

**Looking  
into the  
HR  
Crystal Ball**

2021 Predictions  
from Blue Rock Search

By Ruben Moreno



# Looking into the HR Crystal Ball: 2021 Predictions from Blue Rock Search

Human Resource leaders occupy a unique role. Our job is to look at people, not just in one department, but across an entire organization. Seeing both reality and possibilities, we help company leaders (and fellow employees) chart the best path through the rocky landscape of change.

As you plan your steps for 2021, here are nine trends that will impact HR.

## 1. COVID Complications Continue

Across the country, people are getting vaccinated, starting with healthcare workers. Government officials predict there will be enough doses for people who are not in high-risk groups in spring or summer. The Trump administration promised the vaccine would be free for all, and the Biden administration is expected to uphold that commitment.

If your organization is one of the many that looks forward to the day when employees can return to the office, you are likely to be considering mandatory vaccinations. The EEOC says this is permitted, though you will need to make exceptions for employees with religious objections or disabilities.<sup>1</sup>

No matter what the policy, HR employees should prepare for pushback. In a November 2020 poll by the Pew Research Center, it was reported that 60% of those surveyed are willing to get a vaccine<sup>2</sup>; while two-in-ten people had already decided they were 'pretty certain' they would not get a vaccine. The results indicate the need for HR to have a plan in place if the CEO announces he/she wants everyone back in the office in 2021.

## 2. Employees Want to Know, "Why Do I Have to Come Back to the Office?"

Commercial real estate firm Jones Lang LaSalle (JLL) polled over 2000 office workers to uncover attitudes about returning to the office. Their Human Experience Report reported that 74% wanted to work from the office, either full-time or as part of a hybrid approach.<sup>3</sup>

Flipping that statistic implies that 26% of employees would prefer to work from home. This group won't be happy if the boss announces all workers must return to the brick-and-mortar headquarters. Some employees will grumble, but they will accept the decree. Others will demand a Zoom meeting with you to discuss the policy. This leads to our next prediction.

## 3. The Economy Improves, Causing Employers to Be Hit with a Flurry of Resignations

Many economists predict the economy will experience a K-shaped recovery. Different industries will recover at different rates. Some will experience strong growth early in 2021, while others will languish. No matter what industry you are in, 2020 was a year when many people hunkered down in jobs they did not love, afraid to make a move.

As the economy improves, be prepared for turnover. Some employees will leave for the usual reasons—like more money and better opportunities. Others will leave because they are dissatisfied – or even angry – with how an organization has handled employee relations during the pandemic.

No one wants to lose great employees in challenging times. Put your ear to the ground and listen for rumbles of discontent – especially regarding prediction number four,



#### 4. Employees Complain They are Exhausted, But Your Company has a Hiring Freeze

If you saw fewer requests to take vacation days in 2020, you were not alone. A survey conducted by online personal finance information website, ValuePenguin<sup>4</sup> reported:

- 44% of working Americans did not use any of their paid time during the summer of 2020
- An additional 22% took less time off than normal, with 16% expressing concerns that they could be at risk of furloughs or layoffs if they did take time off. Peakon, a technology company with a platform to help companies engage employees, surveyed worker attitudes<sup>5</sup> and found:
- 26% are burned out and need a break
- Only 11% of Americans feel energized and driven
- Only 8% of women say they are energized now

Many companies instituted hiring freezes in 2020. While there is no doubt the bottom line is essential, it may be time to convene your leadership team to discuss the state of your human capital and how to maintain productivity, all while avoiding the loss of key personnel.

#### 5. It's Time to Mandate Professional Development Training Regarding Managing Virtual Teams

Managing a virtual team has shifted from a temporary solution to the new status quo at many enterprises. Leading a virtual team requires new skills in critical areas, such as:

- Communication
- Best practices for remotely handing off work
- Training new employees
- Technology
- Monitoring and evaluating employee performance
- Providing feedback when you don't meet people face-to-face
- Creating a sense of "belonging" and "community"

One simple starting point for a training needs assessment is an employee questionnaire. Or, consider checking out one of the many online courses on the topic, such as "Remote Workers are the Future of Business," available from LinkedIn Learning.<sup>6</sup>

#### 6. The Challenges of Compensation in a "Work Anywhere" World

Facebook, headquartered in Menlo Park, California, made news in May 2020 when CEO Mark Zuckerberg announced that the company planned to ramp up hiring remote workers. In a videoconference, he said workers who choose to work from locations where the cost of living was lower should expect adjustments to compensation.<sup>7</sup>

Facebook is not the only tech company rethinking compensation. In a Wall Street Journal article, Reddit Inc. and Zillow Group Inc. were named as two of the companies now setting pay without regard to location. Stripe, Inc., a payment platform, took the additional step of offering one-time bonuses to employees who moved out of San Francisco, Seattle, or New York – and agreed to a pay cut of up to 10% to live in places where the cost of living was less.<sup>8</sup>

Blue Rock Search predicts developing new models for locality-based compensation will be on the mind of many CEOs in tech and beyond in the coming year. HR professionals will need to be prepared to navigate these conversations.

