FUTURE OF HR

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FUTURE OF HR

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Ⓡ Raconteur reports

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Why HR can be your key to recovery

From lockdown to unlock, the coronavirus pandemic has thrown up serious staffing challenges, thrusting human resources leaders into the centre of the crisis

Virginia Matthews

When the coronavirus pandemic eventually fades into the history books, the strategic role of human resources professionals in keeping remote workers informed, in touch, productive and engaged will be the focus of business degree case studies.

Tasked with handling everything from troublesome technology and team-building to sickness, furloughs, poor mental health, low morale and even sudden bereavement, HR proved itself the go-to, unifying function in a crisis.

As lockdown morphs into unlock, the task of HR managers is to remain trusted advisers to the C-suite, taking a lead on issues such as flexible working, sometimes in the face of pushback. In short, to reinforce their role as the commercially driven conscience of the business world.

"As the nature of this crisis is human and about people, it has naturally put HR at the centre of the response from organisations," says Peter Cheese, chief executive of the Chartered Institute of Personnel and Development (CIPD).

"Many positive changes can and should emerge, particularly by putting people much more at the heart of business thinking and strategy, and with a much stronger focus on wellbeing. HR has a very important role in ensuring these outcomes remain and we don't just snap back to old cultures, paradigms and behaviours."

Internal communications can be a challenge at the best of times and, when teams are geographically scattered, the job of unifying them in common goals and behaviours becomes that much trickier.

HR's unrivalled expertise in remote communication and productivity, honed in the COVID-19 crisis, should be shared through closer collaboration with line managers, says Dean Hunter, founder of HR consultancy Hunter Adams.

"Many HR teams still sit behind computers, guiding email traffic around much of the time. What's required now is for the profession to move away from the personnel model to become more of a coaching function, developing and generally helping managers step up to become leaders," he says.

"The opportunities for driving change on flexible and agile working, accessing a more widespread talent pool, raising manager capabilities and flexible performance frameworks all provide HR with opportunities to raise credibility and add value."

Despite praise heaped on the likes of Zoom, the live trial of remote technology, which in many organisations was untested when COVID-19 struck, hasn't always been a walk in the park.

While inadequate broadband speeds and unreasonable management expectations have for some marred initiation into at-home working, the broader issue of who is and isn't prepared to embrace this going forward is already weighing heavily on HR departments.

"These last few months have been the most incredible time for the status of the people function, but for those individuals who have struggled with remote tech or still refuse to engage with it, the coming period will be very hard," says Andy Davies, senior vice president at global HR and analytics company MHR.

"How people managers cope with those folk who have to be dragged over the line to remain productive as we transition to widespread remote working will be a major test of the profession and could be critical to the standing of the function long term."

While some leaders are already fully supportive of the strategic role of HR, others believe they themselves are the only true experts when it comes to motivating and engaging with their workforce.
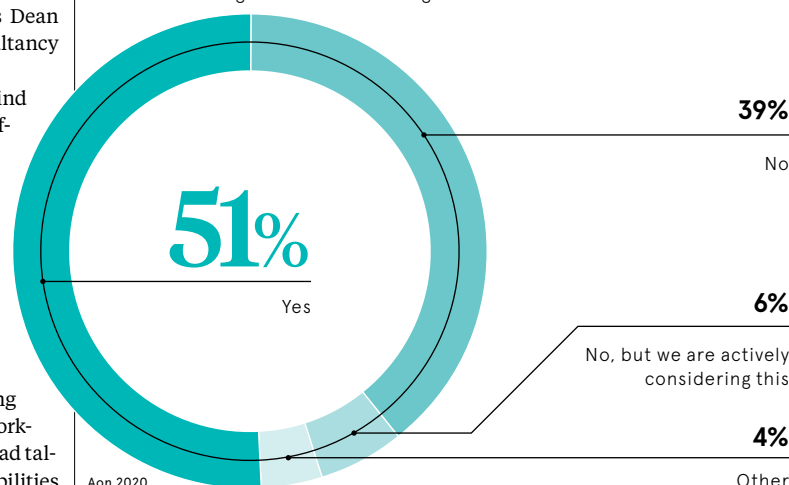
Changing the hearts and minds of the C-suite, perhaps about the long-term benefits of remote working or even the strategic value of HR itself, requires an all-round understanding of business imperatives as well as access to solid data and analysis.

"If we can advise on aspects of HR that managers don't understand, employment law for example, it encourages leaders to interact with the function and to partner with it; something we have seen clearly in COVID-19 as managers have looked to human resources to provide answers to a whole range of problems," says Hunter.

"If you want to have a seat at the table, think about the things managers won't have knowledge of and have something interesting to say about them."

Understanding how the business works, how it makes money, what the margins are and its operating performance are also essential if HR leaders are to add real value.

"Having established that you understand the basics, you can go on to suggest how HR can contribute to the growth of the business and therefore increase the bottom line," says Hunter. "By being commercial and talking the business's language, building long-term reputation will be a given."

Despite the growing appetite for remote-work options to comprise part of a standard contract, there will be leaders in all sectors who persist in pursuing the old policies of presenteeism and micro-management, even if this results in an exodus of hard-to-replace talent.

Pointing out what the competition is doing to cater for changing workforce expectations is one way to move the cultural dial.

But the CIPD's Cheese cautions: "There will be some managers and leaders who are more comfortable with the traditional ways of working and have probably always been resistant to more flexible practices." However, the recent and successful immersion in mandatory home working will, he hopes, have softened attitudes.

"The use of qualitative data from staff surveys, asking how people like the greater flexibility and how it impacts their work and their engagement, as well as more quantitative data about hours worked, absenteeism, downtime rates, productivity and output, will be game-changers for both the workforce and HR itself as the return to work gathers pace," Cheese concludes. ●

Jasmin Merdan/Getty Images

PERFORMING A MORE STRATEGIC FUNCTION DURING THE CRISIS

Whether HR departments have separate teams focused on managing immediate issues versus longer-term issues during the COVID-19 crisis

51% Yes

39% No

6% No, but we are actively considering this

4% Other

Aon 2020

Letting employees take control

During lockdown many companies have had to accept that traditional methods of measuring staff productivity aren't working. Finding new ways to trust and empower workers may be the only path now available

Gareth Platt

To some it's the most influential blueprint since sociologist Max Weber was writing a century ago. To others, it's a recipe for cultish anarchy. The doctrine of holacracy, which suggests companies should remove all managers and rebuild themselves for total employee empowerment, is as divisive today as when the first manifestos were published more than a decade ago.

But now the holacrats, with their vision of a perfectly flat organisation where all disputes are settled by company rules, think the zeitgeist is shifting. As Tom Thomison, founder of HolacracyOne, says: "The whole world is catching on to where we've been for the last decade and a half."

It's not hard to understand the optimism. In this coronavirus era of remote working, companies are facing an inexorable loss of control. Even if they don't fire all their managers, they'll inevitably have to cede ground to their employees.

The alternative — to try and replicate the old physical controls in a distributed world — simply isn't feasible. As Daniel Gallo, director of people and culture at McLaren and previously head of human resources at Liverpool Football Club, says: "If you try to micro-manage a workforce across different locations,

> **If you try to micromanage a workforce across different locations, different time zones, you're just destined to fail**

different time zones, you're just destined to fail."

That doesn't mean the leader's role is redundant. But leaders must prioritise influence, rather than control. By prioritising employee empowerment at every turn, they can create an atmosphere in which they don't need to monitor workers. The team will essentially run itself.

This requires strong communication. Rather than relying on a personal email, leaders can adopt real-time communications technology. Gallo, who oversees a global team at McLaren, says this shift is already happening.

