



# Big Expectations:

## 2021 HR Trends

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# A Year Rife with Opportunity.

## There are big expectations for 2021.

As business leaders and employees patiently await the widespread availability of vaccines to help restore some sense of normalcy to everyday work life, it is safe to say that most are excited about the prospect of what's to come in a year that is rife with opportunity (and sure to be better than the last).



Despite the excitement, there are still uncertainties that leadership teams need to take into consideration as they plan for what the future of work may look like. Meaning that moving forward, being aligned with employee expectations is critical.

Some of the items that should top HR leaders' agendas include:



Enhancing employee engagement



Providing development opportunities



Improving acquisition and retention



Forecasting the future of work

To provide insight on employee expectations for the New Year, isolved surveyed 295 full-time employees based in the United States in December 2020. These employees ranged across job titles and spanned more than 100 industries. The results highlight employee priorities and preferences, as well as outline human resource (HR) trends that are expected to make an impact in 2021.

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# Trend: Putting an Emphasis on Employee Engagement

The employee lifecycle runs through the HR department. From talent acquisition and onboarding to employee development and offboarding (and much more). Despite its importance, the **average company uses four to five HR systems** to perform essential tasks. As you can imagine, this often results in a disjointed experience for employees throughout the enterprise.

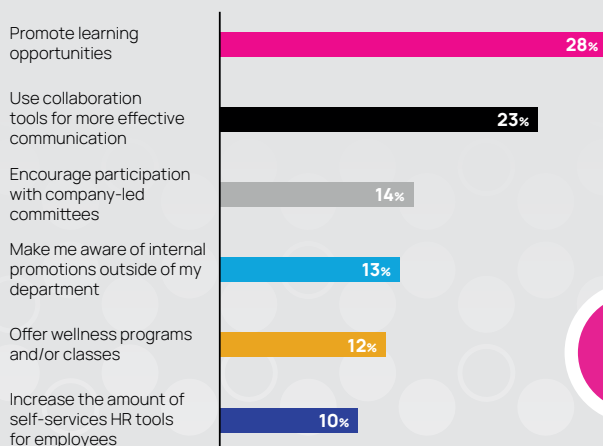
**23%** of full-time employees rated employee engagement as the top area of improvement for their HR departments.

*(Source: isolved's 2021 HR Trends Survey)*

## But how does HR technology impact employee engagement?

We are glad you asked. A robust human capital management (HCM) solution provides collaboration tools that make it easy for colleagues to connect and bounce ideas off of one another. Think about it as an internal social network where you can share, like, comment and interact with team members to make it easier to perform your job. In fact, our survey respondents ranked collaboration tools second behind learning opportunities when asked how they would like their company to better engage with them in 2021.

## How would you like your company to engage you as an employee in 2021?



As you can see, learning opportunities were ranked as the top way employees would like to be engaged. Speaking of...



## Trend: Capitalizing on a Desire for Development

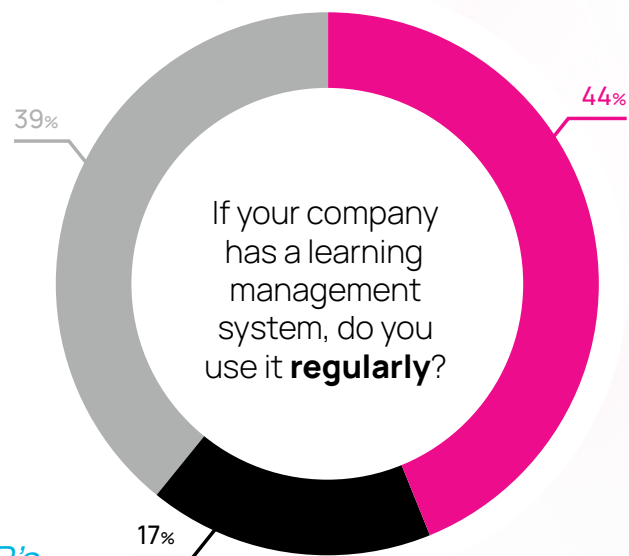
Many people used the pandemic to form better habits, whether this meant starting a consistent exercise routine or taking up a new hobby like cooking. This vigor for self-improvement seems to have spilled into the professional world as well. In fact...

