



15 ways to make the year a success

# Contents

<b>People are positive about 2021</b>	<b>3</b>
<b>1. In this together</b>	<b>5</b>
Create a great EX	7
Repay the trust	8
Lead with empathy	9
<b>2. Good habits for good</b>	<b>10</b>
Wellbeing perks for 2021	12
Finding middle ground	13
Customise flexible working	13
<b>3. Perks on demand</b>	<b>16</b>
Top 10 perks for 2021	17
Looking at those favoured perks	18
Evaluating your perks for 2021	20
<b>4. Bridging cultural divides</b>	<b>21</b>
Engaging in different locations	22
Supporting hybrid workforces	23
Growing company culture	26
<b>5. Leading digital transformation</b>	<b>28</b>
Connecting with digital recognition	30
Socialising like humans	31
Tackling bias with tech	32
<b>So, feeling positive about 2021?</b>	<b>33</b>

# People are positive about 2021

Welcome to our guide on the top five HR trends in 2021. We've surveyed 301 UK business leaders to see how their priorities align with the big trends of the year and what we all need to do to make 2021 a success.

There's a section for each of the five trends – each includes three key factors explaining why that trend is important and what you can do to implement solutions in your business.

**After reading, you'll take away:**

- ▶ **Why HR and employees are in this together**
- ▶ **How to help employees build good wellbeing habits**
- ▶ **What perks employees want most (remote & non-remote)**
- ▶ **How to engage employees in different working locations**
- ▶ **What you can do to lead digital transformation**

We'll start with the overwhelming positive statistic that 93% of business leaders said they're looking forward to this year, with them most looking forward to:



On top of that, 65% of business leaders are feeling positive about the success of their business in 2021 compared to 2020, and while only 58% felt their employees were motivated in 2020, that's increased to 73% in 2021!

So without further ado, let's get into the top five HR trends for 2021...

1

## In this together

Create a great EX

Repay the trust

Lead with empathy





# 1. In this together

Both HR and employees stepped things up in 2020. We've worked independently at home, minimised external risks to our businesses and heroically continued working on-site for the greater good.

With all that change and challenge, employees become much more aware of their own worth, come to know their strengths and gain confidence in themselves. And with all the extra time they've had, many will have been wondering if their current employer is the right fit for them.

As the dust settles in 2021, you might start to see more of your workforce looking to move on or seeking ways to grow in your business. Now is the time to prepare.

While employees may not have always seen HR as being on their side, you'll be hard-pressed to find HR professionals who don't champion the mantra that people are a company's greatest asset. And this year you need to be vocal about that. Show your people that you're in this together.



## Create a great EX

The employee experience (EX) starts as you attract your candidates, continues during the hiring process, really takes off as you onboard your employees and even plays out as your employees exit your organisation. Getting the first stages of the employee experience right will greatly reduce the likelihood of need for the last.

Hiring isn't the easiest task in normal circumstances but our research revealed that only 30% of businesses said they have a defined process for onboarding new starters digitally. This is where People teams create an impact. Ensure your careers pages show the great things you're doing for your people right now. People want to work for businesses who will have their back when times are tough and who embody that 'in it together' spirit.

HR has a great opportunity here to work closely with managers to support onboarding and employee progression. You can give team leaders the tools they need to wow new candidates and provide employees with a roadmap for their development. This will help employees feel part of the team, empowered to grow and much less likely to look for those things elsewhere.

At Perkbox, to provide further clarity on role expectation and competency self-awareness, managers took the time to have meaningful conversations with employees to discuss their role's mission and its expectations, as well as the competencies needed to succeed. They then discussed how the employee's own output and abilities stacked up. This included peer-to-peer feedback, areas of interest and development conversations.

Together, managers and employees had an opportunity to calibrate their views, discuss how employees can continue to grow and ultimately agree on next steps.

## Repay the trust

79% of the business leaders we surveyed said their employees are engaged with their company's mission and values. Probably not surprising when you think about the great lengths employees have gone to bring their best selves to work – whether facing the challenges of working from home or the dangers of continuing to work on-site.

As employees have shown they can be trusted to be productive and engaged while working in uncertain terms, it's natural for them to want to work for an employer who repays that trust. Many employees know they can do their work to high standards from home and enjoy more flexibility in their work-life balance.

Employers should be looking to bake trust into their company values and extend that trust to employees by making room for the new-found flexibility in their work-life balance. For example, a business which tells employees they have to come back to the office full-time without a valid reason sends a conflicting message: 'We trust you to work from home when we need you to, but not when you prefer to'. This attitude may massively detract from your company's mission and the values you may want to instil.