"I've seen an acute increase in WhatsApp [since COVID-19], and my email volume has gone down significantly," he says. "I was talking to someone in my network last week to see whether that was just McLaren. They said 'no, it's amazing'. Email's suddenly going out of fashion."
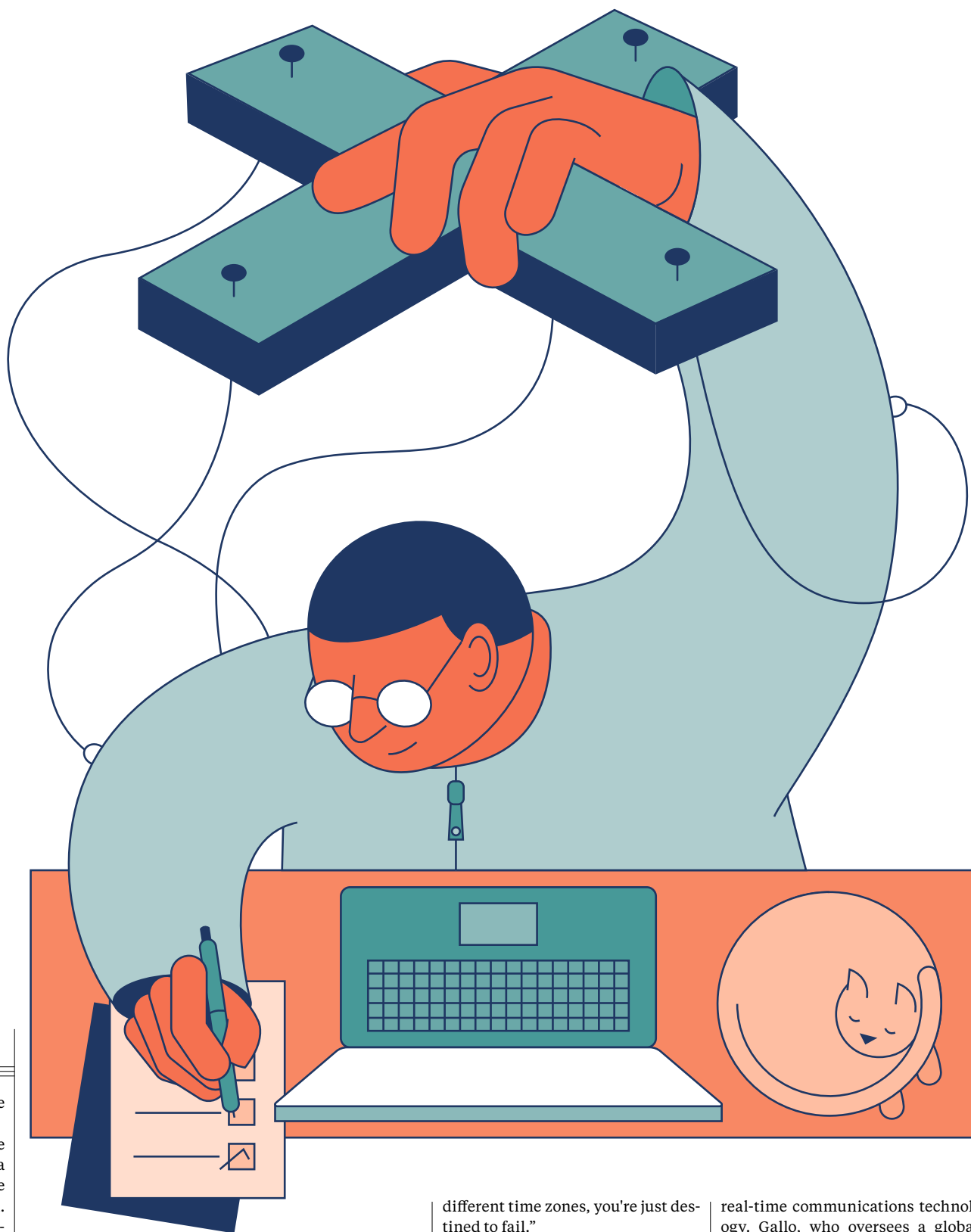
54%

of HR leaders indicated that poor technology and/or infrastructure for remote working is the biggest barrier to effective remote working in their organisation

Gallup 2020

Like many others, McLaren relies heavily on Microsoft Teams, whose user base recently jumped 70 per cent in a single month. Of course, this technology doesn't just allow leaders to communicate, it also enables them to track the activity of their people. A mini-industry has shot up, devoted to the purpose of employee-watching.

But this isn't really the point. In fact, all the evidence suggests that the companies which emerge triumphant in the remote age won't be the clock-watching Big Brothers; they'll be the ones that let people take ownership of their own working lives.

IBM, the world's fifth-biggest tech company, has harnessed remote working since the mid-1990s. Andi Britt, senior partner of talent and transformation in Europe, says: "Our default is to trust our employees, not track them when they're working remotely." In fact, staff are being actively encouraged to set their own hours.

A whole host of companies are taking similar steps. David Fairhurst, who headed up McDonald's HR division, says: "In the UK, we gave the crew family contracts and online self-scheduling," he says. "We should measure outcomes, in other words what they produce, rather than inputs or the times they turn up at work. This frees them up to achieve their objectives in the way which best suits them."

But if we're not going to judge people on hours, we're going to need new metrics. Again, employee empowerment is key. Fairhurst is big on the concept of job craft, where employees are invited to personalise their jobs around their skills and abilities, and create an appropriate set of key performance indicators.

Eric Simpson, a futurist who helped implant remote working culture at Transport for London, agrees: "What we did was ask 'what do we do and why do we do it? Think of the job and write it down'. But I'd also advise people to ask 'how is that measured?'" Often, companies miss this out.

"Forget the subjective 'you say you're busy, I say you're not'. We're going to work out what a day's work actually looks like and we'll keep talking until we agree," he says.

Simpson says this isn't control-freakery; it's quite the opposite. "If someone asks what we get out of a particular colleague each day, I can provide the answer without chasing that person up. That's not micro-managing, that's freedom."

If colleagues are empowered to define their own roles, they can take ownership of company culture. And evidence suggests this is crucial for our new, distributed age. Organisational theorists like the idea of "clan" organisations, whose culture serves as both a unifying force and a motivational tool.

Dave Ulrich, management theorist and creator of the Ulrich Model, says that while clan organisations are hard to form, "once established, they govern themselves with relatively few market or hierarchy mechanisms".

But how do we build this culture? Thankfully, we have plenty of role models. Long before holacracy was conceived, Apple had laid out its own tablet of rules; those commandments have since been woven into the company's "more than a company" mythology. The recent explosion in company culture books shows that many companies are keen to follow this glossy example.

Which is all well and good, but if we really want to inspire our people, and ensure they produce without supervision, we need to get hiring right. We need to attract stars, not simply because they are more productive, but because they can become totems for the organisation, inspiring one another.

To find these people, we may need to rethink the entire hiring strategy. Instead of posting a job advert and sitting back, we can use networks such as LinkedIn to headhunt the people we want. And instead of the bland, lie-riddled CV, we can find more intelligent ways to ensure the right people are reaching us. One example is the growing use by tech firms of application programming interfaces, or APIs, inviting developers to submit their candidacy in the form of code.

This may sound a bit extreme, but really it's about getting to the new reality first. If we can deliver true employee empowerment and build a remote-friendly contract with our employees, we can control our markets without having to control our own people. The more we give, the more we're likely to get back. ●

> **While 'clan' organisations are hard to form, they govern themselves with few market or hierarchy mechanisms**

Employees want to talk; employers need to listen

Adjusting to a new normal as the coronavirus pandemic plays out requires employers to listen to feedback from their employees

As we begin to see glimmers of hope, managing change amid the coronavirus crisis is increasingly important as organisations start to transition to a new normal of office-based, remote or flexible working.

"As any leader will know, it's not as easy as bringing people straight back to work. You have to take a lot of things into consideration like people's living status, their childcare and care-giving responsibilities, and how people travel into work, then let your employees influence decisions," says Ryan Tahmassebi, director of people science at Hive HR, an employee feedback platform and people science consultancy.

Since the coronavirus pandemic hit, Hive has seen employee survey response rates soar and can report a 172 per cent increase in feedback submitted during April through its always-on listening feature.

