

TRENDICATORS BEST PRACTICES REPORT

HOW CAN HR LEADERS ACCELERATE SUCCESS?

Optimizing recruiting, recognition
and data-driven analytics to accelerate
post-pandemic performance



TRENDICATORS

HR Research & Insights by Engage2Excel™ Group

Introduction

The COVID-19 crisis thrust HR leaders onto the front lines of ensuring worker and workplace safety. Now, as economic forecasts call for a return to real GDP growth by mid-year, CEOs are focused on strategies and initiatives to accelerate success in a world that is fundamentally different.

This report explores five topics for HR leaders to consider in formulating plans to ensure that their organizations will be well positioned to achieve sustainable growth:

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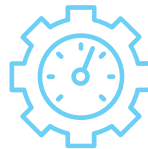
Lessons from the Great Recession

A recession is defined as two consecutive quarters of negative economic growth. Although the shape, nature and duration of the current recession are fundamentally different from those of the Great Recession of 2007-2009, it is helpful to explore why some companies recovered faster than others in the last recession. According to research published in the Harvard Business Review, the companies that bounced back the fastest were able to do so by combining offensive and defensive strategies. They enabled decentralized decision-making, reduced costs selectively by focusing on operational efficiency and made strategic investments in the future by investing in IT, marketing, R&D and new assets.



Enabling Decentralized Decision-Making

Organizations that delegated decision-making farther down the hierarchy were better able to adapt to changing conditions



Reducing Costs Through Operational Efficiencies

Companies that relied less on layoffs to cut costs and leaned more on operational improvements emerged from the recession in the strongest shape



Investing Strategically in the Future

Prioritizing investments in IT, marketing, R&D and new assets enabled companies to respond opportunistically and accelerate growth during recovery

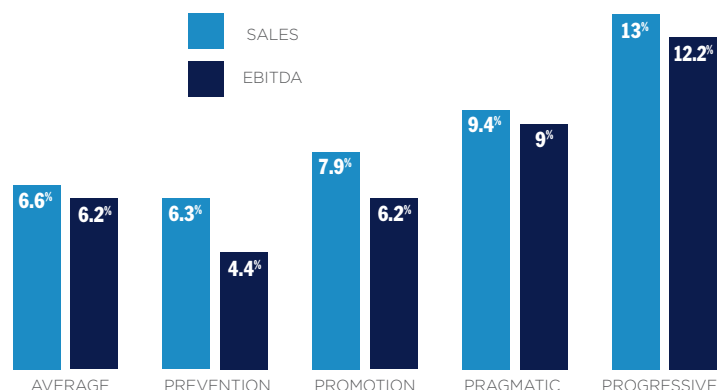
Companies that combined offensive and defensive strategies achieved the fastest rebound during the Great Recession

Prevention-focused companies were more obsessed than their rivals with avoiding losses and minimizing downside risks.

Promotion-focused companies invested more in offensive moves that provided more upside benefits than their peers.

Pragmatic companies combined defensive and offensive moves.

Progressive companies deployed the optimal combination of defense and offense.



Top C-Suite Challenges in 2021



After a year of uncertainty and business constriction during the pandemic, many CEOs have a more optimistic outlook for 2021. According to a survey of global CEOs by The Conference Board, 43% expect to return to revenue growth this year, exceeding 2019 levels. However, to achieve this growth, CEOs view their top internal challenges as accelerating digital transformation and improving innovation. A survey of mid-market CFOs by BDO found that 56% expect revenue increases in 2021, but a UHY mid-market survey cited talent recruitment as the most significant barrier to actualizing growth.

Top C-Suite Internal Challenges for 2021

- #1: Accelerate pace of digital transformation
- #2: Improve innovation

SOURCE: C-Suite Challenge 2021, The Conference Board

Global CEO Challenges

43%
of CEOs expect to return to revenue growth in 2021, exceeding 2019 levels

33%
of CEOs are planning a “cautious restart” after the COVID-19 and economic crises

44%
of CEOs expect to be able to more quickly regenerate business in 2021

SOURCE: Gartner IT Symposium/Xpo 2021

Mid-Market CEO Challenges

43% of CEOs expect to return to revenue growth in 2021, exceeding 2019 levels

33% of mid-market CEOs see sales growth as a top challenge

51% of mid-market CEOs expect a cyber threat in the near future

SOURCE: 2020 UHY Middle Market Survey

Changing C-Suite Roles

CEOs need to be transparent, authentic, and communicators-in-chief—all while being laser-focused on execution

CHROs need to coach their peers to excel in their jobs and help them address the needs of employees

CTOs were rated the most critical role going forward, immediately after Chief Operating Officer and Chief Financial Officer

CXOs must continually develop their leadership style to best navigate a highly disruptive business environment

SOURCE: Chief Executive Magazine, February 10, 2021

Filling Skills & Succession Gaps



The greatest challenge for HR leaders in meeting CEO priorities is addressing critical skills and succession gaps. During the pandemic, CEO turnover remained low as boards sought stability. But different skills and abilities will be required for key C-Suite roles in order to accelerate innovation and the pace of recovery. And, despite continued high unemployment, filling critical skills gaps will require fundamentally different approaches to recruiting. Finally, the nature of the social contract with employees has changed, placing greater focus on employee career experiences in order to attract and retain top talent.

