

Workplace trends to watch out for in 2022

Organisations have faced unprecedented changes in the last three years. 2020 was about sustenance enabling work from home and employee wellbeing and engagement. Gradual economic recovery in 2021 brought the focus back on growth while simultaneously adapting to a dynamic and flexible working environment. The start of 2022 has brought in a feeling of déjà vu as Omicron made its presence felt in India.

There are six 'people pressure points' that organisations are currently having to deal with:

- Growth expectation as we navigate from one wave to another
- Flexible working – How to get this right, both in policy and practice
- Technology and Data Strategy – Adding new value creating delivery models
- Leadership / Manager competencies – Making managers capable to effectively manage in the new reality
- Diversity, Equity, and Inclusion – Being inclusive across all forms of diversity
- Managing employee wellbeing and engagement

Add to this the challenge that the Great Resignation has brought in as most organisations are seeing a significantly higher attrition level. This is putting a huge cost pressure on organisations wherein the talent demand and supply equation has clearly moved in favour of the employees.

What do we expect organisations to do in 2022?

Organisations are focusing on three key

strategic areas to address these people pressure points:

1. **Optimising work and job design:** We expect organisations to stably adopt flexible work strategy and expedite automation initiatives to redesign jobs and tasks.

Workplace flexibility is a reality! In the last two years there has been greater acceptability of the hybrid work model. New technological infrastructure is being put in place. Companies have also considered investing in monitoring software to measure productivity and performance in this flexible work arrangement. Also, erstwhile work modes are being revisited and redesigned using automation, AI, and digitalisation.

As business and work strategy evolves, ability of organisations to identify new sources of talent and imbibe new skills required to get work done are expected to gain more importance.

2. **Being innovative with pay and benefits:** Organisations are likely to come up with innovative, skill based, differentiated and at times ad-hoc reward solutions to manage the challenge as presented by the Great Resignations and the new way of working.

With the new workplace and job design in place, concerns of pay parity is natural. More than ever, it is important for employers to define their total rewards philosophy and gather a good understanding of what each employee segment seeks from their Total Rewards

offering. Total Rewards comprise of hard salary (like guaranteed cash, incentives, bonuses, equity etc.); people processes and programmes (like health and wellbeing, flexi work, learning and development, career, performance management etc.); and HR policies (like leave, benefits, promotion, succession planning etc.). Where majority employees are using flexitime, employers don't intend to change this arrangement anytime soon. Where return to work is essential, companies are looking to improve parental support / return-to-work programmes. In addition to this, companies are already working on revamping their recruitment, promotion, and succession planning processes.

Having said, with the evolving workplace and workforce, individual employee base pay increases in current roles will be affected. Market competitiveness, criticality of the role and ratings in most current year-end performance review are the key factors affecting individual employee base pay increases currently, however, over the next three years, possession of skills will triumph ratings.

Organisations are committed to enhancing their physical / emotional wellbeing programmes to provide the future security necessary to support employees in a more agile and flexible workplace.

3. Managing employee growth and careers:

Organisations are looking to focus on making changes in the way careers are defined. Organisations have realised that it is going to be critical to create a human-centric, holistic, and purpose-driven employee experience with a goal of cultivating employees' growth with more flexibility in career options.

Lateral career progression frameworks are becoming prevalent with equal emphasis on individual contributors as well as people managers by building a talent ecosystem

encompassing alternative work models.

In conclusion

The top three priorities for HR going forward would be to build new strategies around work and rewards, to build a talent ecosystem encompassing alternative work models and to create a human-centric, holistic, and purpose-driven employee experience. This would require organisations to focus on providing the leadership and HR teams with the required competencies and support to deliver on these priorities.

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