"Employees want to feed back on coronavirus and give their opinions now more than ever," says Tahmassebi, "That's because of how much it resonates with them and the potential impact it's going to have on them."

The Financial Services Compensation Scheme (FSCS) has been running regular "pulse" employee surveys with Hive to help shape its response to the crisis. As a direct result of this insight, FSCS has been able to introduce popular new policies and initiatives. These include an increase in dependants' leave, digital breakout hours with the chief executive,

home-working equipment allowance for all staff, and social activities like a quarantine quiz and at-home fitness classes.

David Blackburn, chief people officer at FSCS, says: "In our latest pulse survey, we asked employees 'when do you think we should return to work?' and, in response to their feedback, we can confidently announce we're maintaining our current working-from-home arrangements until September. Not only that, but I was able to directly respond to 83 employees who raised back-to-work concerns using Hive's Messenger, so it has helped me personally address colleagues' anxieties and fears about their safety."

Responding in real time

Being able to gather and analyse employee feedback quickly also prevents human resources problems. When Dorset Council discovered some employees were struggling emotionally in their first COVID-19-related pulse survey, the HR and organisational development (OD) team were able to respond immediately.

"This feedback has made us rethink our priorities and focus our efforts on making sure people feel comfortable accessing the help that's available," says David McIntosh, corporate director of HR and OD at Dorset Council. "We've been able to gather a snapshot of how different services and teams are coping, and if they have everything they need, and we're now working with managers to give them the tools and guidance to support their teams through this."

Think inclusive, not top down

As Hive's Tahmassebi notes, there are no textbook answers to the challenges businesses are currently facing. To best navigate change, you need data, context and insight from your whole workforce.

> **Only by collecting employee feedback will organisations understand how to manage this change**

"Your employees always have a really great understanding of how to improve the organisation, often more than leaders give them credit for. You need to be asking your people what they think, how it's working for them and how it could work. Only by collecting employee feedback will organisations understand how to manage this change," he says.

Giving your employees a voice can also lead to improved employee advocacy. Hive customers who have been gathering employee feedback and communicating openly throughout the COVID-19 crisis have recorded an average 23-point spike in employee Net Promoter Scores, regardless of furloughs and pay cuts.

So by taking a people-first and inclusive approach to change management, employers can keep their employees engaged and performing. And while maintaining productivity levels when teams are being stretched and tested may seem hard, it really is the key to success, whatever the future of work may hold.

For more information please visit www.hive.hr/change

23-point

increase in average eNPS for UK organisations gathering employee feedback since the start of lockdown

172%

month-on-month increase in employee feedback submitted via Hive's always-on listening tool during April 2020

29%

increase in manager usage of Hive's always-on listening tool from April 10 to May 9 2020
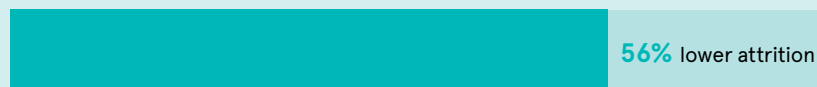

hive

EXPERIENCE MATTERS

Good employee experience (EX) can cut staff turnover and increase performance, but many companies have not made it a priority. The COVID-19 pandemic may have changed this, however, with global research firm Gartner finding that 64 per cent of HR leaders plan to prioritise employee experience more highly now than before the outbreak. So what works when it comes to crafting a great EX? And what has been holding companies back?

96%

of talent professionals say employee experience is becoming more important

LinkedIn 2020

2.4x

increase in number of LinkedIn members whose current job titles include the phrase "employee experience" since 2014

Only...

2 in 5

people strongly agree that their managers have clearly defined their roles and responsibilities

1 in 4

employees strongly agree that their company takes their feedback and suggestions seriously

TinyPulse 2019

BIGGEST EX CHALLENGES FOR 2020

There is a clear link between good EX and business impact, based on over 1,000 companies who were rated on key EX components

Confidence in senior leadership to make the right decisions for the company

56% lower attrition

Opportunities for learning and development

53% lower attrition

A clear link between your work and the company's strategic objectives

49% lower attrition

Recognition for good work

137% higher headcount growth

Managers who help employees with career development

143% higher headcount growth

100%

LinkedIn 2020

IS FEEDBACK THE SECRET TO GOOD EX?

A feedback programme can have a significant impact on employee engagement scores

53%

Engagement score of employees who said their company provides a feedback programme

42%

Engagement score of companies who said their company does not provide a feedback programme
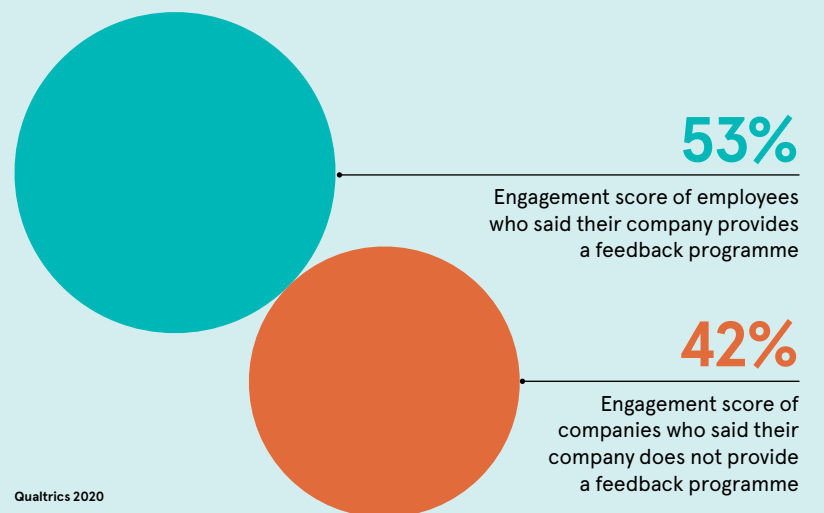
Qualtrics 2020

WHAT DRIVES EMPLOYEE ENGAGEMENT?

Top drivers of engagement according to employees

Opportunities for learning and development

60%

A clear link between your work and the company's strategic objectives

57%

Recognition for good work

55%

Confidence in senior leadership to make the right decisions for the company

53%

Managers who help employees with career development

50%

Qualtrics 2020

MAKING WORK MEANINGFUL IS KEY TO EMPLOYEE EXPERIENCE

How satisfied employees are with the design of their jobs, according to chief executives

