

# The HR 2022 ♦ Outlook

Prepare for the year ahead  
with 7 key insights on  
emerging, culture-shaping  
trends that will define the  
way we work





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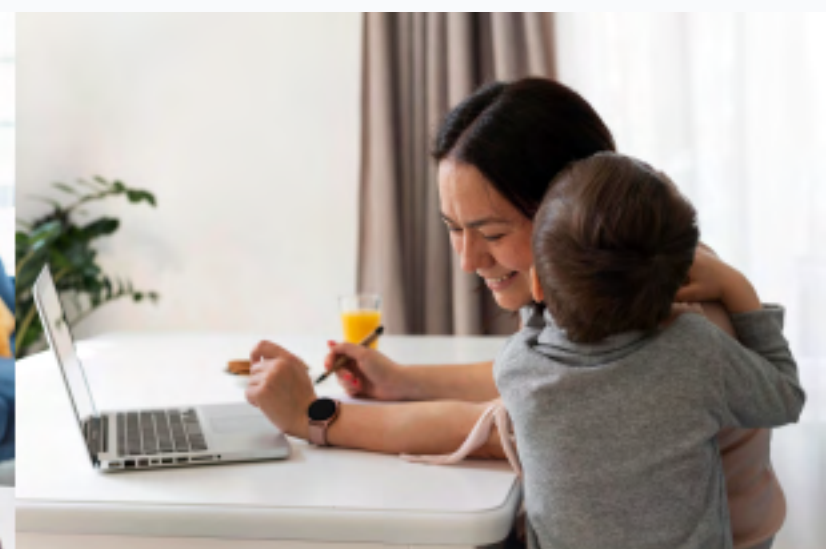
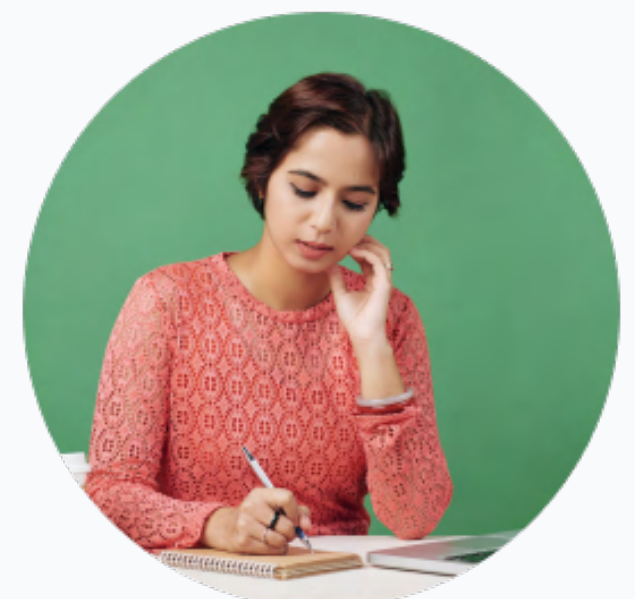


# Looking back at 2021

The COVID-19 pandemic has changed the world for good. The implications of this have been felt in 2021 and will likely remain as we go into 2022. After the initial positive stance and “best foot forward” period during 2020, we have observed a significant dip in employee’s resilience levels, mental health, and confidence in employers in 2021. Our research found that there is a 17% decline in employees who are confident in their organisation’s future between 2020 and 2021. Burnout also increased by 9% in 2021<sup>1</sup>.

There is also a rapidly growing gig and remote work economy as organisations seek talent beyond their local borders. As a result, employees are looking at their current state of work with a keen magnifying glass, and the picture emerging is complex. HR must adapt to this new reality where employees and top talent have more opportunities and more reason for change after a closer introspection of their professional lives during this crisis period. It is not a coincidence, therefore, that companies around the world have become witness to the Great Resignation in the wake of the pandemic, and the numerous paradigmatic shifts that it entailed. A quarter of the white-collar workforce felt compelled to leave their current employment even without new jobs, across income levels<sup>2</sup>. In Singapore, nearly half (49%) are looking to quit<sup>3</sup>.

The onus is now on HR to stem the tide and formulate forward-looking policies that place the employees squarely at the centre. Featuring POVs by HR leaders in APAC, this report covers **7 key trends that will become relevant** as a result of the pandemic and how organisations can future-proof themselves.





## TREND 1

# ‘New work’ will manifest in new and unexpected ways



Sonali Sharma



“Employee relationships will undergo a transformation as we see a breaking down of former transactional relationships and siloed communication towards a relational work experience.