*Performance reviews were identified as one of HR's top three areas of improvement heading into 2021.*

*(Source: isolved's 2021 HR Trends Survey)*

Appreciation should be shown for the effort and sacrifices employees made during a difficult year. In many cases the line between work and home was blurred, with employees working longer hours while also juggling other changes (like virtual schooling for kids not allowed back in the classroom). In fact, **our holiday survey** identified several negative ways employees were impacted. During reviews, it is critical that leadership teams match the effort their employees put in. It is also a good idea to tap HR for assistance in developing procedures and communication around the performance review process. This will manage expectations and improve the experience from 2020 – which our survey suggests may have fell flat.

While performance reviews are an important aspect of employee development, so are learning opportunities. **After all, the majority of our survey respondents ranked learning opportunities as the top engagement initiative that they would like to see from their employer in 2021.** With a cloud-based learning management system (LMS), companies can offer a plethora of courses to their employees and truly develop talent from within. And our data shows that you can trust that the investment in an LMS is worthwhile, as the majority of employees who have access to an LMS take advantage of the technology.



- Yes
- No
- We don't have a learning management system

The next trend HR teams should be aware of in 2021?  
Talent acquisition.

## Trend: Turning Attention to Talent Acquisition

Could an increased focus on candidate referrals make it easier to hire (especially when in-person interviews are still on the back burner for many organizations)? Maybe. But your employees need to know about open positions first.

**30%** of employees don't refer candidates because they are unaware of open positions.

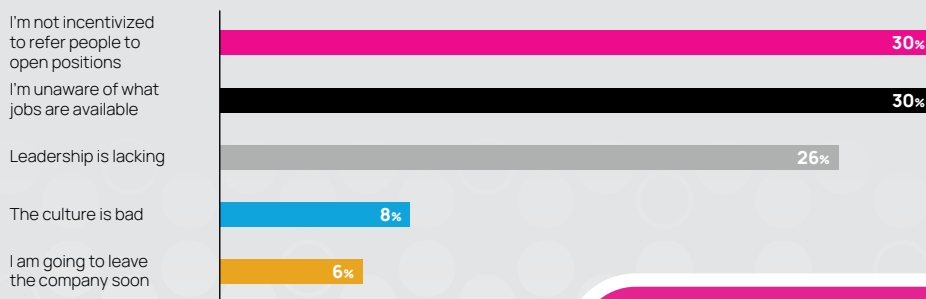
*(Source: isolved's 2021 HR Trends Survey)*

Talent acquisition was the second biggest area in need of improvement according to our survey respondents. However, 30 percent noted that they were unaware of open positions while another 30 percent said they were not incentivized to refer candidates. **Meaning that qualified candidate referrals is a low-hanging fruit for HR teams to improve upon in 2021 – and certainly a trend to watch for.**

Of course, acquiring the best talent means nothing if you don't retain them. And although our survey did identify a lack in leadership as the third top reason why respondents wouldn't refer candidates, it does seem that the majority of employees (67 percent) plan to stay put within their organizations this year.



What is the **top reason** you would not refer a qualified candidate to your company?



Last up on our trends list... looking toward the future.

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## Trend: Preparing for the Future of Work

If 2020 taught us anything, it is to expect the unexpected. Meaning that companies need to be agile in order to create a future-proof organization. While all of the aforementioned trends will play an important role in the future of work, there are remnants of the pandemic that surely will be addressed in 2021. Remote work perhaps being the most prominent.