● Not satisfied
● Somewhat satisfied
● Satisfied
● Very satisfied

Autonomy to make decisions
7%
20%
43%
31%

Tools and technology
6%
20%
42%
32%

Access to relevant data and information
6%
17%
43%
35%

Overall job design
4%
8%
43%
45%

Day-to-day workflow
3%
13%
45%
39%
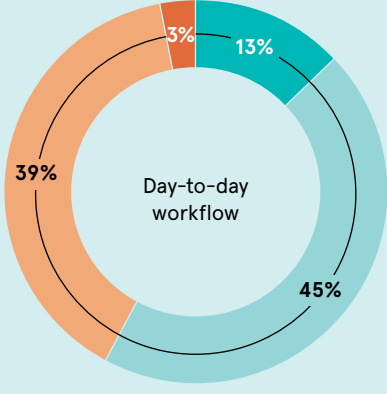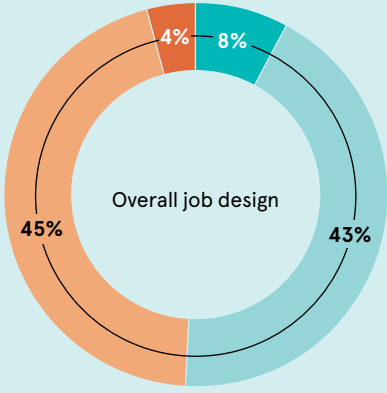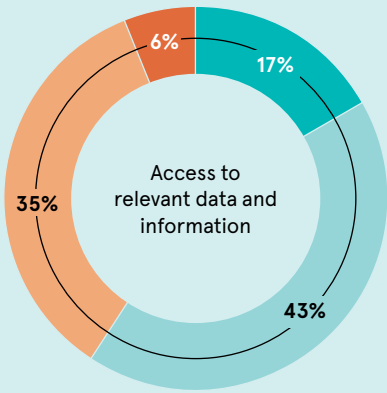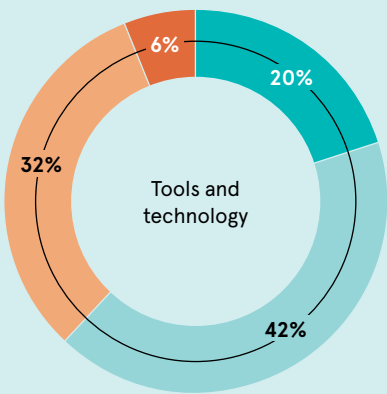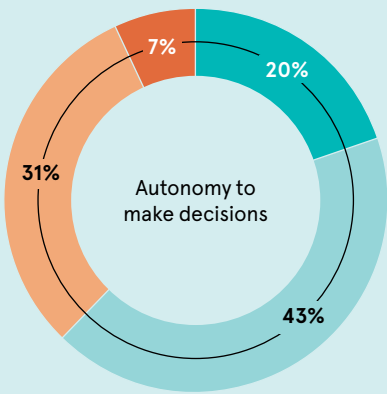
Deloitte 2019

WHAT'S GETTING IN THE WAY OF A BETTER EMPLOYEE EXPERIENCE?

Percentage of talent professionals who say the following are significant roadblocks to improving employee experience

- 57% Not enough people dedicated to it
- 55% Not enough budget
- 48% Not enough time
- 43% Leadership doesn't prioritise it
- 29% Can't justify the investment
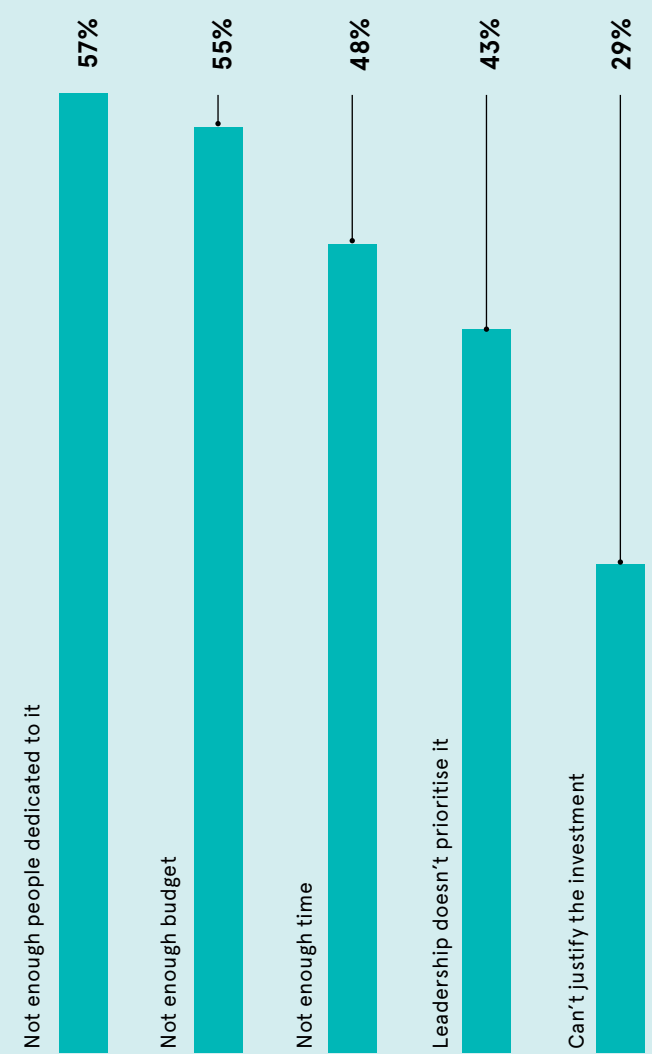
LinkedIn 2020

WHY AREN'T BUSINESS LEADERS MAKING EX A PRIORITY?

Biggest EX challenges for 2020, according to HR leaders

23% We're not sure how to evolve our culture

15% We struggle to leverage our employee value proposition to establish the employee experience

15% We have trouble measuring the impact of our investments in employee experience
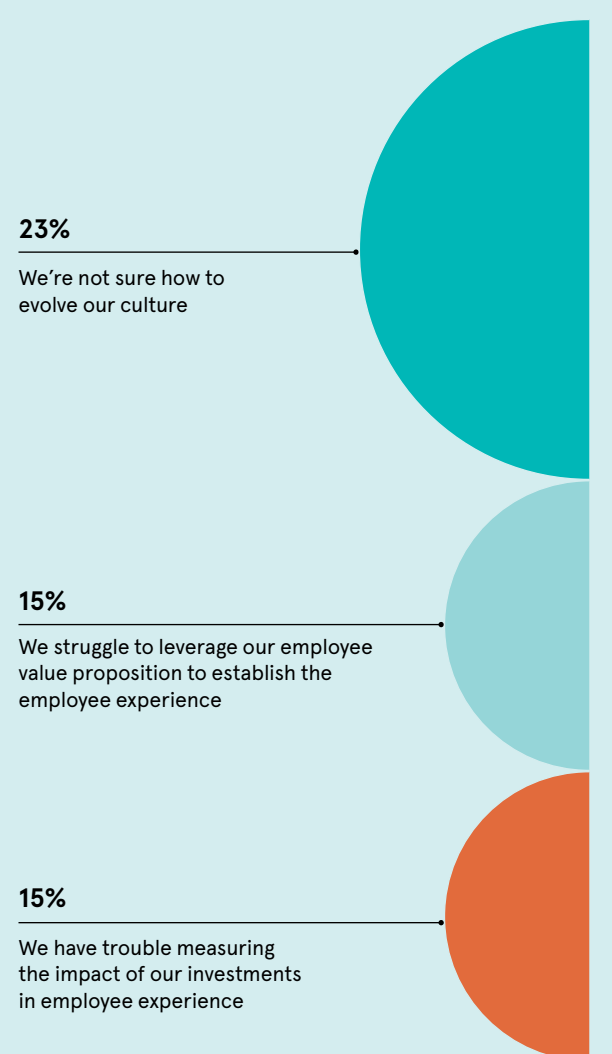
Gartner 2020

THE PARTS OF EX THAT STILL NEED FIXING

Percentage of talent professionals who say their company should improve the following