*Sonali Sharma, VP of People Science at EngageRocket*

We were always moving towards a world of New Work, and like several other changes, this too has been accelerated during the pandemic. In a New Work paradigm, a person views their work as more than gainful employment. In addition to the transactional exchange of labour for compensation, there is a focus on purpose, fulfilment, and wellbeing. Unfortunately, most organisations are yet to fully acknowledge and appreciate the import of this approach.

For instance, 39% of respondents in a recent survey said that they would consider quitting if their bosses did not support remote work<sup>4</sup>. Meanwhile, several organisations around the world are holding onto their insistence on in-office presence and the normative way of doing things. There are also other areas where this disconnect between employees and companies/HR departments are being felt. A recent Gartner survey found that 75% of leadership believe that they run a culture of flexibility, but only 57% of employees agreed. 75% of leadership also felt that they incorporate employee voice in decision making, while 47% of employees agreed<sup>5</sup>.

Clearly, there is a disconnect between HR policies or the leadership strategies propelling them, and employee sentiment on the ground. This is exacerbated by the shift of New Work needs, impulses, and aspirations among the workforce. Companies need to tailor their strategies accordingly to make this shift work for them, not against them.

## Focus areas for 2022

### 1 Develop a two-way communications strategy

Listen to the voice of the employee (VoE) and base future communications on employee input. The feedback can help shape follow-up actions, creating a closed feedback loop.

### 2 Deploy continuous listening

If you haven't already, start by conducting employee lifecycle surveys and pulse surveys along with 360-degree reviews. EngageRocket's platform provides all of these – combined with sentiment analysis to understand your employees' needs.

### 3 Enable more frequent check-ins between employees and managers

This will help you to detect and address problem areas early on.



## TREND 2

# The talent war is quickly becoming a zero-sum game

This period has widened the gap between market leaders and laggards. In regards to technology adoption, the top 10% of the pack are now growing at a 5X rate than laggards, and a distinct 18% who are “leapfroggers” are growing at a 4X faster than laggards<sup>6</sup>. While the research approaches growth from a technological perspective, a similar trend is seen in HR and talent acquisition as well. There are a handful of companies – large and small – that are widely known as top employers in a region, and companies not investing in the talent war are getting left behind. This results in a sort of “winner takes all” zero-sum game due to limited talent availability in the short term.

That’s why HR needs to double down on their efforts towards talent acquisition and retention in 2022, creating an employer brand and work environment that’s attractive to both existing and new employees.



Peter Huynh



“Retention is so much better than acquisition. If you overlay the challenge of remote work with the ongoing talent war, it's brutal out there.

*Peter Huynh, Partner at Qualgro VC*

Some of the key areas of focus include flexibility, digitalisation, and listening to VoE. Flexibility of work is a proven driver for retention, and it also means that employers can look beyond their local borders when hiring (and cross-border mobility is anyway hindered by the pandemic). Digital is not only a key facet of remote work productivity, but essential for recreating a real human connection in a remote or hybrid work environment. By listening to the Voice of Employee (VoE), these policies can be kept in-sync with employee needs.

## Focus areas for 2022

- 1 Formulate clear and transparent career paths and succession plans**  
Foster two-way communications between employees and managers, prioritise diversity & inclusion, and do not restrict career progression to only managerial roles.
- 2 Encourage just-in-time recognition, engagement via non-work activities, and the ability to disconnect after work**  
This will help to boost engagement by making every employee feel like they are more than the sum of their productivity outcomes.



## TREND 3

# Employee mental health and resilience will propel growth

In 2022, mental health and resilience will no longer be buzzwords only. Companies will be forced to invest real money in uplifting employee wellbeing and ensuring that they stay resilient and confident in the face of new challenges and opportunities. This is an especially important area of concern for HR as resilience is the no.1 predictor of an employee's intent to stay but has seen the most drastic decline between 2020 and 2021.

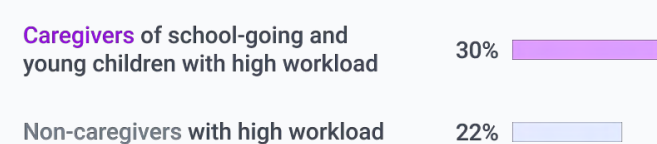
Our research showed that employees are now more prone to burnout than in 2020, and the problem is even more serious for certain employee groups. For example, caregivers with a high workload are at a 30% risk of burning out, compared to 22% of non-caregivers in similar scenarios. Millennials are also affected and are the least likely to stay with a company for 12 months among all age groups<sup>1</sup>.