Top 10 Post-Pandemic Skills Gaps

RANKED BY PRIORITY

Adaptability and continuous learning	38%
Critical thinking and decision making	34%
Complex information processing/interpretation	31%
Project management	29%
Leadership and managing others	27%
Basic digital skills	25%
Advanced IT skills and programming	25%
Quantitative and statistical skills	22%
Advanced data analysis and math skills	22%
Entrepreneurship and taking initiative	20%

SOURCE: Sourcing Talent in the Post-Pandemic World, Pearson Research

Post-Pandemic Recruiting Strategies

Sourcing: Amp up your employee referral program, tap into talent communities and universities, utilize social media

Marketing: Leverage internal brand ambassadors, create compelling testimonials, nurture talent on LinkedIn

Assessments: Use an IO psychologist to determine key skills, knowledge, competencies and cultural fit

Hiring Teams: Educate hiring managers on candidate engagement and provide personalized interview questions

Partnering: Engage specialized recruitment partners and track hiring metrics to measure, manage and improve success

SOURCE: Engage2Excel/Everest Webinar: Balancing and Navigating Talent Growth

HR Leaders' Succession Challenges

81% of HR leaders say lack of readiness is a top challenge in filling leadership roles

33% of HR leaders are struggling to develop effective senior leaders

45% of HR leaders are struggling to develop effective mid-level leaders

SOURCE: Gartner Top 5 Succession Risks

Key Succession Planning Steps

Anticipate the leadership demands of evolving business priorities

Identify key positions within your company

Assess the business risk of key positions becoming vacant

Identify internal candidates for key positions

Begin leadership development for internal candidates

Outsource recruitment for hard-to-fill roles

Build up a robust talent pool for key positions



Helping Managers Improve Performance

If there is one lesson to be learned from the pandemic, it's that adversity brings out the best in us. Employers everywhere have become acutely aware of the degree to which employee perceptions and attitudes influence outcomes. But managers and employees need help in order to do their best. Unleashing the vast repository of discretionary effort that exists within your organization requires more than talking about putting people first. The ideas listed below address performance challenges that have always existed that are particularly important today in accelerating your organization's bounceback.



Provide Managers with Training in Employee Recognition

Many managers say they don't have time to deliver recognition. This is an indication of the need for training. Effective recognition, on average, only takes 14 seconds and yields significant results.



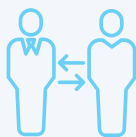
Link Employee Goals to Business Priorities

Employees are more productive when they know how their goals fit into the big picture. Companies that excel at effective performance management link employee goals with business priorities.



Implement Performance Recognition and Rewards

Some HR teams are reluctant to implement performance recognition programs. The right recognition partner and platform can help you recognize the behaviors that drive key business outcomes.



Close the Gap Between Employees and Managers

Most managers receive four hours or less of people management training. Close the gap by providing managers with the people management training they need to succeed.



Provide Managers with Feedback and Learning Tools

Do your organization's managers understand what employees want and need from them? A feedback loop with prescriptive learning can help unleash discretionary effort.



Measure Engagement & Help Managers Act on Results

Measuring employee engagement enables you to benchmark against industry peers and provide leaders with the action planning support they need to improve performance.

Enabling Data-Driven Talent Decisions



Digitalization is ranked as a priority by 87% of senior leaders, according to a survey by Gartner. Digital transformation is driving improvements in the way companies manage customer experiences, supply chain interactions, product development and manufacturing. HR organizations are admittedly behind the curve, with only 21% of HR leaders reporting that their current approaches are helping them adjust to the demands they are facing. The irony of this unfortunate reality is that an organization's intellectual capital—its people—represents its most important asset. Listed below are a few of the steps you can utilize to enable more data-driven talent decisions. This topic will be explored in greater detail in our upcoming report, *What Does Digital Transformation Mean for HR?*

87%

of senior business leaders say digitalization is an important business priority

21%

of HR leaders say that current build-and-buy approaches are helping them adjust to the demands they are facing

20%

of current requisitions are for roles with which recruiters are unfamiliar — and these roles take 38% longer to fill

SOURCE: Gartner Analytics-Driven Talent Strategy

Steps Toward Enabling Data-Driven Talent Acquisition

- Collect and interpret labor market data
- Assess candidate skills, knowledge and competencies
- Measure and track candidate experiences
- Measure hiring manager satisfaction
- Measure employee productivity and retention

Steps Toward Enabling Data-Driven Talent Management

- Measure and benchmark employee engagement
- Provide managers with post-survey action planning tools and support
- Measure the impact of performance recognition and rewards
- Provide managers with employee feedback and prescriptive learning

The Engage2Excel group of companies creates engaging career and consumer experiences. Its Career Experience Suite (CXS) provides recruitment, onboarding, employee recognition, manager development and employee survey solutions tailored to each organization and designed to help clients find and keep their talent. With over 3,000 client partners, Engage2Excel has a proud heritage of developing innovative solutions that improve competitive advantage and boost bottom-line results.

To learn more, visit engage2excel.com.

