

THE 2018 HR LANDSCAPE:

WHAT'S IN STORE?

INTRODUCTION

It has once again been a challenging year for the world of Human Resources. However, as HR teams reflect on 2017, what have been the stand-out achievements for the industry? And when it comes to the biggest hurdles in 2018, where will the difficulties lie? Is the industry equipped to tackle upcoming obstacles and what role will technology play?

These questions, and more, are answered in this 12 month 'census', commissioned by Cascade HR. This study of 447 UK HR directors, managers and executives, asked participants to look back on the past year before sharing their predictions for what lies ahead. The findings were then analysed and have been collated in this report, to pose 'food for thought' for forward-thinking HR professionals who want to thrive in 2018.

For further information about the poll, to discuss the contents of this report, or to speak to a member of the Cascade HR team about anything relating to your Human Resources requirements, **please call 0113 230 8602, email info@cascadehr.co.uk or explore www.cascadehr.co.uk.**

REFLECTING ON 2017

“It was never going to be a straightforward year, not least with the Brexit outcome creating a newfound wave of uncertainty within the UK economy back in 2016. But change is commonplace within the modern business environment. It’s how we decide to navigate it that matters.”

**OLIVER SHAW, CEO,
CASCADE HR.**

SUMMARY:

Some common difficulties emerged for HR in 2017, with recruitment, retention and absence management among the notable topics that the profession had to tackle. But, interestingly, when asked which areas they feel their teams have excelled in, many respondents actually cited the same subjects, which perhaps shows that HR does not bury its head in the sand...

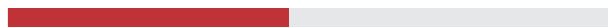
WHEN REFLECTING ON 2017, WHICH THREE TOPICS FROM THE LIST BELOW HAVE YOU FOUND MOST CHALLENGING?

A:

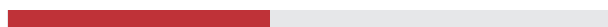
Recruitment - 231 (52%)



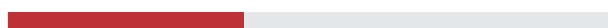
Absence Management - 193 (43%)



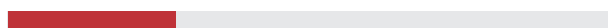
Employee Engagement - 173 (39%)



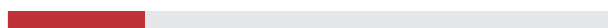
Retention - 165 (37%)



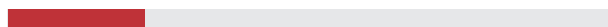
Learning & Development - 88 (20%)



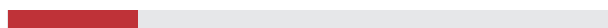
Succession Planning - 73 (16%)



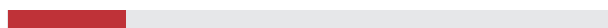
People Analytics - 72 (16%)



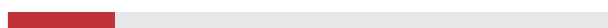
Talent Management - 68 (15%)



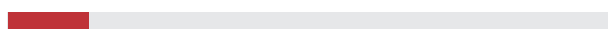
Wellbeing - 67 (14%)



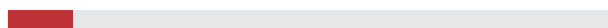
Automation - 57 (13%)



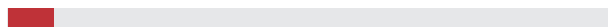
Employment Legislation - 41 (9%)



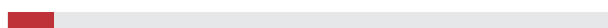
Diversity & Discrimination - 26 (6%)



The Ageing Workforce - 19 (4%)



Other - 20 (4%)



Other responses included:

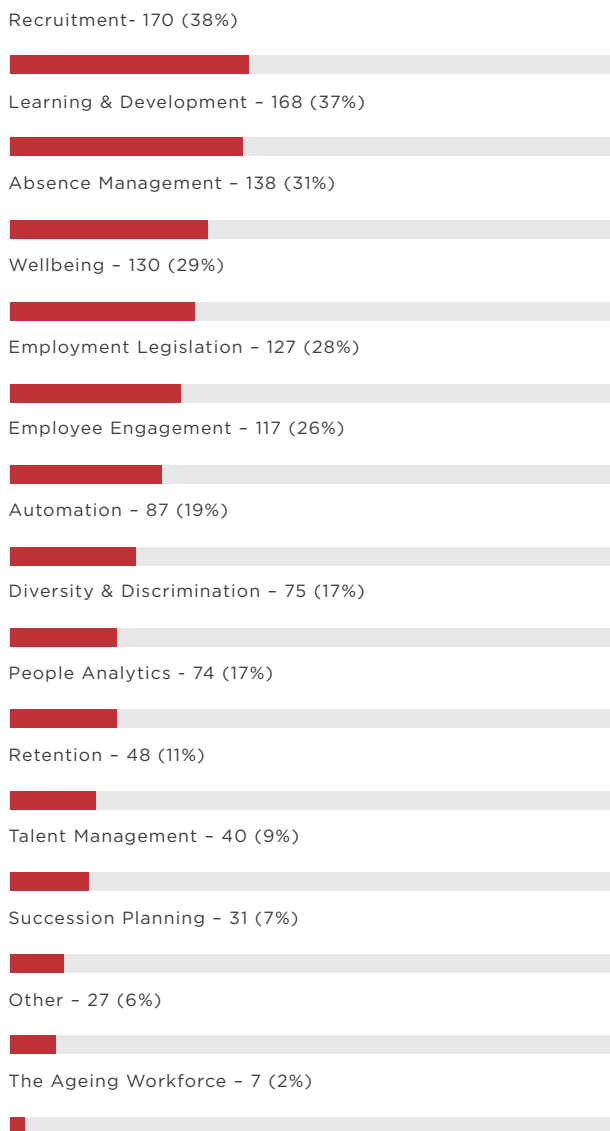
Getting to grips with GDPR, pensions, performance management, staff consultations, system implementation, gender pay gap, agile working, change management, conflict management, average holiday pay, acquisitions, lack of planning, shared parental leave, restructuring/downsizing.

Takeaway point:

There is always going to be a degree of variance when analysing which areas of HR are more, or less, tricky for teams to manage. No two businesses are the same so it is inevitable that pressures differ from organisation to organisation. However, this multiple-choice question revealed some clear challenges for 2017 and most relate back to the increasingly competitive employment landscape. The labour market has opened up which means many members of staff are more confident in looking for jobs elsewhere, if they do not feel wholly satisfied in their current role.

WHEN REFLECTING ON 2017, WHICH THREE TOPICS FROM THE LIST BELOW HAVE YOU/YOUR TEAM EXCELLED IN?

A:



Other responses included:

Payroll transformation, managing conflicting priorities, quality standards, leading change, benefits, administration, implementing formal HR processes to support company growth, management support, starting to develop employee engagement, HR, IT development, acquisitions & restructures/reorganisation, transfer from existing system, bringing in first HRIS, having a fit for purpose HR system.

Takeaway point:

Interestingly, whilst not a direct correlation, there are some clear similarities between the topics that have proven difficult for HR and those in which HR professionals feel they have excelled. This perhaps indicates that the industry has not allowed itself to become swamped by the evident challenges faced.

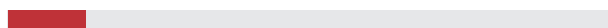
HOW PREPARED IS YOUR TEAM FOR GDPR?

A:

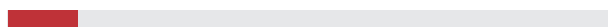
Somewhat prepared - 274 (61%)



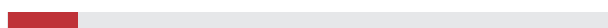
Somewhat underprepared - 59 (13%)



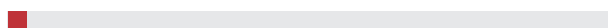
Significantly well prepared - 56 (12%)



Not sure - 53 (12%)



Significantly underprepared - 9 (2%)



Takeaway point:

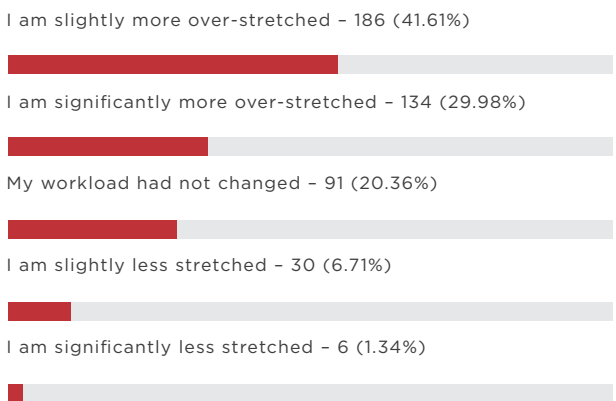
The upcoming changes to data protection legislation have dominated business headlines, with the potential impact of the reform felt throughout organisations, not just within HR teams. But the need to think smarter about the capture, storage and processing of employee information – not to mention how to safeguard it – has imposed significant time and resource pressures on Human Resources professionals, way before the implementation of the ruling itself on 25 May 2018. Encouragingly however, it seems that HR teams have acted quickly.