Conversely, companies that invest in mental health and resilience will see an uptick in retention, productivity, and eventually talent acquisition numbers. Companies like Canva in Australia have built a stellar employer value proposition centred on employees' mental wellbeing, which continues to hold strong even during a crisis.

### SURVEY QN

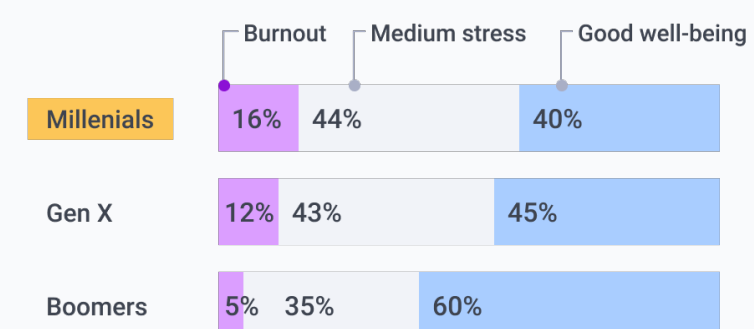
I feel burnout at work.

% Burnout



### SURVEY QN

I am able to avoid burnout at work.



Anita Sadasivan

MINDFI

“Resilience is a marathon. It's about pacing yourself, knowing when to rest, and how to recharge so you have the energy reserves to keep being creative and trying new ways to reach your goals.”

Anita Jiawen Sadasivan, Chief Wellbeing Officer at MindFi

## Focus areas for 2022

### 1 Build a climate of psychological safety

Create a culture where everyone feels safe to voice their opinion regarding work and career-related conversations without risk of reprimand. This priority needs to be made explicit and instilled at all levels within the organisation.

### 2 Craft policies for stress mitigation

Policies such as the Employee Assistance Programs (EAP) and flexi-work where employees can take a day off for a breather are some of the ways you can do to foster well-being and resilience.



## TREND 4

# HR will become decentralised, spurring new management skills

The typically centralised HR function must give way to a “hyper-local model” where HR can outsource the last-mile connectivity with each and every employee via the managers. This can apply to different elements of the HR function – from strategy and policy-making to events and engagement. This also means greater empowerment of managers which is an area where a lot of work has yet to be done. In addition to HR, managers will be the flag-bearers of culture in 2022, necessitating rigorous and targeted training.



Sonali Sharma



“To support the relational needs of the evolving organisation, managers will need to be empowered, enabled, and equipped with tools to help nurture teams at the ground level. HR can no longer do everything in a world that is hyperlocal and deeply diverse.

*Sonali Sharma, VP of People Science at EngageRocket*

The usual approach to manager evaluation and promotion also needs to change. Instead of selecting task orchestrators for managerial roles, companies will have to promote those with leadership and coaching/mentoring skill sets. These properly selected, equipped, and trained managers will help to mobilise organisational talent without centralised and top-down control by HR.

## Focus areas for 2022

- 1 Revisit manager evaluation KPIs**  
Encourage managers to focus on talent and skill development instead of only aptitude for operational execution.
- 2 Abandon the mindset that managers can and must have all the answers**  
Managers need to be hired, trained, and promoted with the mindset that they do not need to know all the answers. Only with this mindset can they pivot from being a performance manager to a nurturing coach. Senior leaders need to model and champion this mindset to drive the company-wide shift.
- 3 Empower managers with tools and data**  
Amplify the effects of better manager selection and training with the right technology tools. They should be able to leverage digital channels to survey employees, provide feedback, analyse data, communicate/collaborate remotely, and make decisions.



## TREND 5

# Diversity & inclusion will be a major competitive differentiator

Diversity has always been an important driver for business growth. According to McKinsey, companies in the top quartile for gender diversity in leadership were 25% more likely to have above-average profitability than their bottom-quartile counterparts<sup>7</sup>. Unfortunately, many organisations are yet to fully invest in diversity & inclusion (D&I) as a key cultural as well as operational tenet. Research in 2021 found that only a quarter of organisations have D&I goals for leadership. Just 17% have a C-level diversity role in place, and nearly 31% have no D&I leader<sup>8</sup>.



