# THE BIGGEST CHALLENGES FACING HR PROFESSIONALS POST-PANDEMIC eBOOK - 2021

**CHALLENGES OF THE NEW NORMAL** 

PERSONNEL CHEC S

# FOREWORD

HR leaders are often the ones responsible for implementing organisational change, meaning we always need an eye trained on the horizon for any changes. But with all the foresight in the world, no one was prepared for a pandemic. Overnight, our entire business model was plucked out of the office and dropped amongst sofas, dining tables and kitchens. Our success managing this process is entirely down to the continued hard work, resilience, and adaptability of the Personnel Checks family.

> As we started the process of returning the business to some kind of normal, I stumbled upon an article from 2019 discussing the challenges HR leaders will face over the next ten years. Whilst a lot of the information was still relevant, the biggest thing it demonstrated was how much can change in twelve months.

> The article in question highlighted the strength of the growing 'gig economy,' but if recent court cases from the UK and Europe are anything to go by, this is hardly guaranteed. <u>The landmark ruling</u> from the Supreme Court regarding the employment status of Uber drivers exposes the fragility of this model of work.

> It also discusses the record levels of employment the UK was enjoying. <u>According to the Office for National Statistics</u> (ONS), 2019 saw the joint-highest level of employment (76.1%) since 1971. Unfortunately, the pandemic has completely upended the recruitment landscape. We have seen the biggest drop in employment since years following the 2008 financial crash. In a year's time we have gone from a labour market with not enough candidates to being overwhelmed with jobseekers.

> Changing models of work, employee attitudes, organisational restructuring, alongside a burgeoning mental health crisis means that the road to recovery is going to be challenging for everyone. But as so many of these things fall under the traditional remit of HR, we could see a huge increase in our workload.

> While none of us could have predicted the effect that the coronavirus would have on our lives, we do have a chance to anticipate the big challenges facing us over the next twelve months. Getting ahead of these issues is going to be key for the continued success of any business in a post-pandemic world."



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# **STAFF MORALE**

Over the past 12 months, employees have gradually adapted to the strange hybrid model of working that has become the norm. For a lot of us, it's been an exhausting experience and it has understandably had a significant impact on the morale of the UK's workforce. Mitigating this impact on staff morale has of course been a major focus for HR leaders throughout the pandemic. There's a reason 'Zoom fatigue' is being so widely studied.

But as those Zoom calls start to be replaced by more face-to-face meetings, it could be tempting to relax, take your foot off the pedal and breathe a sigh of relief. Surely everyone will be much happier once things are back to normal, right? Wrong!

Despite a cautious re-opening of the economy, can we really ever return to what was normal pre-pandemic? You may be hoping that once your staff are back in the office, morale will be much easier to manage. This may well be the case eventually but managing fragile levels of morale is an issue that is going to worry employers and HR leaders for the next 12 months, at least.

### **BACK TO NORMAL?**

While some employees are desperate to get back to the office, just as many are desperate to retain some of their newfound flexibility. One thing is clear there's a lot of change on the horizon for UK businesses. It seems unlikely that we will return to the normality that was once so familiar.

While navigating through this period of change, it's important that employers and HR leaders don't lose sight of employee morale. A return to work after such a period of change is going to be a stressful experience. While CV's aplenty boast about how adaptable people are, in real terms humans don't deal well with the stress of change. Moving house, for example, is often touted as the most psychologically stressful period in anyone's life. Organisational change is always a trying time for employees so you need to be sure you're doing everything you can to manage and boost the morale of your employees. So, what can you do to be sure you're on top of this?

### **OPEN A DIALOGUE**

While some feelings will be shared by all your staff, every person's circumstance will be unique. The pandemic has affected everyone differently, and some of your employees will need far more support than others.

The only way to get an accurate picture of your staff's morale is by encouraging them to discuss this with you. The past twelve months have been a trying time for everyone and as employees return to the office, they need open channels of communication with management to discuss any concerns or stresses they are facing. But you can't force people to talk to you! Some people aren't comfortable discussing their worries one-on-one so we would encourage you to implement multiple channels for feedback. This could be an anonymous survey, a group discussion excluding management or even a suggestion/feedback box.

### SUPPORT PROGRAMMES

Whether we like it or not, coronavirus has created a lot of uncertainty in our lives. As good as it is to discuss the effect that it has had on your workforce, it means very little if there is no support framework. Investing in an Employee Assistance Programme (EAP) is more appropriate now than ever before.

An EAP is a service, funded by employers, that offers a range of support to their employees. In most cases, EAPs give staff 24-hour access to free and confidential counselling and advice services. This can be the most effective way to provide tangible mental health support to your employees.