A strong mission and set of values that employees can buy into will help build a solid relationship between your company and employees, especially when the going gets tough. When you've got a common goal that everyone can work towards, it makes them feel unified, connected and engaged.

## **Lead with empathy**

Leading with empathy is another great way to ensure employees are behind your mission and values. Empathetic organisations go beyond guiding their employees to do the right thing, they show employees how to do the right thing by leading by example.

It seems like we're on the right track. 80% of business leaders we surveyed said other leaders in their business are good at setting the right example. In addition, 73% said other leaders in their business are good at practising what they preach.

Beyond senior managers setting a good example, an empathetic business is one which openly takes feedback from employees and listens. This means having an open and honest relationship with employees, regularly asking them if the business is living up to their expectations, whether they feel they've got meaningful work and if they feel their career is developing.

# 2

## Good habits for good

Wellbeing perks for 2021

Finding middle ground

Customise flexible working

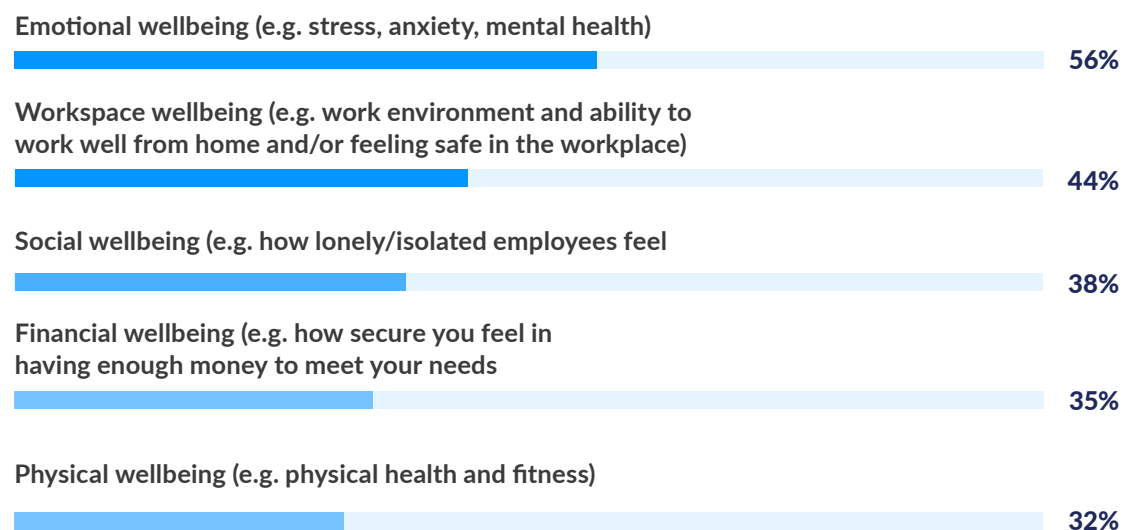


## 2. Good habits for good

Thanks to the new ways of working offered by the pandemic, many people have been able to use the time usually spent commuting on building healthy habits. Whether that's exercising, cooking healthy food or taking more time to relax, a lot of people have taken on new habits which are positively affecting their health.

Beyond this, many employees will be looking to their employers for wellbeing benefits which have an actual impact on their health. To get an understanding, we asked business leaders to rank which areas of health & wellbeing, if any, they believe their employees need the most help with:

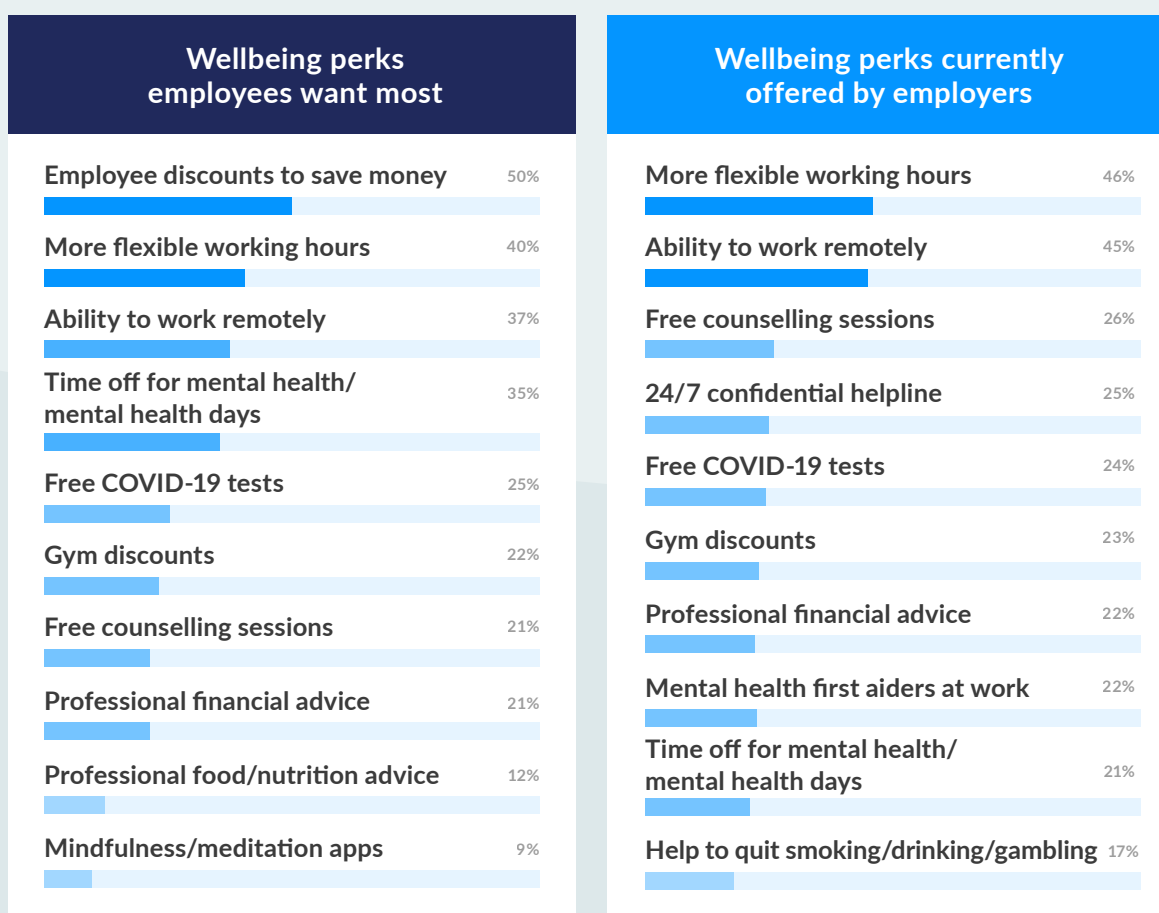
### Areas of health & wellbeing business leaders believe their employees need the most help with



In 2021, employee wellbeing will focus on how businesses allow employees to continue to build and sustain their good habits – paying particular attention to the problem areas highlighted above. And for those whose employees can't work remotely, the emphasis will be on what you can offer your employees outside of working hours to support their wellbeing.

## Wellbeing perks for 2021

As well as our recent business leader survey, we also asked employees [what perks they want the most in 2021](#) from a list of the most well-known wellbeing perks. Combining the results from both, we were able to compare the wellbeing perks most wanted by employees against the wellbeing perks currently being offered by UK businesses. The top ten from both are as follows:



It's clear from the comparison that flexible hours, the ability to work remotely and perks which have positive effects on emotional wellbeing are more favoured by employees and offered by employers. This is incredibly positive and shows the great work many businesses have already done to help their people through 2020.

## **Finding middle ground**

Now is the time to work alongside managers and team leaders to find a flexible working policy which best suits your business. It's also a good idea to involve employees in this process to get an understanding of how to fit work around their lifestyles. See it as offering an olive branch – there needs to be a degree of meeting in the middle for this to work.

It seems that we're not too far away from providing employees with an environment where work fits around life as 77% of business leaders already believe their business is good at fitting around the lifestyle of their employees. Allowing that to continue will improve employee wellbeing and allow them to be their happiest, healthiest, most productive selves.

## **Customise flexible working**

Flexible working may be what the majority of employees want and the potential future of work, but it will mean something different to each organisation. To get it right for your business, you need to customise your flexible working arrangements to the needs of your people.

At Perkbox, we reached out to employees, managers and leaders to understand what would work best for Perkbox as a whole, including our success, our mission, our customers and of course our own employees.



From those discussions, it became evident that we needed to provide employees with more flexibility without losing our sense of connectivity and unity.

Our solution was a hybrid model. This will allow team members to work from home 50% of the time so as to manage professional and personal life in tandem. We believe this arrangement will allow for deep work to happen at home and collaboration to happen in the workplace. That could be to brainstorm a new idea, work to find a solution to a complex problem, attend a training session, celebrate an achievement – or just to soak up the buzz of the office!