Roman Matla



*“We need to drop the word ‘program’ when it comes to diversity and inclusion. A program implies there is a beginning, a middle, and an end. An inclusive environment where everyone feels valued, respected, and safe is not a program; it’s a mindset”*

*Roman Matla, Director, APAC Diversity & Employee Engagement at Google*

Meanwhile, the COVID-19 pandemic has driven an even deeper wedge in workplace equality. For example, men are more likely than women to report that their company is taking steps towards D&I (44% vs. 35%), and male leaders are less likely than female leaders to feel stressed (56% vs. 62%). In a telling statistic, men are also 4-6 percentage points less likely to be ignored or overlooked by a co-worker in a virtual meeting than women. Men are also more confident about their chances at a promotion, which means that the gender divide could widen in 2022 unless HR takes proactive steps<sup>9</sup>. While this gap needs to be addressed, the focus should not be on gender-based equality alone, and organisations should take stock of all areas of diversity and inclusion.

It should be noted that employees (particularly millennials and Gen Z) value D&I as a key determiner of where they choose to work<sup>10</sup>. HR policies prioritising D&I will improve employee engagement, drive more productivity, and attract better talent.

## Focus areas for 2022

### 1 Communicate the D&I agenda to all layers of the organisation

Use data-backed insights to strengthen your case for D&I, as research suggests that employees are mostly unaware that the organisation collects and analyses D&I data to build an inclusive workplace. A clearly communicated plan will ensure timely buy-in and appropriate execution.

### 2 Lead by example when it comes to D&I

Actively incorporate D&I into manager selection and training to address gender equality in leadership roles.



## TREND 6

# People analytics will fuel buy-in for HR policies and change

In 2022, organisations can no longer put off people analytics implementation. While there are moves in the right direction, there is more work to be done. Analytics, virtual working technology, and upgraded learning platforms are among the top priorities for HR. However, HR's confidence in their ability to use data and analytics has actually declined by 3 percentage points since 2019<sup>11</sup>.



Sonali Sharma



“*People Analytics skills will no longer be nice to have. Instead, every HRBP will be expected to have a minimum level of analytics competency, or teams will have dedicated people analytics functions.*”

*Sonali Sharma, VP of People Science at EngageRocket*

New age people analytics will differ from existing HR data systems that focus primarily on headcounts and utilisation. In 2022, analytics will move from descriptive to more predictive in nature, equipping organisations to make evidence-based people decisions. This will not only allow HR to craft policies aligned with employee interests, but it will also make it easier to get buy-in from the leadership, owing to concrete data and evidence. 70% of companies in a recent survey mentioned people analytics as a top priority – which also necessitates a dedicated people analytics team and even a Chief People Analytics Officer job role, which has been observed in a handful of future-focused companies<sup>12</sup>.

## Focus areas for 2022

### 1 Embrace a mindset shift from intuition to data-driven

Intuition, past experience, and a general “gut feeling” have played a major role in organisation-wide policies. With people analytics, HR and leaders can make informed decisions with more confidence.

### 2 Train HR teams in analytics, strategy, and value generation

60% of CEOs and EVPs consider HR to be an administrator than a value-driver, but 74% of CHROs disagree<sup>13</sup>. People analytics training and implementation can help bridge this divide.

### 3 Ensure that there is a culture of continuous listening

Transparent communications and getting organisation-wide buy-in for continuous listening is a way to reap the benefits from your people analytics investment



## TREND 7

# New productivity KPIs will be needed to assess employee performance

A seemingly simple but transformative shift will be the adoption of new productivity measures. Time spent in the office, early clock-in and late hours, attendance in-office events, and other marks of presenteeism were typically associated with productivity in a pre-pandemic world. Whether knowingly or unknowingly, these factors influence an employee's performance evaluation by the manager. The pandemic has acted as the Great Reset of sorts, and the way we approach productivity will never be the same.

In 2022, HR and business leaders need to consider productivity measures better suited to New Work and remote/hybrid working. Collaboration, communication, positive work-life behaviour, and coaching mindset might be better indicators of performance.



CheeTung Leong



“*In a rapidly changing business environment, goal setting and performance management have to be more agile. Organisations must revisit their definition of productivity – and of work itself – to build a value proposition that is genuinely attractive to top talent*”

*CheeTung Leong, Co-Founder of EngageRocket*

There are two reasons why HR must come up with new productivity KPIs. First, it will help to keep up with real-world work patterns so that organisations make smarter decisions on productivity. Second, it will ensure that employees feel acknowledged and valued through relevant KPIs instead of redundant ones.