- **48%** Compensation and benefits
- **40%** Simplified administrative processes
- **38%** Open and effective management
- **38%** Intuitive tools and technologies
- **38%** Training opportunities
- **38%** Company culture that inspires employees
- **37%** Work-life balance
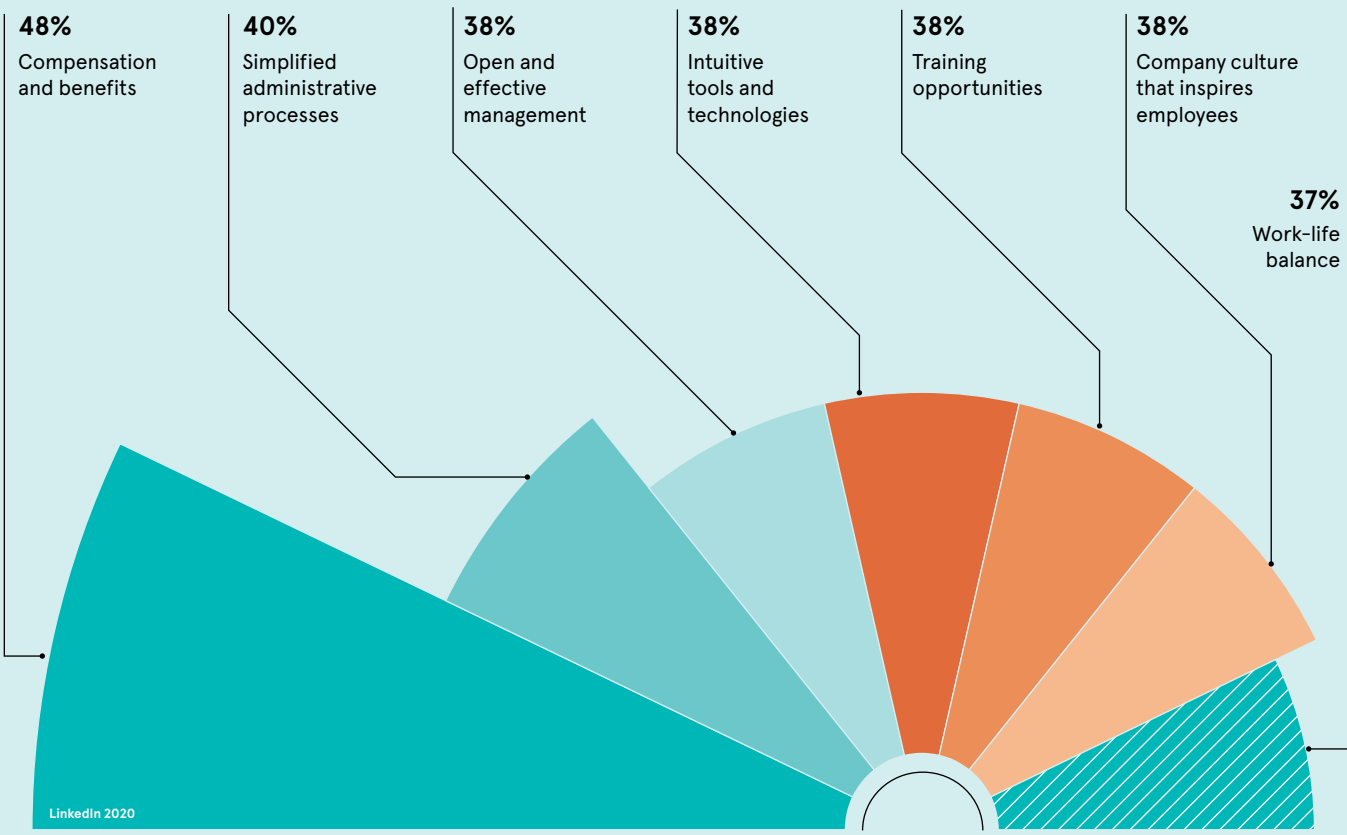
LinkedIn 2020

YOU X Ventures/Unsplash

Promoting advocacy with engagement

Engaged and committed employees are instrumental in businesses navigating the coronavirus crisis and will help determine who thrives in a post-pandemic world

Hugh Wilson

T hroughout lockdown Paul Stobart has posted video blogs twice a week for his company's 600 staff, giving anxious employees updates from the top. The chief executive of broadband company Zen Internet hadn't vlogged before and admits to occasionally muddling words and stuttering over sentences. But he believes employee engagement, through open and honest communication, has never been so necessary, even if it has never been so difficult.

Zen staff think so too as more than 500 tune in to each update. According to company human resources director Ayshea Robertson, along with other measures such as virtual social activities, the vlogs are successfully keeping employees engaged at a time when most are physically distant.

The COVID-19 pandemic has certainly brought concepts like employee engagement and performance management into sharp focus. Businesses are relying on the commitment of staff who are either working remotely or, in some cases, currently not working at all.

"Leaders and managers need to engage with people very regularly during this time when so many employees are working remotely," says Jenny Perkins, head of engagement at leadership consultancy Cirrus. "Ask people what's working well for them and what's not. Check how they feel and demonstrate empathy."

But COVID-19 or not, the link between employee engagement, performance management and business success is well established. Research from the Massachusetts Institute of Technology has found that innovation, customer satisfaction and profits all rise in tandem with positive employee experience.

As Rick Kershaw, chief people officer at engagement software company Peakon, says: "Employers have increasingly been recognising that engaged employees are the most critical drivers of business success. When employees are engaged, they are more productive, more motivated and stay longer with a company."

That's borne out in offices, warehouses and workshops around the world. Emma Storer, group people manager at UK-wide accountancy group Haines Watts, says the benefits of engagement go far beyond productivity. "Engaged employees are more likely to seek out learning and development opportunities and advance their careers, to the benefit of themselves and the business," she says.

But if employee engagement works, why isn't everybody doing it? A Gallup poll found a staggering 87 per cent of employees worldwide are not engaged. One upshot of this, according to another, pre-COVID study, is a third of workers plan on moving jobs in the next 12 months.

Replacing experienced staff is hugely expensive. And even before they leave, demotivated employees can undermine performance standards and leave a trail of unhappy customers. Researchers have even tried to put a value on the cost to businesses of disengaged employees, pitching the figure at thousands of pounds per employee a year.

That's not surprising. Research also shows that unengaged staff take more time off sick, lower team morale and have more accidents at work. So if the stakes are so high, why do businesses take the risk?

It's likely that many don't think they are. Instead, they mistake perks and piecemeal employee development initiatives for a true employee engagement strategy. "An error that many businesses make is believing employee engagement is a quick fix, solved with some new perks or the occasional free lunch. But it's not as simple as that," says Kershaw.

So what is it? Perkins at Cirrus advocates a '"know, think, feel, do" model of employee engagement. Staff who know what an organisation's purpose is will think harder about their part in it. If they feel valued, they'll do more to make a difference.

"People want to feel connected and they want their contribution to be recognised. When people feel this way, they are more likely to go the extra mile," she says. "Your people become genuine advocates for your business and care about customer satisfaction."

For "know, think, feel, do" to be effective, communication is crucial. Zen uses multiple channels to communicate with staff, to suit the preferences of different individuals. They include a regular employee-led internal newsletter, monthly executive committee talks open to everyone and regular themed events, as well as video updates from the boss during lockdown.
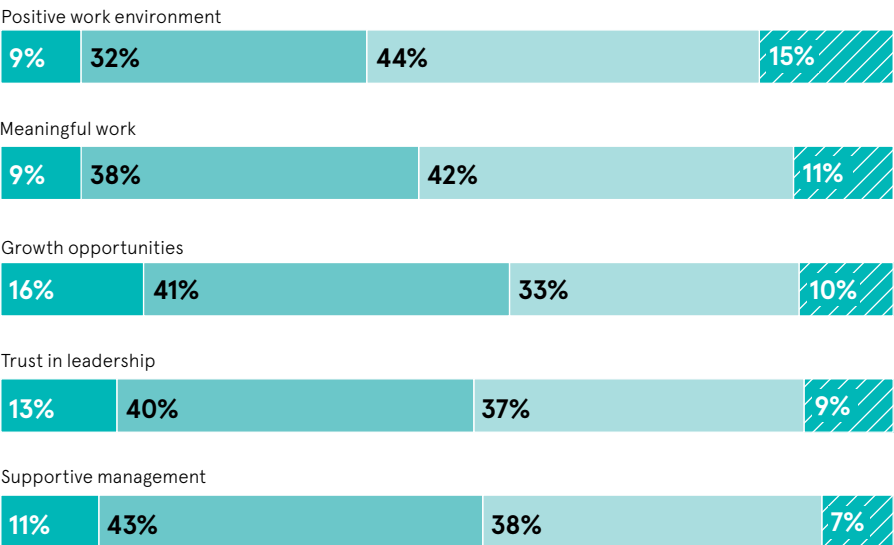
> **Businesses mistake perks and piecemeal employee development initiatives for a true employee engagement strategy**

Like Zen, Haines Watts encourages two-way dialogue. Last year the company ran a group-wide survey of all employees, based on eight key criteria for employee engagement. The results of the survey inform its 2020 group people plan, aimed at improving performance through engagement and collaboration.