That model seems to be the best flexible working arrangement for us, but what makes the most sense in your world? Here are a few questions you might want to pose to your business to find out what will work best for you:

- ▶ **What aspects of flexible working are important to you?**
- ▶ **What advantages do you see flexible working bringing to your business?**
- ▶ **What have been the advantages and disadvantages of working from home?**
- ▶ **What do you miss most about pre-covid togetherness?**
- ▶ **Where and when do you feel most productive?**

In addition to the questions above, also ask your managers and leaders:

- ▶ **What support/advice do managers want so they can commit to being flexible?**
- ▶ **How well aligned to your mission and values are employees flexible needs?**
- ▶ **How will those needs help push your business and employees forward?**
- ▶ **What excites you about a more flexible organisation?**
- ▶ **What worries you about a more flexible organisation?**

That is not an exhaustive list by any means but is a good foundation to help you figure out what may be best for your organisation. You'll likely have more specific questions which make sense for your business.

It's only once you have a good understanding of the above that you'll be ready to start drafting a policy. Discuss this with your leadership teams, push their thinking and play devil's advocate as you see fit. After all, you know your business more than anyone.



# 3

## Perks on demand

Top 10 perks for 2021

Looking at those favoured perks

Evaluating your perks for 2021

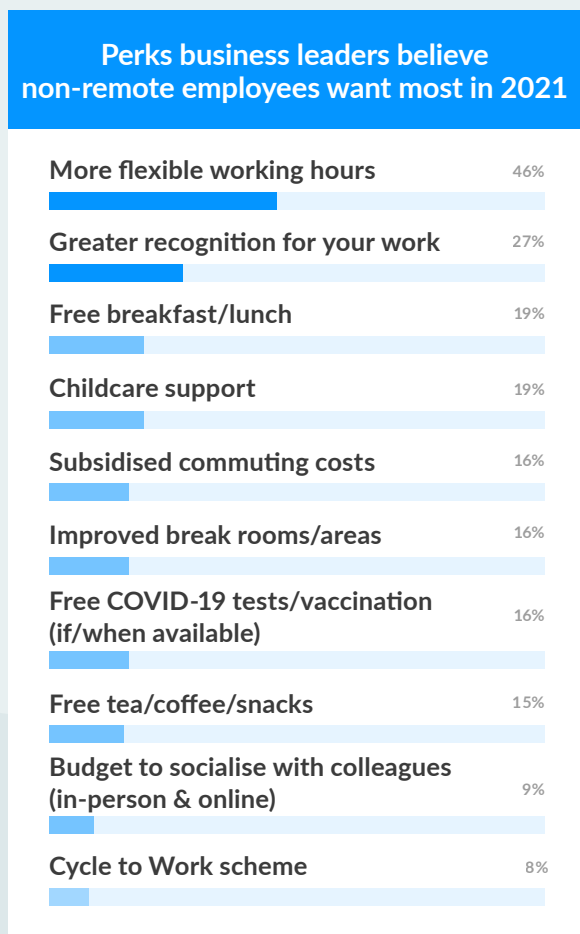
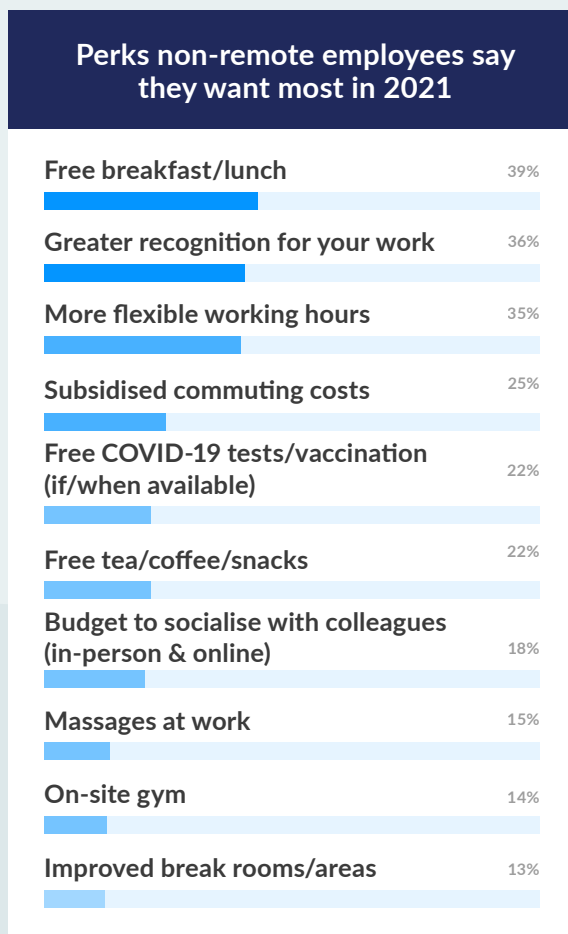