## Focus areas for 2022



### 1 Adopt a closed-loop model for performance reviews

This comprises feedback (selecting feedback participants for multi-rater reviews, self-assessment, and manager assessment), calibration (reconciling multi-rater reviews, standardising for objectivity), and compensation (rewarding/compensating employees to reinforce performance behaviour, reviewing outcomes after compensation).

### 2 Combat the risk of bias in light of the new metrics

A single-rater, non-anonymous review is prone to bias that may have crept in through individual manager subjectivity and remote working structures. An anonymous, multi-rater review system increases the reliability of performance ratings and mitigates the judgemental bias from a single person.



# Key takeaways and recommendations moving forward

## TREND 1

**'New work' will manifest in new and unexpected ways**

## FOCUS AREAS

- Develop a two-way communications strategy
- Deploy continuous listening
- Frequent check-ins between employees and managers

## TREND 2

**The talent war is quickly becoming a zero-sum game**

## FOCUS AREAS

- Formulate clear and transparent career paths
- Encourage just-in-time recognition, engagement via non-work activities, and the ability to disconnect after work

## TREND 3

**Employee mental health and resilience will propel growth**

## FOCUS AREAS

- Build a climate of psychological safety
- Craft policies for stress mitigation

## TREND 4

**HR will become decentralised, spurring new management skills**

## FOCUS AREAS

- Revisit manager evaluation KPIs
- Abandon the mindset that managers must have all the answers
- Empower managers with tools and data

## TREND 5

**Diversity & inclusion will be a major competitive differentiator**

## FOCUS AREAS

- Communicate the D&I agenda to all layers of the organisation
- Incorporate D&I into manager selection and training

## TREND 6

**People analytics will fuel buy-in for HR policies and change**

## FOCUS AREAS

- Embrace a mindset shift from intuition to data-driven
- Train HR teams in analytics, strategy, and value generation
- Ensure that there is a culture of continuous listening

## TREND 7

**New productivity KPIs needed to assess employee performance**

## FOCUS AREAS

- Adopt a closed-loop model for performance reviews (feedback, calibration, compensation)
- Combat the risk of bias in light of the new metrics

As we emerge from a period of challenge and complexity, the industry remains reassuringly bullish. Many are hopeful and see the future of work as “full of possibility”, firmly believing that they will be successful. The year 2022 will be definitive for the evolution of work, possibly the first major epoch since the industrial era. Organisations with a proactive and properly equipped HR function will be able to spearhead the change, overcoming challenges coming their way while making the most of market opportunities.