Did you know:

GDPR webinars proved one of Cascade's most popular training offerings in 2017, and queries surrounding Cascade's GDPR-readiness began to be raised even in the earlier parts of the year. This showcases the lengths that HR teams have gone to, to heighten their awareness and ensure compliance way in advance of the law being introduced. Cascade's stance on the matter has been exactly the same, with the team committed to enhancing the software prior to GDPR's commencement date to support clients with this regulatory development, just like any other.

HOW WOULD YOU DESCRIBE YOUR WORKLOAD COMPARED TO 12 MONTHS AGO?

A:



Takeaway point:

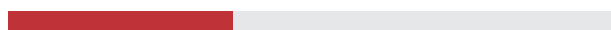
It is perhaps no surprise that in an ever-changing economic landscape – which continually appears to impose more pressures on employees at all levels – HR professionals feel their workload has, generally, intensified. To avoid burnout, great care and attention therefore needs to be paid to HR teams’ own wellbeing, not just that of colleagues around them.

It is also important to acknowledge where technology can alleviate some of the administrative pressures that continue to burden HR teams throughout the country (see page 3).

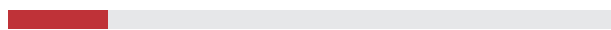
THINKING ABOUT THE PROFILE OF HR IN THE BOARDROOM OF YOUR ORGANISATION DURING 2017, WHICH OF THE FOLLOWING STATEMENTS DO YOU MOST AGREE WITH?

A:

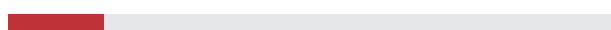
There has been no change - HR has continued to have a strong /respected profile in the boardroom - 164 (36.69%)



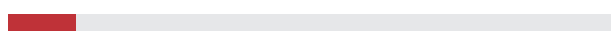
There has been no change - HR still struggles to receive boardroom recognition - 79 (17.67%)



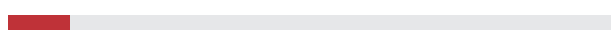
There has been a little positive change - 76 (17%)



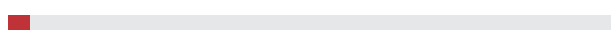
There has been significant positive change - 54 (12.08%)



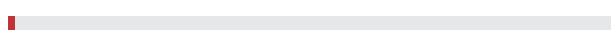
Don't know - 48 (10.74%)



The profile has deteriorated a little - 18 (4.03%)



The profile has deteriorated significantly - 8 (1.79%)



Takeaway point:

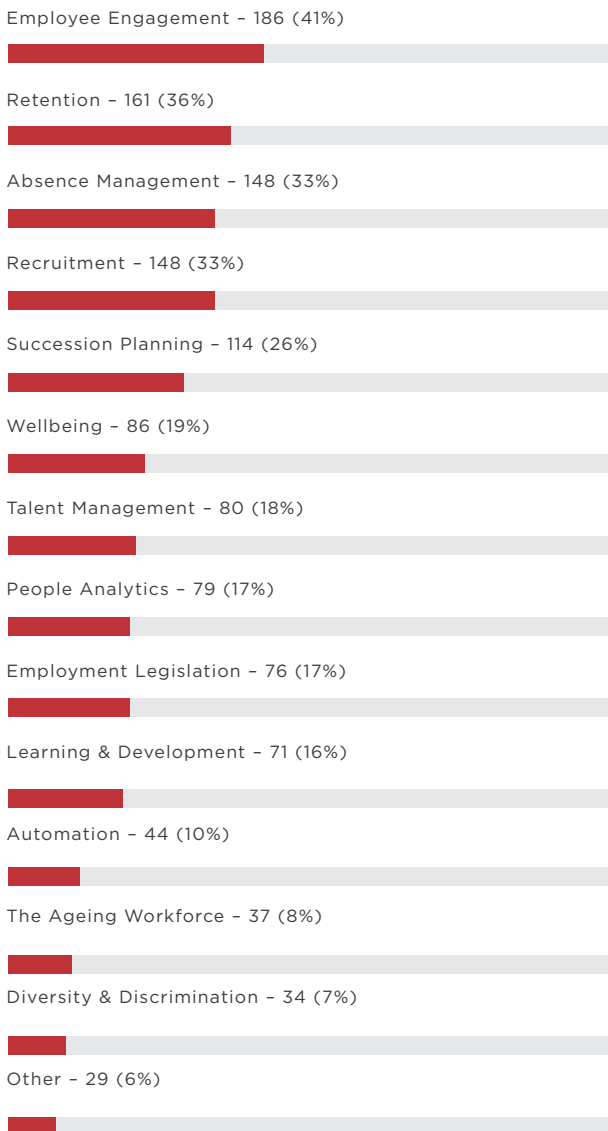
The overriding statistic here is very encouraging, particularly given [Cascade's 2015 research findings](#) which revealed that, at that time, 77% of HR respondents believed there needed to be greater boardroom respect for the profession.