Peakon's Kershaw agrees that any employee engagement strategy starts with listening. "Only when you continuously stay on the pulse of your employees' concerns, and work to make improvements, will you see your employee engagement rise," he says.

In other words, successful employee engagement, and with it performance management, is about culture as much as strategy. Leadership consultant Anni Townend says it's down to business leaders to create a "three Cs" culture of curiosity, courage and care to encourage engagement.

"Good leaders listen to, understand and learn from others, rather than simply giving opinions. They are curious and ask expansive questions. They invest in relationships and look out for their people. When staff feel respected, trusted and valued, they are willing to do more. Engaged teams are adept at harnessing collective intelligence, learning through failure, imagining the future and adapting to market challenges," she concludes. ●

MANY ORGANISATIONS STILL NOT DOING ENOUGH WITH THE BUILDING BLOCKS OF ENGAGEMENT

How effective business leaders think they are in engaging workers in the following areas

● Not effective ● Somewhat effective ● Effective ◉ Very effective

Positive work environment

| 9% | 32% | 44% | 15% |

Meaningful work

| 9% | 38% | 42% | 11% |

Growth opportunities

| 16% | 41% | 33% | 10% |

Trust in leadership

| 13% | 40% | 37% | 9% |

Supportive management

| 11% | 43% | 38% | 7% |

Deloitte 2019

Rise of the freelancers: preparing UK businesses for the future

Freelancers offer agility and specialist expertise without long-term commitment. No wonder a majority of smaller businesses are increasingly using freelance workers since the coronavirus outbreak, says **Liron Smadja**, director of local marketing at Fiverr

FREELANCER VERSUS PRODUCTIVITY

- ● Freelancer use increase
- ● Productivity increase
- ● Revenue increase
- ● Revenue decrease
- ● Preparedness
- ● Optimistic about the future

	Belfast	Glasgow	Liverpool	Exeter	Cardiff	Bristol	Birmingham	Manchester	London	Newcastle	Leeds
Freelancer use increase	68.6%	52%	60%	50%	50%	71.4%	63.4%	72.3%	62.3%	42%	52%
Productivity increase	39.2%	26%	42%	24%	24%	40.1%	47.6%	50.5%	38.2%	36%	30%
Revenue increase	11.8%	2%	10%	10%	8%	9.1%	14.6%	25.7%	9.1%	8%	10%
Revenue decrease	45%	68%	60%	44%	66%	49%	46%	42%	60%	42%	38%
Preparedness	51%	52%	36%	38%	38%	65%	60%	60%	36%	32%	38%
Optimistic about the future	59%	48%	54%	68%	46%	65%	55%	65%	50%	52%	40%

The UK's economy is heavily reliant upon the health and success of small and medium-sized enterprises (SMEs), which make up 99.9 per cent of the nation's business population of 5.9 million private sector organisations, according to the latest government figures from January.

The coronavirus pandemic has forced SME leaders to rethink their workforce, with staff furloughed or made redundant. However, a majority of these businesses have turned to freelancers to assist in this challenging period as they look to survive and pivot, new research from Fiverr highlights.

Some 58 per cent of the 1,000 SMEs from all over the country we polled for our Remote Work Whitepaper, published earlier this month, are working with freelancers more than before the COVID-19 outbreak. Moreover, 42 per cent of respondents have found freelancers more productive than regular staff.

These figures are no surprise to us at Fiverr and the surge of demand for freelancers has been reflected on our platform. We have been inundated with new orders from businesses and also, with people finding themselves without a regular job, many more freelancers, with a wide range of skills, have signed up.

The argument for utilising freelancers is irresistible given the current situation. They are used to remote working, collaborating within teams, hitting deadlines, and they work hard to both retain custom and boost their all-important reputation. Indeed, it's the agility of freelancers that is now most

attractive and we believe this trend will continue.

For the last decade, the freelance market has been a tap for businesses to turn either on or off, quickly and without any long-term commitment. Online platforms such as Fiverr have significantly reduced the time it takes to link a freelancer with a business, too. Until recently, if a company wanted to find a skilled freelancer offline, it would take two weeks or so of negotiation before the scope of work and price were agreed. Our platform connects people in a couple of clicks. We say: "You can find a freelancer in five minutes."

This speed and ease of finding people with expertise are critical for many SMEs. Because of the pandemic, taking offline online is a hot topic. Many entrepreneurs using Fiverr, including restaurant and pub owners, clothes retailers and many more, ask me about it and most of them feel unprepared to pivot to a completely digital offering. They all want to shift online as quickly and as efficiently as possible. Now they can launch a website in a week, whereas before it might have been on the "nice-to-have list and staggered over three months, if at all.

Constructing the framework for ecommerce may be made easier than ever, by Shopify, Squarespace, Wix, WordPress and so on, but they only provide plug-and-play websites. To reap the best rewards, businesses require expertise to know how to sell products and services and generate clicks on their website. This is where freelancers can add considerable

value. This includes product descriptions, editing and selecting photographs, and search engine optimisation (SEO). In addition, there is social media, digital marketing and advertising campaigns.

Alongside the offline-to-online trend, there is also e-learning, with furloughed or recently unemployed workers looking to upskill and offer their services as freelancers. Our e-learning arm Fiverr Learn has been off-the-hook busy, with both business owners and freelancers seeking to expand their knowledge.

An SME leader might never be an SEO expert, for instance, but by taking a short course, they will become familiar

with the ins and outs, can communicate with a freelancer and know they are achieving value for money.

In late May, chancellor Rishi Sunak warned that the UK is facing a "severe recession the like of which we've never seen". Given this prospect, it's highly likely the tap for freelancers will be turned on for some time. Businesses need to prepare as best they can to survive and hopefully thrive. The regrettable reality is most SMEs will be unable to retain or rehire furloughed staff.

Now, though, thanks to the rise of the freelancer, you don't need all your workforce to be full-time hires. Costs and time can be drastically reduced thanks to freelancers, making businesses more dynamic and allowing leaders to become more creative with how to make money.

Freelancer platforms, such as Fiverr, offer hope, even when things look dire. We support businesses and provide talented freelancers at every price point. Even if you have a tight budget, you will gain value for money. Fiverr, founded ten years ago, has had more than 50 million transactions and paid out $1 billion

to freelancers. We are sure this model, built on the surging freelancer market, is the future of work. And now the numbers validate our core belief.

A decade ago, Fiverr set out to democratise entrepreneurship and build for a future we knew was coming. Although recent events have accelerated the change in the world of work, our mission remains to support the shift to freelancers and, like the businesses and people we partner with, we continue to grow and evolve. For freelancers the supposed "new normal" has been their normal for long before COVID-19. That's why they are the future of business in the UK.