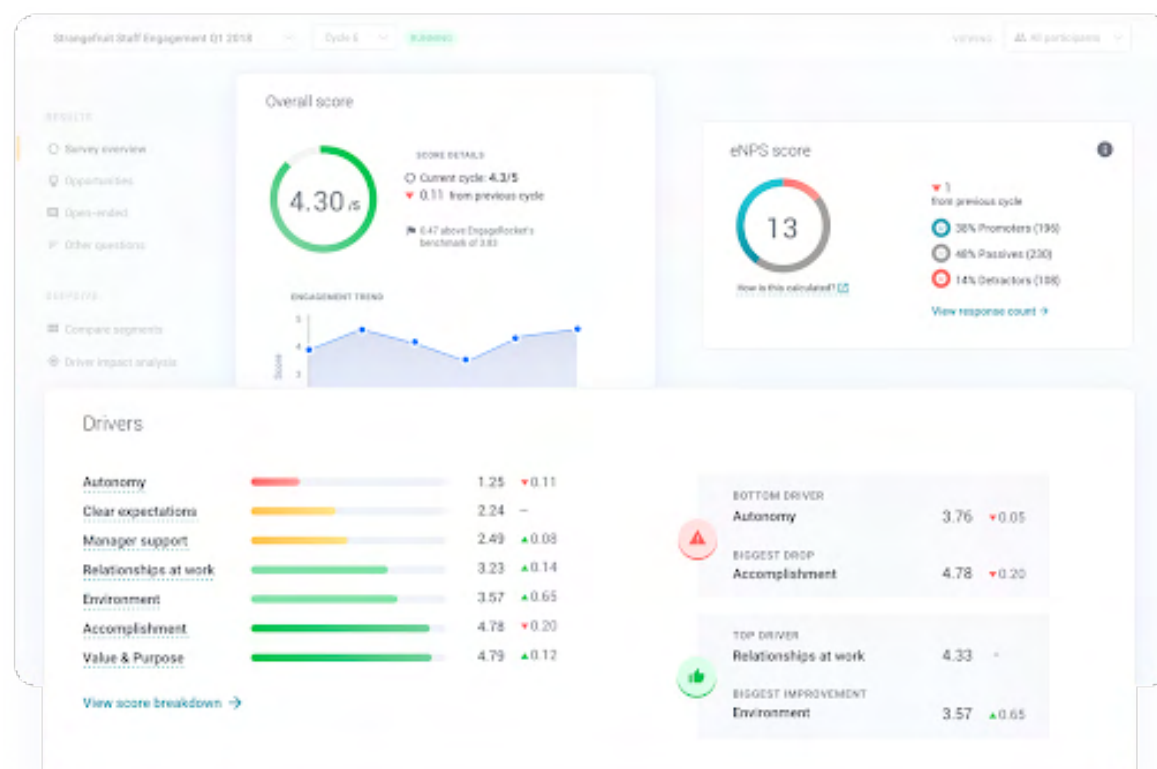
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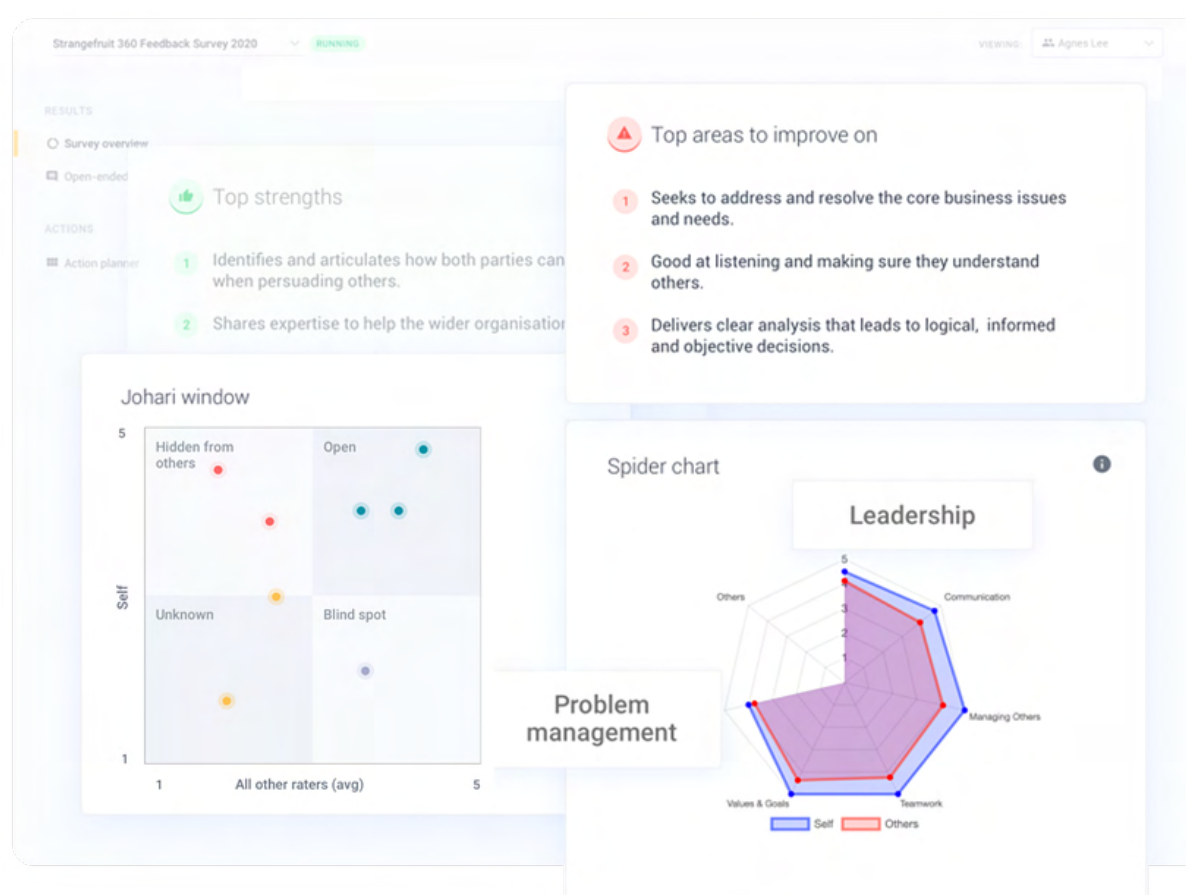
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### **BELONG: Employee Experience Survey** *Engage your talent from day one*

