



Megatrends and Workplace Predictions Defining HR Right Now



Introduction

People are our Purpose

Our partnership with UKG means every year we have access to an international team of UKG researchers, thought leaders, and social scientists that reflect on the previous year's developments, evaluate the implications for executives and their HR teams, and predict how these forces will shape organisations and the industry for years to come.

The past few years have been exceptionally challenging for both employers and employees, due in large part to the pandemic and its unfolding social, economic, and public health implications. However, a glimmer of optimism is returning to the workplace.

With the combination of these optimistic findings, 2024 will offer a unique opportunity for organisations to differentiate themselves from the pack and highlight the critical role of trust between employers and employees to move forward. The 2024 HR Megatrends and Workplace Predictions provide a roadmap for organisations on a global scale in 2024 and beyond:



Megatrend 1

REDEFINING THE EMPLOYEE/
EMPLOYER RELATIONSHIP

Megatrend 2

FROM BUYING AND BORROWING
TO BUILDING AND MINING

Megatrend 3

THE ESG
"REALITY CHECK"

1

Redefining the Employee/Employer Relationship

The workplace has undergone a significant shift since the pandemic and during its aftermath, and people of all backgrounds are experiencing a lack of motivation and inspiration in the work they perform. The unique expectations of today's multigenerational workforce is adding to the challenge. Millennials and Gen X are moving into senior positions, and Gen Z are entering the workforce with a whole new perspective of work, emphasising a “me-first” mentality, and prioritising mental health and wellbeing over being overworked and burnt out. No wonder organisations are left wondering how they can boost engagement and productivity.

Megatrend rundown:

- The employee/employer relationship is fractured, which has led to dissatisfaction and a lack of motivation and inspiration.
- There is no one-size-fits-all solution. Managers must figure out how to meet the needs of a multigenerational workforce and deliver a better, more personalised, employee experience for all.
- Employers have a critical opportunity to understand their employees and deliver what they need to be successful.



What You Can Do

Fair pay and benefits are at the top of the list for employees' needs, but that only accounts for 37% of what they want: 63% of employees say transparent communication, personalised flexibility, and shared-value alignment are also needed to boost engagement. Invest in distinct experiences for your multigenerational workforce by empowering them with People Operations technology that allows them to take greater control of their life and work.

Here are three examples of how you can tap into different levels of employee need and provide tangible support.

Understand Your People

Facilitate deeper, more meaningful connections by encouraging managers to have regular, structured check-ins and conversations with their employees. Train managers to ask the right questions and educate them on the employee resources already available at the organisation. By collecting and analysing employee data and feedback that is not subjective managers can cultivate a stronger level of trust with their employees. Understanding employee personality traits, passions and preferences allows managers to align employee and business goals.

Build Personalised Experiences

Empower your people with mobile HR technology that enables them to take control of their life and work, and share with managers information on their personal preferences, availability and wellbeing. Enable managers to align employee needs and business targets using HR and workforce management tools that automate people processes and deliver proactive insight and advice to take the correct actions.

Shift from Processes to Outcomes

Give everyone easy access to information, in plain language, to help them do their jobs more effectively. Generative artificial intelligence is making it easier to action tasks and provide proactive guidance to managers and employees with customised messaging and interactions, and access the information they need.



2

From Buying and Borrowing to Building and Mining

While we are beginning to see the pendulum shift to an employer's market, economists predict labour shortages will present a permanent market condition. At the same time, critical skills gaps are troublesome for employers as they struggle to fill open positions.

The traditional recruitment of permanent employees from outside the organisation and hiring of temporary and freelance workers is no longer working. Organisations must "mine" and invest in their internal talent through reskilling and upskilling initiatives, to find critical skills in unexpected places. Developing the skills of employees and promoting them internally are critical to creating a stronger culture of trust, boosting engagement, improving retention, and saving money.

Megatrend rundown:

- Strategic investments in your current workforce and planning tools are critical to bridging the skills gap, increasing the talent pipeline, and creating greater employee satisfaction.
- Doubling down on culture and diversity, equity, inclusion, and belonging (DEI&B) is the most effective path to achieving higher levels of performance.
- Organisations will need to shift to a skills-first hiring approach by assessing candidates based on their skills and abilities, rather than their academic qualifications.



What You Can Do

Korn Ferry anticipates that by 2030 there will be 85 million jobs globally that could go unfilled due to a lack of skilled workers, so the time to adapt is now. Invest in a people-first culture that fosters development and growth, promotes DEI&B, and values the workforce in order to close the skills gap.