#### 7. When Working Remotely Means Leaving the Country

When a team's star performer embraces the company's new work-anywhere policy and decides to spend the next three months in a cabin in Finland, the boss may initially support them. But what if the cabin has a poor internet connection leading to frozen screens and garbled communications during Zoom meetings? And what happens when other team members complain because the star performer isn't available during "normal working hours" due to time zone differences?

Talking to candidates, Blue Rock has noticed a growing number of working professionals who aspire to nomadic, global citizen lifestyles. This could include living like natives in Airbnb locations around the world during the year. You might be okay with this – or you might not.

Spend a few quiet moments thinking about the implications of hiring a global citizen. Should there be policies in place about where you can work and when you must be available? What questions would you ask in an interview to uncover this dream?

**As Albert Einstein said, "Intellectuals solve problems. Geniuses prevent them."**

## 8. Diversity, Equity, & Inclusion is a Strategic Imperative in 2021

Organizations value diversity but often struggle to hire and retain diverse employees. Tepid support from leaders, the inability to build diverse talent pipelines, and unconscious biases among hiring managers are common obstacles. Winning in this space requires a full-systems approach covering corporate values, employee resource groups (ERGs), supplier diversity, talent development, and compliance.

At Blue Rock, we talk to thousands of candidates every year. As a rule, highly-sought candidates ask probing DE&I questions as part of their decision-making process for potential opportunities. As of August 2020, candidates considering positions at publicly-held companies will now be able to “fact-check” using human capital disclosures mandated by the U.S. Securities and Exchange Commission (SEC).

As reported by ChiefLearningOfficer.com,<sup>9</sup> all publicly-held corporations must report metrics covering total workforce cost, human capital ROI, EBIT per employee, turnover rate, total development and training cost, and the percentage of employees who have completed compliance training. Larger organizations need to report on additional metrics, including diversity by age, gender and disability, leadership diversity, leadership trust, time to fill vacant positions and time to fill critical vacant positions, the percentage of positions filled internally, and the percentage of critical positions filled internally.

In 2021, expect this information to be considered by more candidates, as well as customers and shareholders.



## 9. Be Ready for Employees who Speak Out About Societal Injustice

More than once in 2020, we felt enormous sympathy for HR leaders who had to deal with company missteps when employees took a stance in their work environment to protest societal injustice. And count yourself as lucky if you haven't had employees complain about buttons and t-shirts worn by co-workers.

In 2020, many people felt their value systems were under attack. Some brought strong views to work in the form of “Black Lives Matter” t-shirts or MAGA hats. Reactions within workplaces varied. At some businesses, missteps resulted in negative news stories and widespread employee concern.

Diversity, equity, and inclusion initiatives will not succeed unless everyone embraces them. To make that happen, HR professionals must lead the way to help their organization understand bias, promote a culture of respect, and present the benefits of embracing differences.

Jason Averbook, a columnist for HRExecutive.com, said, “It is not an us-versus-them, an anti-police or pro-police, or a black-versus-white thing. This is about doing what is fair and right in a time of monumental change. This is about protecting humanity: your neighbor, your colleague, your friend.”<sup>10</sup>

We predict 2021 will be a year of continued change, pressure, and high visibility for the HR function for all these reasons. HR Executives will help their organizations “WIN” in 2021 by fostering the right balance of empathy, prudence, and commitment when dealing with employees. As Doug Conant, former CEO of Campbell's Soup, said, **“To win the marketplace, you must first win the workplace.”**<sup>11</sup>

### HERE'S TO WINNING IN 2021!

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## About Blue Rock Search

Blue Rock Search ([bluerocksearch.com](http://bluerocksearch.com)) is a 100% minority/female owned executive search firm specializing in the targeted identification, assessment, and placement of high impact leaders for our clients. Our Founding Partners are respected, trusted thought leaders and collectively bring over 50 years of direct relevant search experience to our three (3) dedicated practices: HR Executive Search, Franchising, & Customer Experience. Our agile service delivery model is designed to flex to the unique needs and expectations of any search and to fill critical roles quickly. Blue Rock believes the starting point for a successful search is a strong client relationship built on its core values of trust, mutuality, and commitment.

## About Ruben Moreno

Ruben Moreno leads the Blue Rock HR executive search practice specializing in the identification, assessment, recruitment, and onboarding of Chief HR Officers and their teams. As a subject matter expert and highly specialized executive recruiter, Ruben has been dedicated to partnering with his clients to identify, assess, and recruit the best Human Resources leadership talent available for over 12 years. He has helped place hundreds of HR professionals and built deep relationships within the HR Executive community across multiple industry verticals. His clients consider him a trusted partner who takes the time to understand their business and add value beyond executive search.