### **FOCUS ON CULTURE**

Wherever you are in the world if there's a group of humans collaborating, working or living together there is culture. Culture is the glue that holds society together and without it the world would fall into anarchy. The same is true for business. But translating company culture into a remote or hybrid work environment has been one of the more difficult tasks facing HR leaders throughout the pandemic. When people are kept apart culture doesn't disseminate as easily, if at all!

Company culture is one of the most important aspects contributing to the success of your business. People working in a company with a positive culture, where they feel valued, are far more likely to perform at a high level. Conversely, bad culture can lead to high staff turnover, poor performance and, in worst case scenarios, even lawsuits.

If your company culture has suffered because of the pandemic, it is vital that as the world reopens you focus on improving on restoring it.

### **RECOGNITION GOES A LONG WAY**

While monetary rewards have traditionally been considered the most effective way to bolster your employees' level of job satisfaction, it isn't the only way. Studies have repeatedly shown that symbolic rewards and social recognition go a long way to improving an employee's level of intrinsic motivation.

Taking the time to highlight the excellent work that someone has done takes little effort but can make all the difference to how someone feels about themselves. Happier employees work harder but their attitude also has a positive influence on their colleagues.

This is of particular importance considering the current situation. If you can succeed in creating a culture of positive (but genuine) feedback you are well on your way towards maintaining a consistent level of high staff morale.

## **HYBRID WORK MODEL**

Simply put, a 'hybrid' work model is a flexible way of working that promotes a mixture of in-office and remote working. Early adoption of a hybrid working model could mean the difference between the long-term sustainability of your organisation.

Working from home (WFH) has dominated the working world for the past 12 months and it's fair to say, many people have found it difficult. Despite this, the UK workforce seems to be reluctant to return to the office. 57% of UK employees have stated they do not want to return to the way things were. Some have suggested that as many as <u>1 in 4 UK workers</u> would resign from their current role if they were made to return to the office.

The biggest motivators for these trends seem to be a perceived boost in wellbeing, benefiting from a better work-life balance, or a combination of the two. Many employees are going to be demanding a switch to remote working and, if they've managed to perform as normal throughout the pandemic, there's very few arguments against this.

A better work-life balance ultimately leads to happier employees. If WFH actively makes your employees happier and healthier, it makes sense to adopt flexible or remote working practices. Happy workers are up to 13% more productive than usual. More productivity from the same number of staff ultimately means more profitability for you and your business.

### **FLEXIBILITY**

For many employers, it is impractical to adopt a fully remote way of work. What may have been successful during the pandemic isn't guaranteed to work as we return to some kind of normality. However, if people have proved they are capable of fulfilling their role from home, then there is no reason that a hybrid model of working cannot be adopted.

Flexibility is fast becoming one of the biggest determiners of where job seekers look for work. To ensure you attract the top talent, you need to be sure your organisation can adapt. Remember, this also applies to the retention of your current employees!

If they can do the same role somewhere else, but work three days from home, it won't be long before they start considering their options. As loyal as an employee may be, they owe it to themselves and their families to do what's best for them. Always keep in mind that retaining employees is both cheaper and easier than having to recruit and train new staff.

### **TACKLING HYBRID WORKING**

Hybrid working has been such an area of intense focus over the past year that a cursory Google search returns about 706,000,000 results. We could quote statistics all day supporting arguments both for and against but the only way to tackle the issue is by discussing it with your workforce. Only they have the information you need to be able to make an informed decision for your organisation.

Encouraging an open dialogue about what the 'new normal' looks like for your business is a good first step. As much as you can encourage your staff to discuss what they want directly, people can feel pressured to respond in certain ways in a one-on-one or team meeting. This is why we'd also advise you implement a way for your employees to comment on the issue anonymously. This could be through a survey or something as simple as a suggestions box.

Once you know how your workforce feels, that's when you can make an informed decision regarding how (or if) you should implement this model. This ensures that you don't rush any major changes to how your organisation functions on a daily basis. Although, if your organisation has been managing remotely throughout the pandemic, now could be the best chance you ever get to restructure.

### **MEASURING SUCCESS**

A key concern of HR leaders is how to measure the success of their teams whilst working remotely. An emerging trend is for organisations to track the productivity of remote staff. There are a range of ways this surveillance has been implemented, from tracking individual keystrokes to <u>monitoring</u> <u>via a devices webcam</u>. As dystopian as this sounds, many organisations are adopting these measures to ensure the productivity of their remote workers.