Below are some ideas on how to get there.

Create Flexible Pathways Towards Internal Promotability

Create an environment where flexibility facilitates more career pathways for your people. Focus on soft skills, willingness to learn, and critical-thinking skills, and be clear in how job postings culturally align, to capitalise on talent that may have been overlooked in the past. Identify employees who take an enterprise view that aligns with your core values and culture to create a great place to work for all.

Access to Knowledge and Building Community

Create opportunities for employees to explore other parts of work. With employee resource groups, mentorships, gig assignments, and shift swapping, people can bring their whole selves to work. But don't just offer the opportunity to build a community — make space for your people to explore and demonstrate skills not required in their current position. Build a culture of belonging with HR technology, such as a knowledge base, to recognise what opportunities might exist elsewhere within an organisation, and what skills are required for certain positions.

Bridge Gaps with a People Operations Framework

Shift towards a people operations framework where HR and managers leverage the same technology to foster greater collaboration and meet common goals. Together, HR and operations managers can develop a better understanding of their respective targets and objectives to uncover and nurture talent within the current workforce, creating a more flexible, empowering and engaging experience.



3

The ESG 3 “Reality Check”

Amid all the other changes we’ve discussed, environmental, social, and governance (ESG) initiatives have become standard business practice over the past few years. And although some parts of the world are seeing a backlash against ESG, notably the United States, this backlash isn’t being felt as strongly in the EU.

However, companies are under increased pressure to prove their ESG credentials, not only from customers and employees but also regional EU Governments with the upcoming EU Corporate Sustainability Reporting Directive (CSRD). The new legislation will have a huge impact on HR, requiring large companies and listed SMEs to report on several social indicators, including gender pay equity, DEI&B, working time, adequate wages, health and safety, and work-life balance, amongst others. This presents an opportunity for organisations to evaluate and define their authentic positions on ESG and DEI&B and stay committed, doubling down on these efforts.

Megatrend rundown:

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- European companies are under increasing pressure not only from their customers and employees, but also the upcoming EU Corporate Sustainability Reporting Directive (CSRD).
- The CSRD will require HR to report on several social indicators including gender pay equity, DEI&B, working time, adequate wages, health and safety, and work-life balance.



What You Can Do

While a survey by Gallup suggests that investments in DEI&B are increasing, many employees still report discrimination at work, believe they lack opportunities for advancement, and don't think their employers care for their wellbeing. Organisations must put the right systems in place to double down on building a sense of unity, increasing community involvement, and staying ahead of compliance requirements.

We've identified several ways to support ESG and DEI&B practices with HR technology.



Hold Firm to ESG & DEIB Initiatives

ESG initiatives are beneficial to companies. Not only do they can help companies stay ahead of evolving compliance regulations, but positive initiatives can enhance an organisation's reputation, brand, and attract a larger customer base. They key to adhering to industry benchmarks is making it a part of your day-to-day. Comprehensive tools that serve up information and tell a story around your data can help organisations monitor progress, hold people accountable, and identify key areas of focus so that you know where and how to act.

Accurate Data and AI

Understanding industry benchmarks provides direction, but organisations need actionable guidance in how to improve in these areas. Accurate and timely data will be key moving forward, whether it's to report progress on ESG initiatives internally, or to satisfy new and emerging regulations. Using artificial intelligence (AI) to recommend actions to fight bias and discrimination, promote health and wellbeing, and foster inclusion, will help organisations build a great place to work culture.

Culture, Transparency, Alignment

Be transparent about where your efforts are succeeding and falling short – and critically, what the organisation is going to do moving forward. Know the industry benchmarks that make a great workplace culture and stick with them. HR and workforce management technology can help you identify the foundational areas of focus to support ESG and DEI&B initiatives that align with the direction of your organisation.

HR Megatrends

We are at an inflection point regarding the future of work and the people who do it. Organisations can achieve a competitive advantage in 2024 by reaffirming their commitment to their employees and the communities they serve. But they are going to have to do more than offer vague promises and carefully crafted corporate statements – the talkers will be separated from the walkers in 2024.

About PayEscape

The future of Payroll, Human Resources, and Time Management

Payescape is one of the UK's fastest growing Human Capital Management Providers specialising in outsourced Payroll, HR and Time Management solutions. Our cloud-based technology coupled with world-class customer service is revolutionising how businesses today manage their employees.

We remove the administrative burden from your workload and deliver simple, effective, and reliable Payroll and People Management solutions to support your business now and for the future.

