can then analyse an ever-greater amount of employee experience data gained from different channels, such as engagement surveys. By putting your data to good use, you can integrate a larger variety of behavioural, emotional, and attitudinal indicators when designing your processes. This will inevitably lead to a better insights of employee experience and engagement – and the key to develop those areas within your organisation.

### READING TIPS

- **Employee experience: essential to compete**  
(blog post, McKinsey&Company)
- **9 out of 10 people are willing to earn less to do more meaningful work**  
(article, Harvard Business Review)
- **6 things wise leaders do to engage their employees**  
(blog post, Glenn Llopis, Forbes)
- **Make appraisals work – A handbook for HR Professionals**  
(eGuide, Sympa)



## 5. WHERE ARE WE HEADED NEXT?

As HR continues to evolve, **trends will come and go**. Some organisations have already embraced these trends, while others are lagging far behind due to being unable to anticipate the future, lack of knowledge, or ignorance.

Knowing your way around trends, however, doesn't mean jumping straight into whatever your industry leaders are talking about. Change takes time, and every organisation is different. The real key to adapting to and benefiting from trends is not embracing every single one, but rather making an educated and conscious decision about which path to follow.

It's impossible to predict which developments within HR will best benefit your business until you give them a go and actually give them a fair chance by ensuring adequate resources, change management and support processes.

We hope that this guide has provided you with the information you need to navigate the current hot topics within HR. If you're geared up to start putting some of them into practice, we have one valuable tip to share with you: **start with building a solid foundation** supported by HR technology and HR data.

### Master your data to master the trends

In changing times, one thing will always stay constant: the need to collect and use your data to support your efforts. To do this effectively, it's crucial to act rather than just talk. Before introducing ground-breaking technologies or workflows, you need to make sure that you've laid a solid foundation.

If your master data is not in order – and by this we mean accurate, under control and accessible – it will be impossible to successfully implement the complexities of new technologies or processes. So rather than jumping blindly into anything, you should first **get fully up to date with what's happening** with your own organisation and its employees. Once you're there, a brave new world of possibilities will open up.

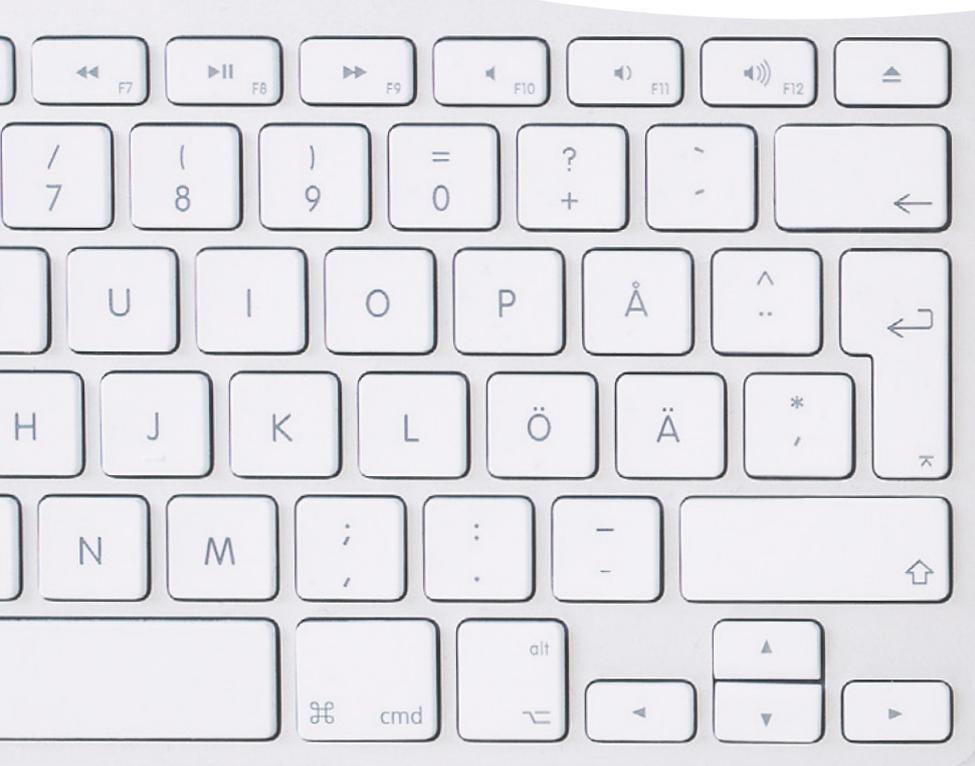
What's more, as you begin considering the latest innovations, it's important to stay grounded. Technology is a fantastic addition to HR, but it will never completely take over. In fact, the most successful results happen when the delicate balance between humanity and technology is maintained, and when both bring their best to the party.

Consequently, there will be as many effective approaches as there are human beings. Though no new trend, no matter how celebrated or revolutionary, can change that – you have to be in it to win it.

## A BRIEF WORD ABOUT SYMPA

Our goal is to set HR professionals free from technology. That's why we designed **Sympa HR** – a complete, global HR solution that lets our customers to focus on people and smart decision-making.

With one of the highest customer satisfaction rates in HR technology in Europe, we are proud to be the fastest growing HR solution provider in the Nordics. Currently, there's more than 600 organisations around the world using Sympa HR as the secure and trusted backbone of their HR operations.



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