While measuring output is vital to the success of any business, the growing evidence suggests employee surveillance does more harm than good. Prior to the pandemic, Barclays bank trialled monitoring technology at their London HQ. After a week-long pilot scheme, bosses decided against its implementation after reports of employees being scared to "take bathroom breaks or even get up for water".

A spokesperson for Barclays reassured staff that it was only ever intended as a trial and that colleague feedback was always going to be a pivotal component of any decision that was made.

Introducing surveillance tools immediately implies that you don't trust your employees to do their jobs. This leads to a culture of mistrust and reduces levels of staff morale, this in turn reduces employee productivity and retention. The best way to improve employee productivity in a hybrid working model is through encouraging a culture of trust between management and workers.

### **MEASURING SUCCESS – CONTINUED**

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The employer-employee relationship is fundamentally built on a mutual trust. When an employer decides to recruit someone, they trust the applicant has the necessary skills and attitude to fulfil the role expected of them. If an applicant accepts a job offer and becomes an employee, they trust they will be given the tools they need to do their role effectively and be renumerated for their labour as agreed. This shouldn't change just because people are working remotely.

The whole idea of hybrid working is that it promotes flexibility. This freedom does sometimes mean that a staff member might take a longer break than usual, or they may finish their day 15 minutes early, but if they are fulfilling their duties satisfactorily, why does it matter? When employees feel less constrained by the rigid structure of the 9-5, they are happier in both their personal and professional lives. The research proves that happier employees are more productive.

As master advertiser David Ogilvy once said "The most effective leader is the one who satisfies the psychological needs of his followers'. Rather than measuring time spent working on projects or time sat at their desks, try measuring: levels of job satisfaction, personal wellbeing, or how valued employees feel. A happy, motivated, and valued workforce will always outperform those that aren't.

# **REMOTE RECRUITMENT**

For the businesses that thrived during the pandemic, remote recruitment was essential for their continued growth. That doesn't mean it wasn't a steep learning curve. Remote recruitment is something that most HR professionals will have likely never considered prior to the pandemic. As people champion hybrid ways of work, it seems likely that organisations will need to learn this skill to remain competitive.

Being able to recruit remotely can be a double-edged sword. It makes recruiting in a traditional sense much more difficult as you can't conduct a face-to-face interview. This notion makes a lot of people uncomfortable as they feel they can't get the full sense of someone via a video call. This is completely understandable as you can learn a lot about someone just by being in a room with them.

On the flipside, being able to recruit remotely can hugely expand your talent pool. Not being restricted by geography means you can access candidates who you would have never been able to engage with before.

Remote interviews might be untraditional, but that doesn't mean they can't offer provide you with the same information as a face-to-face. In most cases, it's a matter of translating your expectations to fit with the new medium. In interviews, there are three key areas we would advise to take particular note of:

### LOCATION

A remote interview is ultimately still an interview. As such we would expect a candidate to find a suitable location to be interviewed from, where they are unlikely to be disturbed. If possible, the visible background should be neutral or plain with good lighting and minimal clutter.

Some things cannot be helped. We've all seen heart-warming videos of children interrupting their parents in meetings. But it's how people react to obstacles that can be revealing.

### **TECHNICAL DIFFICULTIES**

Internet issues, muted mics and frozen participants are an annoying but expected part of video calling. How people react in these situations can provide useful insights. If a call disconnected, we would expect to see the candidate contact the interviewer by another means to try and mitigate the issue.

Even if the problem can't be resolved, seeing a candidate making an effort to get around the issue, either by calling, or emailing is admirable. Their efforts would highlight their interest in the interview itself and the potential career they could have with your company.

These issues are common and generally minor but that doesn't mean they aren't frustrating. A bit more frustration is to be expected in an interview setting but if your candidate is getting overly annoyed it could be a sign they don't perform well under pressure.

### **MAINTAINING FOCUS**

On a video call both parties need to make more of an effort to show they are engaged and interested. Hand gestures and body language are often key to this, just as they are in a normal interview. For example, instead of a handshake, we would expect to see a candidate greet us with a smile and maybe even a friendly wave. Using body language shows that they are ready and focussed.

Eye contact is also a clear indicator that someone is interested in what you are discussing. Research by Monster (the job search, not the energy drink) shows that 82% of recruiters rank maintaining eye contact in the top five criteria for a good first impression. This is even more important in a video call. If a candidate is constantly drifting off, or, fiddling with something it's a bad sign.

Remember, a candidate's impression of the interviewer is a huge factor in their perception of your organisation. All of these things apply both ways.