For more information please visit **fiverr.com**

> ❝ **Our mission remains to support the shift to freelancers**

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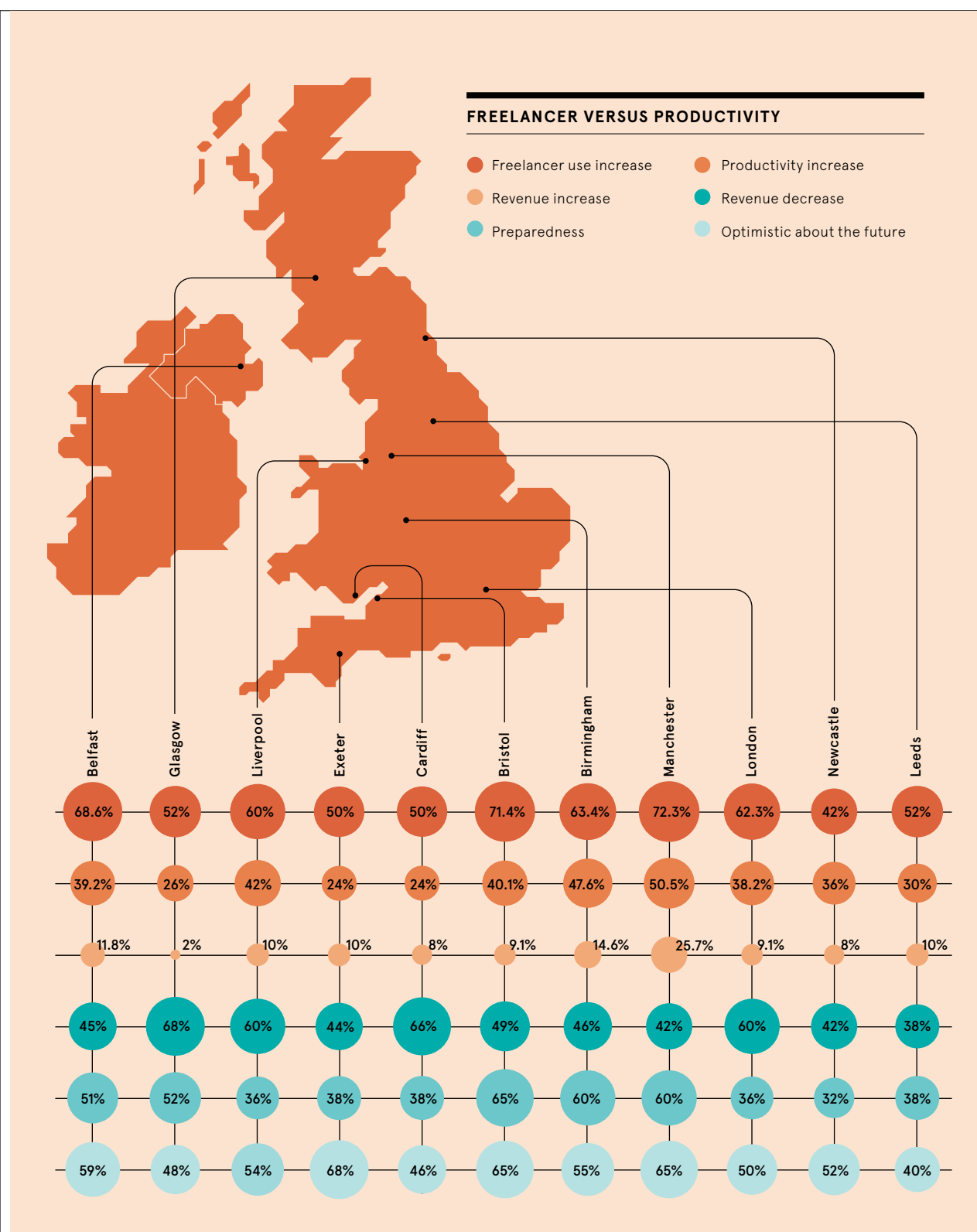
TECHNOLOGY

Amplifying the 'human' in HR

Human resources technology enables companies to make quicker, easier decisions about employees, but much is at stake giving power to machines

Jonathan Weinberg

Adoption of HR technology at speed and scale presents a tricky conundrum for business leaders, with many left to answer a difficult question: what role do humans have in human resources?

The functions of HR have always been built upon a senior department having responsibility for employee experience and welfare. But over the past decade, HR tech has grown to become integral to the role. Indeed, estimates of its global worth range from tens of billions to hundreds of billions, indicating its major significance.

However, as companies have ploughed investment into this side of the HR function, many HR departments have seen budgets and workloads reduced for those tasks previously undertaken by humans.

Such repetitive and manual input jobs have been automated through administration, tracking and talent management software, while computer modelling for people analytics has replaced a human expert's keen eye for spotting what's going wrong and what needs improvement.

Artificial intelligence (AI) with machine-learning has become a core focus. It is able to quickly analyse the deluge of data now captured on employees, across performance management, the working environment, productivity, health and wellbeing, and training and development.

But despite these HR tech trends, many argue the roles and budgets of HR leaders should increase to cope with critical organisational and cultural challenges, such as diversity, mental health and the changing workforce.

Áine Hurley, head of the global HR practice at executive search firm Odgers Berndtson, is responsible for placing such senior roles and believes these HR leaders are critical to an organisation's values, purpose and corporate social responsibility.

Hurley explains that chief executives are shifting away from hiring HR recruits based on characteristics including "digital acumen, the ability to operationalise change and analytical skills", focusing on softer, more human, skills instead.

"The attributes now looked for in HR professionals include drive and determination, courage, resilience, curiosity, and strategic and contextual thinking," she says, going on to describe how chief executives see these as integral to building purpose-led organisations. "This is a deeply human aspect of the HR role and not something that can be substituted by a piece of technology," she adds.

Historically, experienced HR leaders and HR departments would spend years curating vital knowledge about their people through face-to-face conversations. Such a need for human connection and team support has been clear during the COVID-19 pandemic as remote working became a requirement.

But a fear among HR leaders is companies will develop too much reliance on technology for crucial decisions, including hiring and firing, diminishing the role of strategic and experienced human-thinking.

Dr Theresa Simpkin, associate professor at Nottingham University Business School, believes the pandemic offers the perfect time for humans to respond to fundamental changes in the nature of work.

"HR must support and leverage diverse human experience to generate innovative responses to a 'new business as usual'," she says. "This can only come about by divesting long-standing biases and barriers to inclusion." Fundamentally, amplifying the "human" in human resources is the key to leveraging resilience, outside bureaucratic crisis response, with diversity of thought, experience and capability.

"HR must reimagine human engagement for revised notions of productivity, inclusion, sustainability and innovation," says Simpkin.

In most companies, data-driven evidence from AI and machine-learning will surely make sales and marketing decisions easier. But fears that unconscious human bias is often unwittingly programmed in are well reported, raising concerns this could hamper representation across gender, disability, class or neurodiversity.

Dr Nancy Doyle, an occupational psychologist who founded Genius Within, is fearful explaining that in HR visual recognition software used to pre-screen candidates via video link "has not been programmed to allow for sight loss, facial tics, paralysis or autism".

She adds: "Our technology is only as good as the programmers who wrote the code. There will be an ongoing need to critique, review and update new initiatives. In HR our role is to take that critical view and challenge implementation without consideration.

"We hold the expertise about the wider impact of technology on culture, communication and strategy."
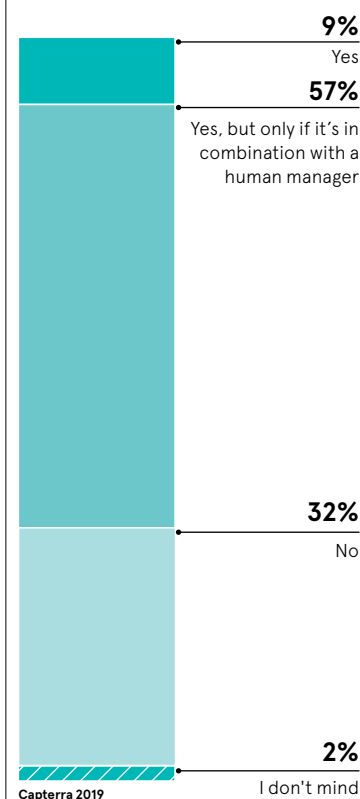
Of course, none of this means HR tech has no place at all in the HR function. Indeed, research for Capterra showed 56 per cent of respondents thought AI could make a positive impact on HR, although more than half (59 per cent) would prefer a human manager to make a decision about a promotion.

This perhaps demonstrates a need for HR tech trends to be tempered by human emotions. Belinda Parmar, founder and chief executive of The Empathy Business, agrees: "HR departments have an opportunity to lead in embedding empathy into everything we do.

"Seeing leaders being authentic, empathetic and even vulnerable manifests itself through higher empowerment and employee scores."

For natural food company Wessanen UK, a B corp and brand owner of Clipper Teas and Whole Earth, which balances purpose and profit, this is already the norm. HR director Ann Chambers prizes connecting with employees on a personal level to create a solid team unit. "Our intrinsic care and listening capabilities are what allow us to exude our human principles through HR function each day," she says.