The challenge now is to work with the 18% (average) of participants who continually struggle to receive recognition from their senior peers. A [HR Director article](#) which drew attention to Cascade's HR hacks, may offer some helpful guidance in this respect.

WHAT'S ON THE HORIZON IN 2018?

WHICH THREE TOPICS FROM THE LIST BELOW DO YOU EXPECT TO FIND THE MOST CHALLENGING IN 2018?

A:



Other responses included:

Performance management, GDPR, accident reporting and statistics, gender pay reporting, payroll, Brexit, agile working, average holiday pay.

Takeaway point:

Whilst, as with page 3, the responses are clearly varied, it is evident that there are some distinct topics which look set to keep HR awake at night in 2018. As HR's performance in 2017 has shown, this is not a profession that appears to bury its head into the sand. That said, the time to act on these upcoming concerns, is now.

“The ongoing hunt for talent in a competitive employment landscape means recruitment and retention pressures are unlikely to ease, so HR teams need to be thinking about their strategy to source, select and keep their greatest asset. This will involve considering everything from reward packages and the utilisation of technology to streamline recruitment processes, to the maintenance of a great culture and the deployment of effective leadership to ensure staff remain motivated.”

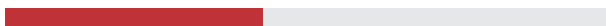
**OLIVER SHAW, CEO,
CASCADE HR.**

If you're a client of Cascade and any of these topics look set to pose a challenge for your organisation in 2018, talk to us about how our software can help, or which webinars we can offer to upskill your team.

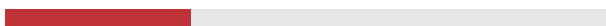
THINKING ABOUT YOUR BUDGET FOR 2018, WHICH OF THE FOLLOWING STATEMENTS DO YOU MOST AGREE WITH?

A:

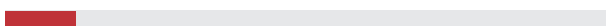
My budget is likely to remain the same - 195(43.62%)



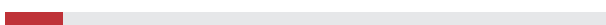
I don't know what is going to happen to our 2018 HR budget - 137 (30.65%)



My budget is likely to increase next year - 62 (13.87%)



My budget is likely to decrease next year - 53 (11.86%)



Takeaway point:

Pressures may be mounting for HR teams - and their wider organisations - to achieve more with each passing year. But if budgets remain the same, this is far easier said than done. In the face of financial constraints, the Human Resources industry therefore needs to think about ways to work smarter.

From a culture perspective, this could mean avoiding gimmicks and concentrating on techniques to better develop inspiring leaders within the business. From an absence management viewpoint, there has probably never been a more important time to drive down the cost of employees playing truant from the business, not least because of the detrimental impact this could have on colleagues who remain present. And, from a technology angle, it is now crucial to allow software to automate the more straightforward yet time consuming of tasks, to free up HR's time to have a more value-adding strategic impact on the business.

That technology needs to be futureproofed too to protect the longevity of the investment, and, when it comes to after-sales, it should be supported by HR and payroll experts who can advise on the ongoing configuration of the system to suit organisations' evolving needs.

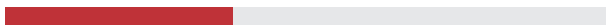
THINKING ABOUT AUTOMATION, WHICH OF THE FOLLOWING STATEMENTS DO YOU MOST AGREE WITH?