# THE DIGITAL

# THE DIGITAL DIVIDE

The UK economy is becoming increasingly digital, meaning that basic digital skills are becoming a universal requirement for jobs. As of 2021, 92% of UK employers expect a basic level of digital skills as a minimum prerequisite alongside basic numeracy and literacy skills. But despite the growing need for these skills, the number of appropriately skilled individuals isn't growing. This can be attributed to two factors.

Firstly, the number of children taking IT-related topics at GCSE level has dropped 40% since 2015. This is issue is compounded further by a significant gender gap. Only around 20% of those applying for IT-related courses are women. Secondly, there are huge levels of 'digital poverty' in the UK. The pandemic has highlighted just how widespread this issue is, with one in ten young people not having access to the digital resources they need to engage successfully with remote education.

Unfortunately, the digital skills shortage the UK faces isn't going to be solved anytime soon. Fundamental changes are needed to the way we educate the next generation before we can hope to see a real resolution to this problem. Until that happens the onus is on employers to train their staff to ensure any required skills gaps can be filled.

### **CONTINUOUS PROFESSIONAL DEVELOPMENT**

The growing challenge for HR leaders is to ensure that new and existing employees are equipped with the necessary digital skills to contribute to the continued success of a business in the digital age. It is predicted that by 2022 the UK economy will be suffering from a shortage of over 1 million digitally skilled individuals. To ensure your organisation remains competitive it is vital that you invest in a structure for the continuous professional development (CPD) of your workforce.

While the responsibility for completing relevant additional training and courses lies with your employees, creating a culture where CPD is celebrated will benefit both you and your workforce. This can be done in various ways, from offering to cover the costs of certain courses or simply by allowing time within working hours to complete aspects of training.

Historically CPD has often been approached with apprehension by organisation due to the perception it will be time-consuming and take too much focus away from people's work. As CPD has evolved, especially in regard to the accessibility of online and distance learning, this is something that has become almost negligible. Particularly when considering the extra skills your workforce is set to gain.

### IMPROVED MORALE AND ATTRACTION

Taking a proactive role in helping your employees upskill can go a long way in improving levels of staff morale. Investing in the development of your employees reassures them that their contribution is both acknowledged and valued. It also provides them with the skills to fulfil their role more effectively which can boost levels of confidence and wellbeing.

Advertising job vacancies along with details of your organisations CPD infrastructure is proven to be an effective tool for attracting senior managerial staff. However, it is also becoming increasingly important for the wider UK workforce. In a recent CPD study, 87% of millennials agreed that the opportunity to develop their skills was a key determiner in where they chose to work. Considering the prediction that millennials will make up 75% of the workforce by 2025, this is definitely something to get prepared for.

# **INCREASE IN BACKGROUND SCREENING**

Prior to the pandemic, UK employers were significantly lagging behind their US counterparts when it came to background screening.

While 95% of US employers consistently run background checks as standard recruitment practice, UK employers were hovering around the 15% mark. For a long time, UK organisations have considered pre-employment screening a tick box exercise.

But as employment fraud in the UK skyrocketed over the past year, things finally look set to change.

A study from the University of Portsmouth in 2019 found that this type of fraud costs UK employers £24 billion, and given the rise in cases, it's safe to assume this number is growing. The stakes when hiring are always high, but given the current landscape a bad hire could be even more disastrous.

### THE COST OF A BAD HIRE

When KPMG surveyed business leaders, they found that a bad recruit cost them between £2,000-£10,000 a month whilst they were employed. A scenario described by the Recruitment and Employment Confederation (REC) found that:

"For a case of a bad hire with a salary of £42,000 who was fired within a year and, subsequently, replaced, with impact on productivity and staff turnover, the accumulated costs reach a shocking £132,015".

This means that the costs of a bad mid-level hire can end up costing employers over three times that individual's salary. When you also consider the negative impact a bad hire can have on the morale of your other workers, the costs quickly add up. Background screening, particularly in the case of senior management or C-level roles, can give you the tools you need to ensure you're making effective and reliable hiring decisions.

There is often a different type of check for whatever information is important to your organisation. Anything from checking for an adverse financial history all the way through to searches of international watchlists and media coverage. Having this kind of information can not only help mitigate the costs of a bad hire but also any potential damage to your reputation from becoming involved in a media frenzy.

Implementing a legally compliant background screening process is a complicated and time intensive task. Screening regulations tend to involve overlapping areas of legislation that can often be contradictory. Relying on professional background screening and compliance organisation is the best way to ensure you get the most out of this process.

Why not join the ever-growing community of conscientious businesses that are taking the leap into background screening? For more information about how Personnel Checks background screening solutions can aid your organisation, get in touch! You can give us a call on 01254 355 688 or drop us an email at letstalk@personnelchecks.co.uk.