Her view would suggest the difficult questions around a human's role in HR do have a simple answer: it is critical to ensure HR technology works in the best interests of both companies and employees.

As Lisa Pantelli of simplycommunicate, a network for internal communications and HR professionals, points out: "HR technology's benefits are undoubtedly plentiful, but there is no substitute for human relationships." ●

❝

HR must reimagine human engagement for revised notions of productivity, inclusion, sustainability and innovation

Commercial feature

'To move away from a state where work damages wellbeing, we need to rethink the role of wellbeing in the workplace'

The coronavirus crisis has concertinaed a decade's worth of ongoing workplace trends into just a few weeks. Those in human resources who run employee wellbeing strategies have found their programmes front and centre as they try to help workers to cope, month after month, during the most extreme collective change since the two world wars.

Even before the crisis, employers were concerned at how hard organisational change was hitting employees' wellbeing. The Reward & Employee Benefits Association (REBA)/AXA PPP *Employee Wellbeing Research 2020*, to be published this month, found that the share of employers citing organisational change as a risk to wellbeing increased 235 per cent between 2019 and 2020, with more than half of employers (57 per cent) identifying it as an issue.

To move away from a state where work damages physical, mental, financial and social wellbeing, we need to radically rethink the role of wellbeing in the workplace. Unless we design wellbeing into work, as opposed to only offering wellbeing benefits and programmes to support wellbeing, feelings of pressure, being overwhelmed and financial stress, as well as musculoskeletal and obesity problems brought on by ways of working, will continue to worsen.

Designing wellbeing into work should include reviewing where, when and how people work, as well as reskilling employees to manage ongoing changes. Employees receiving regular quality retraining and development will be equipped to cope with increasingly dynamic and fluid jobs. They will have better resilience due to being more secure in their abilities and their future employability.

To cope with evolving work environments, employers need employees who are empowered and have a sense of advocacy. By engendering belonging and purpose, as well as allowing people to be their authentic selves at work, we will move from top-down command and control to greater creativity and responsibility among our workforces. We are all individual human beings, not machines.

To move to humanise the workplace is also to acknowledge differences between people and be inclusive and fair to all. The COVID-19 crisis has already been shown to have unpicked some of the improvements in equality in the workplace that have been hard won: women, minority ethic groups, the disabled and older workers are most impacted by job losses, the virus and the need to stay home for care or shielding reasons. Wellbeing strategies, such as support for carers, women's health initiatives and good financial wellbeing for all, have a crucial role to play to mitigate growing unfairness.

Given the vital role wellbeing should play in reshaping work and jobs, it is not surprising that measuring effectiveness is receiving greater focus. This year as many as 93 per cent of respondents to the REBA research said they use some form of management information to gauge the success of their wellbeing practices. However, most measures are proxy figures, such as employee engagement, absence rates and participation levels, rather than an attempt to see shifts at a strategic business level.

In time we may see more measurement focus on how secure employees feel in their jobs, whether they feel a sense of purpose in their work, are able to connect with others and feel their employer is a good citizen who exercises fairness and kindness. Measures such as customer satisfaction and good outcomes are starting to show themselves among some forward-thinking employers. Risks also need to be measured and assessed more often, such as damage to employer brand if employers are shown to have a lack of compassion towards the wellbeing of its employees.

To be sustainable, an organisation needs to be innovative and resilient, which will only happen with a good culture and employee experience. Wellbeing is absolutely at the core of achieving this.

Debi O'Donovan
Director
Reward & Employee Benefits Association

From 'I' to 'we': HR vows to embrace contingent workforce

The coronavirus crisis is accelerating a shift in human resources mindset towards the collective "we", as organisations better understand the universal impact of health and wellbeing

Prior to the pandemic, the trajectory was already leaning towards the "collective" and "teams", following a previous ten to fifteen years that saw most businesses target their workforce planning around "I" and individual benefits.

"For much of the 2000s, HR directors have been inclined to tailor rewards and benefits packages around individuals in recognition of increased age diversity across the workforce," explains Deborah Frost, chief executive at Personal Group, a leading provider of traditional and digital employee services, including employee benefits and insurance products.

She adds: "However, this individualised model has failed to take into account the evolving nature of workforce make-ups that have transpired in recent years".

Frost refers to the "multi-layered onion" of employee levels that now exist, expanding from simply a full-time employee group to also include part-time workers, zero-hour staff, temporary workers, agency staff, the self-employed and the gig economy.

"Many organisations now have a situation where they have a full-time employee receiving all the company benefits and perks, sitting next to a temporary worker, who does all of the same jobs but doesn't get life cover or sick pay," she says. "This feels incongruent in today's environment to seemingly recognise that individuals have different circumstances for work, without remunerating or protecting all those different statuses consistently."

'We're all in this together'
HR's acknowledgement of the "onion" theory has since been exacerbated by the impact of COVID-19 and Personal Group has seen first-hand what the effects on employees can be.

Unlike some other insurers, the company has continued to represent its clients and pay out on COVID-19 claims. Such claims have sadly been required at severe ends of the spectrum in regard to policyholders who have died and many more who have been hospitalised.

"Many of our clients fall into the 'essential workers' category and comprise agency staff in warehousing and distribution centres or part-time staff in care homes," says Frost. "I think this reality has hit home for many HR directors who, as part of the 'we're all in this together' ethos, don't want to leave this contingent workforce out of the equation anymore."

This exaggerated focus on both mental and physical wellbeing has shown that struggles or challenges often don't discriminate depending on employment status or background, encouraging HR as an entity not to omit such large swathes of the modern workforce structure either.

"HR, of course, knew these things were important," says Frost, "but quite often people who struggle with their physical and mental health, especially if they're not full-time or long-term employees, don't feel comfortable going to their HR support team with such concerns.

"This virus has exposed how many vulnerable people there are in every sphere, though, and it's accelerated a whole host of conversations built around providing support systems to all layers and levels."

Shaping the future of HR
The change in perspective and tack that Personal Group has witnessed, even in these few months, has been drastic and the company is spending a lot of its time guiding businesses towards this new normal.

Current intentions are likely to shape the future of HR and businesses are already requesting assistance to not just address the idea of wellbeing among all staff, but to prioritise and invest tangibly as a result.

"Under the HR strategy of individualisation and 'I', benefits would have been offered in the form of free cinema tickets or retail discounts," Frost concludes. "Now, HR departments have realised that what people really want is security, health, stability and to be covered should challenges arise. And these concerns are universal.

"As the HR mindset shifts back towards one of 'we' and of 'teams', we urge HR directors to begin their workforce planning now, so they can go on to meet the needs of everyone who represents them, not just full-time employees."

60%
of those born between mid '90s and early 2000s do not anticipate remaining in the same role for more than two years

30%
Estimated percentage of procurement spend in respect of contingent workers by some large companies

The Future of the Contingent Workforce, Deloitte

For more information please visit
personalgroup.com

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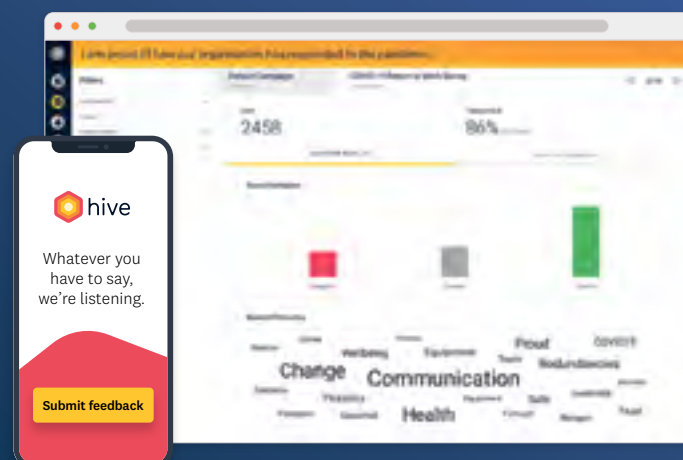
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