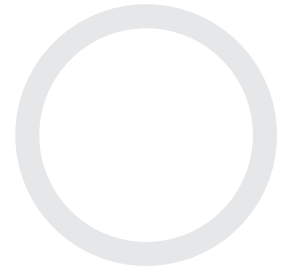
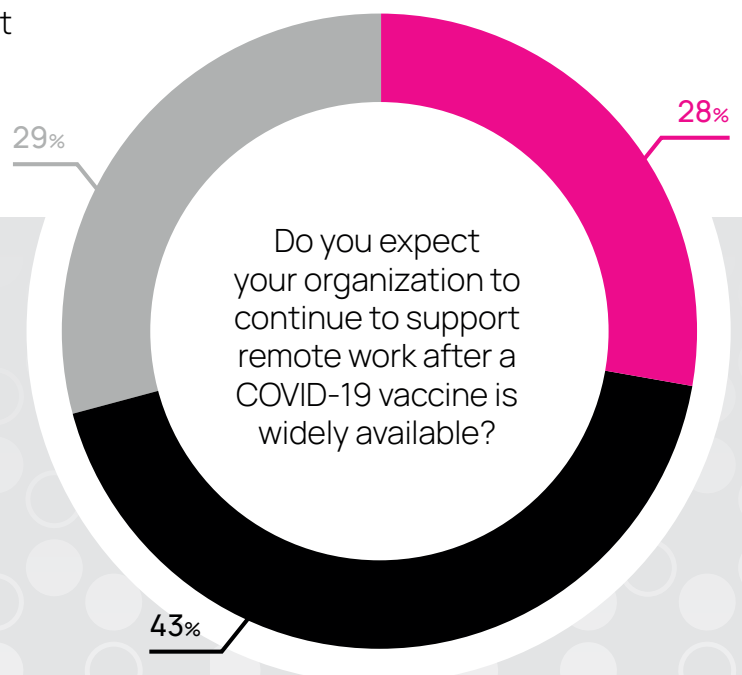
While there certainly are downsides to remote work, there are also upsides. And the most interesting part is that these advantages and disadvantages are different for everyone: Every organization. Every department. Every team. Every employee. But what are employees anticipating in a post-pandemic world?

**71% of employees expect remote work to be at least partially supported by their organization even after a COVID-19 vaccine is widely available.**

*(Source: isolved's 2021 HR Trends Survey)*

What does this mean? Your company needs to assess all factors, be transparent in communication and be nimble enough to adapt to a workforce with changing needs and expectations – regardless if social distancing is still required at the end of 2021. This includes having the right technology and leadership in place to support a future where it is essential to be more adaptable than ever before.

- Yes - fully
- Yes - partially or with limitations
- No



# 2020's Lessons

## Shaping 2021's Trends

With optimism that the end of the pandemic is in sight, business leaders and employees are both ready to get back into a routine that isn't plagued with disruption and uncertainty. While that routine is likely to look different than it did pre-pandemic, the lessons that were learned in 2020 will shape the trends of 2021.

The organizations that embrace and invest in these trends – like a modern work experience that prioritizes employees and is more digital and agile than the past – will be better positioned for success in the future.

### Methodology

isolved surveyed 295 full-time employees in December 2020. Employees ranged across job titles and more than 100 industries, with 100 percent of them employed full time in the United States. Please note that whole-number rounding was used for charts. For any questions about the survey or our findings, please contact Allie Howen at [ahowen@isolvedhcm.com](mailto:ahowen@isolvedhcm.com).

### About isolved

isolved is an employee experience leader, providing intuitive, people-first HCM technology. Our solutions are delivered directly or through our partner network to more than five million employees and 145,000 employers – who use them every day to boost performance, increase productivity, and accelerate results while reducing risk. Our HCM platform, isolved People Cloud, seamlessly connects and manages the employee journey across talent management, HR & payroll, workforce management and engagement management functions. No matter the industry, we help high-growth organizations employ, enable and empower their workforce by transforming employee experience for a better today and a better tomorrow.

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