- **Question Library:** Ask research-backed questions & get feedback for on-boarding, engagement, etc
- **Confidentiality:** Encourage communication without compromising employee's confidentiality.
- Build **multi-language surveys** in one click.
- Measure **program efficiency and analyse the returns** on your people initiatives
- Create and export **custom reports** easily

## Automate your 360 feedback reviews with EngageRocket's GROW



### **GROW: 360 feedback review**

*Develop your leaders into their best selves*

- **Flexible setup:** customise questions, rater groups, selection methods, communication and reminders.
- Large validated competency and **question banks**
- Powerful **analytics**
- Data-driven **learning needs analysis**
- **Action planner:** Set goals, targets, tasks and reminders to encourage personal mastery
- Follow through closely and **monitor progress**



# **\*NEW\*** Empower managers to take action with EngageRocket's ACT

## 25%

**of HR professionals**  
are unsure of the right actions to take after an employee engagement survey. \*

## 42%

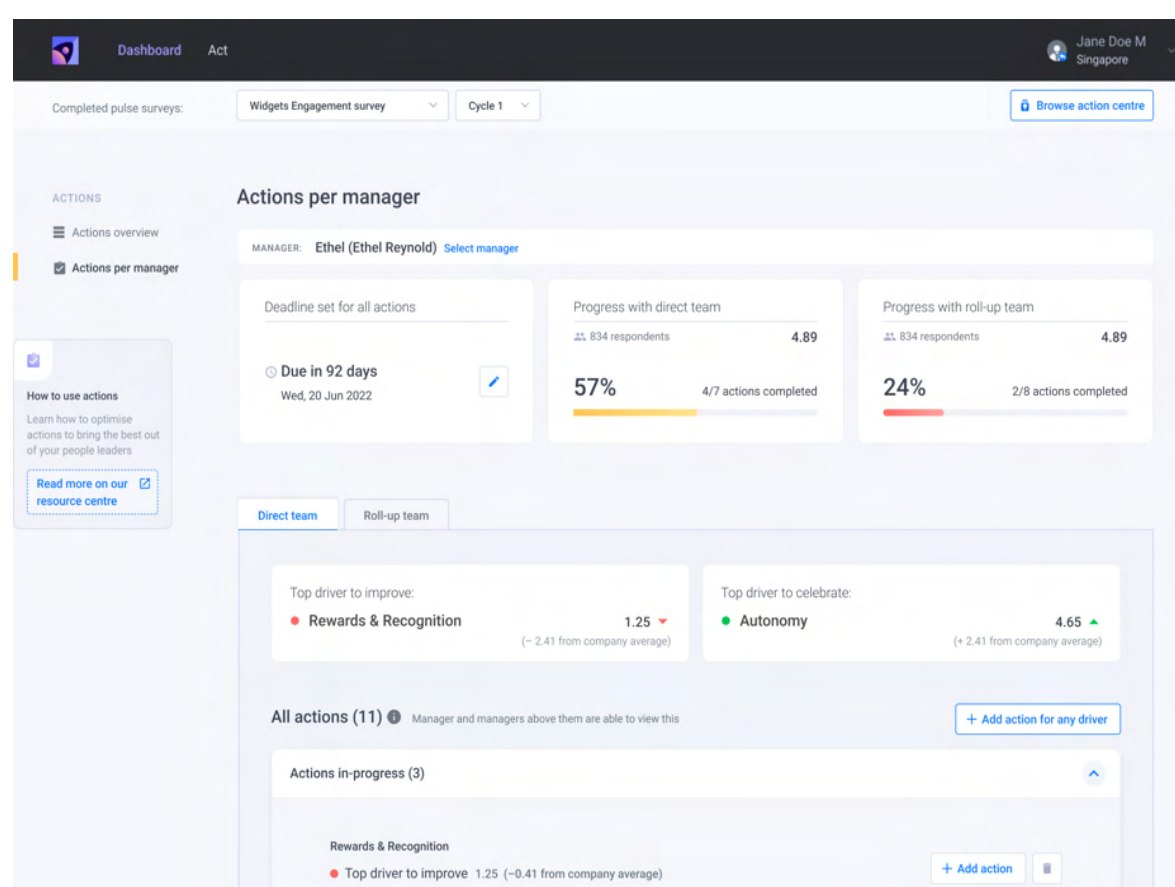
**of HR administrators**  
find it difficult to include managers in the process to act on survey results.