A:

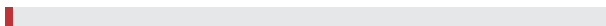
Automation has a partial role to play in our HR department becoming more effective and efficient - 224 (50.11%)



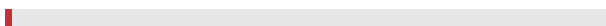
Automation is imperative if our HR department is to become more effective and efficient - 201 (44.97%)



I don't know -12 (2.68%)



Automation is not necessary for our HR department to become more effective and efficient - 10 (2.24%)



Takeaway point:

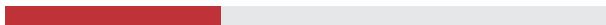
It is encouraging that the role of automation within HR has been acknowledged, and for many organisations, it could provide the final missing piece of the efficiency jigsaw. But the number of HR teams still relying on paper-based records and relatively manual spreadsheets remains startling. Often, reports that currently take a HR professional more than a full day to compute, could be executed within a matter of minutes and only a couple of clicks within a modern HR system.

It is not suggested that everything within a HR department should be automated, but there are certainly more time savings to be reaped with relative ease.

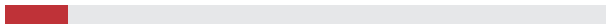
THINKING ABOUT EMPLOYMENT LEGISLATION, WHICH OF THESE STATEMENTS DO YOU MOST AGREE WITH?

A:

HR is finding employment legislation harder to navigate - 144 (32.21%)



HR is finding employment legislation easier to navigate - 45 (10.07%)



Neither of the above - 258 (57.72%)



Takeaway point:

2017 has certainly seen some landmark legislative decisions, ranging from the status of Uber’s employees to the overturning of employment tribunal fees. Case law is also changing all the time which can make for murky waters in this respect. This perhaps explains why Cascade webinars/seminars, which focus on legal topics and/or are co-presented by an employment law solicitor, are always a ‘sell out’.

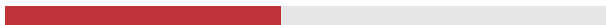
However, it is interesting to see such a mixed viewpoint when it comes to HR’s grasp of the legislative environment. Clearly it is far from straightforward, but over half of survey participants struggled to say whether they are finding it a more or less difficult subject to navigate.

The key advice in this respect is therefore that knowledge is power. Where free guidance and insight can be obtained, it is important to take it, and when more company-specific advice is required, professional support should be requested from the experts.

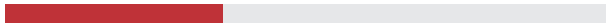
DO YOU THINK YOUR ORGANISATION IS DOING ENOUGH TO HELP EMPLOYEES REACH THEIR FULL POTENTIAL?

A:

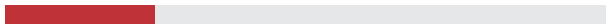
No- 197 (44.07%)



Yes - 148 (33.11%)



Not sure - 102 (22.82%)



Takeaway point:

“In some respects it could be argued that employee demographics are extremely diverse and the needs of the workforce are changing all the time. So, very few organisations can probably claim that, hand on heart, they are doing all that they possibly can to help the workforce reach its full potential.”

“However, better supporting employees in this respect has become a distinctly important theme in 2017, due to the multifaceted benefits that greater colleague development can have. From a recruitment and retention perspective the advantages are clear, but savvy performance management does not just boost staff morale - it provides businesses with a clear competitive differential too.”

“Often, it is difficult to home in on this value-adding element of HR - however readily acknowledged the importance of employee support is - simply due to time constraints. But by streamlining processes and procedures, and finding ways to work more efficiently, HR can free up their time to develop new learning and development strategies, without breaking the bank.”

**Oliver Shaw, CEO,
Cascade HR.**

CONCLUSION

In the absence of a crystal ball it is impossible to predict exactly how 2018 will unfold, but there is no better way to consider the industry's likely direction of travel, than to speak to the professionals working in the heart of it.

It would be naïve to suggest that the next 12 months will be without challenges, and it is now a little clearer as to where these challenges will particularly lie. This insight will certainly help to shape Cascade's programme of webinars, training sessions, events and white papers throughout 2018. The product team is continually reviewing the product roadmap to identify and implement additional feature functionality in order to better support clients with the obstacles they may face.

However, encouragement should also be taken from the results of this study, in that Human Resources did not stand still during 2017. Surrounded by a sea of change, the profession continued to evolve and stood its ground in the face of employment, economic and wider business difficulties. There is no reason why the industry cannot be as resolute in the face of what lies ahead in 2018.

For further information about this study, to discuss the contents of this report, or to speak to a member of the Cascade HR team about anything relating to your Human Resources and payroll requirements, **please call 0113 230 8602, email info@cascadehr.co.uk or explore www.cascadehr.co.uk.**