## 95%

**of HR leaders**  
want to empower team leads with the right tool to take meaningful actions. \*\*

\*based on a poll of 102 HR professionals in APAC

\*\*based on EngageRocket's user interviews with CHRO and HR Directors in APAC



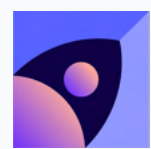
## **ACT: Action Suggestions for Managers** *Empower leaders, so your people can thrive*

- **Equip managers with the right tools** to identify of key areas to focus on based on employee feedback
- **Enable better team connections** with targeted activities and conversation points
- **Motivate upskilling** with Adaptive learning repository in our curated Action Center
- **Monitor progress to foster accountability** with HR Dashboard to track actions and send reminders to team leads





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## EngageRocket

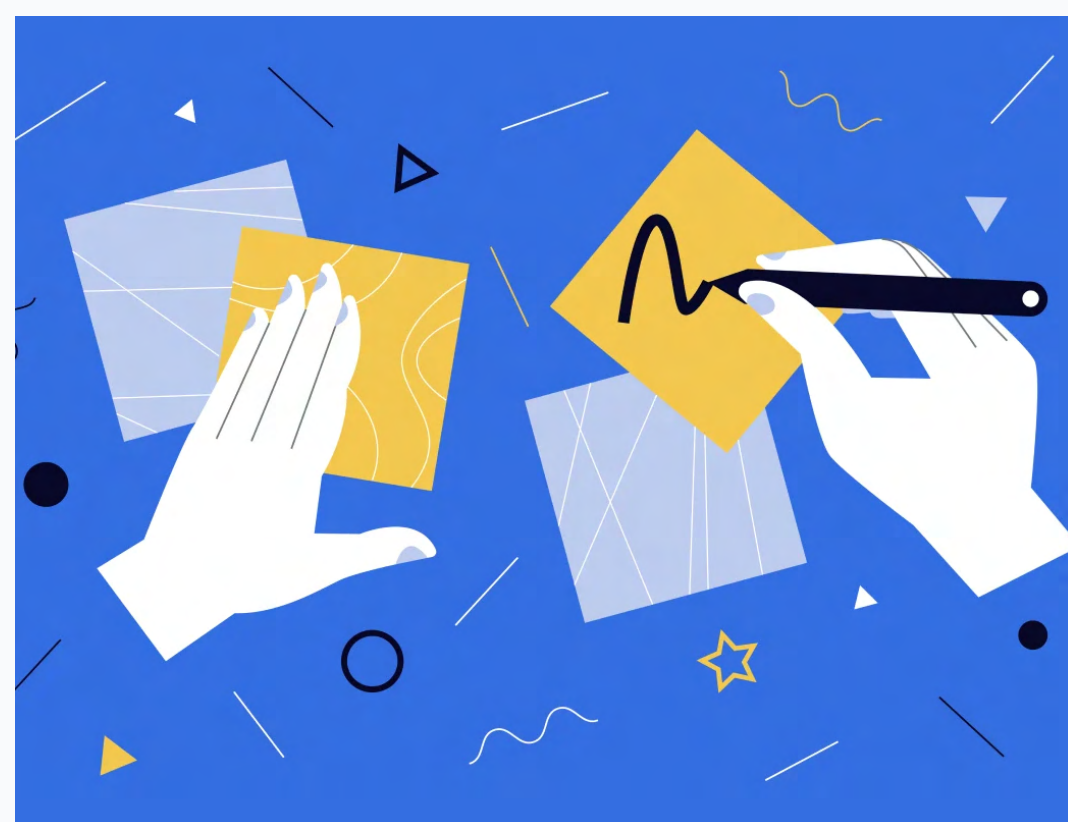
EngageRocket is APAC's fastest-growing employee experience technology provider that empowers companies to enable human connections at scale. Companies across 14 countries and 20 industries such as Sephora, StarHub, Love Bonito and Epson use EngageRocket to drive sustainable people and business outcomes with relevant and timely people-insights.

Learn more at [www.engagerocket.co](http://www.engagerocket.co)

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- [Events and Webinars on EX](#)
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- [PeopleTalks - Community for HR Leaders](#)



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