# 3. Perks on demand

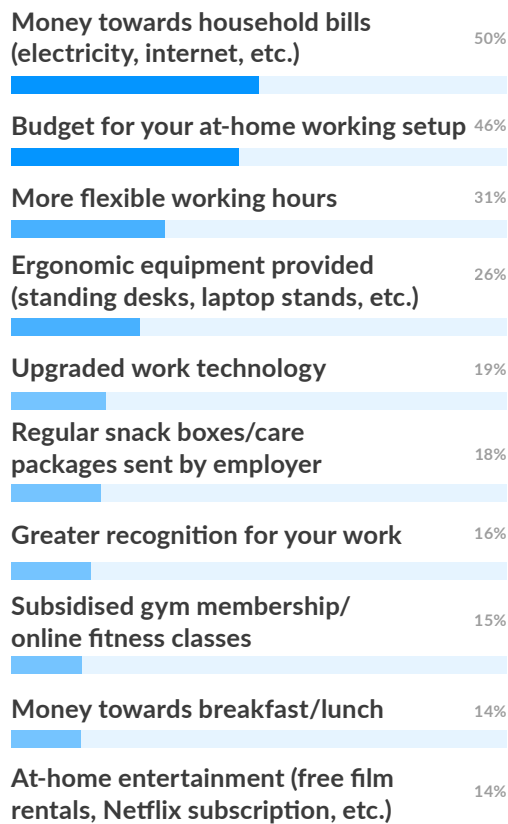
Gone are the days of being able to wow people with a pool table or a well-stocked fridge. In 2021, employees will be looking for on-demand perks which compliment their lifestyle and make a real difference to their lives. We can see this in the following results from our survey.

## Top 10 perks for 2021

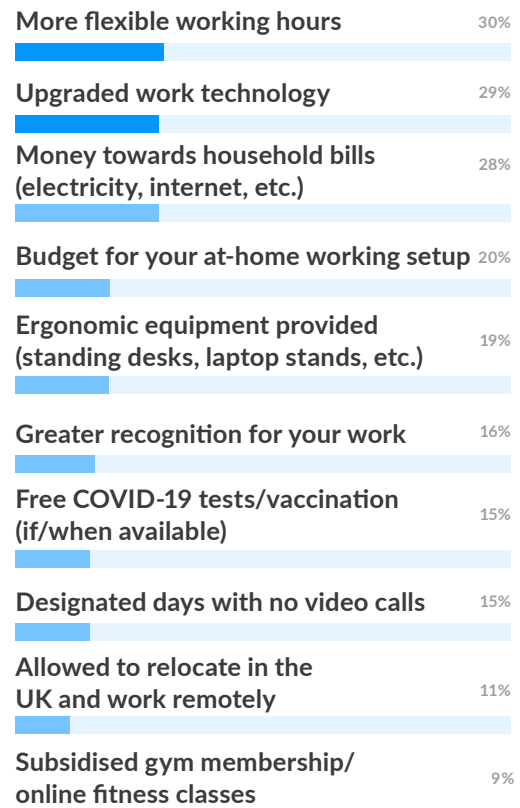
Below are the top 10 perks as favoured by whether employees are expected to work remotely or non-remotely for the majority of 2021. Each set was presented with an exhaustive list of perks and asked to choose the ones they'd most like to receive in 2021.



### Perks remote employees say they want most in 2021



### Perks business leaders believe remote employees want most in 2021



## Looking at those favoured perks

It's not surprising to see a difference in what people value as a result of working remotely vs. non-remotely.

Most notably, non-remote employees want greater recognition for their work. This could have been influenced by the lockdown when they were expected to continue to 'go to work' each day, taking on a bigger risk than remote workers. As for those working remotely, they've realised that their expenses have slightly shifted. They may be finding it hard to work without the normal benefits of a physical office and are now valuing subsidies towards household bills.



Interestingly, both sets of employees harbour a desire for flexible working. This may be more of a challenge when managing a non-remote workforce, but it doesn't have to be impossible. Work flexibility isn't just about the location of where you work, it tends to be about providing employees with some sense of control over their lives.

Success in making non-remote work more flexible will come from getting to know your employee's preferences. Where shift work is required, why not try and accommodate their preferences where possible. Some may prefer mornings, while others are night owls.

You could also find out if they prefer a more consistent schedule which allows them to better plan their lifestyle outside of work. The important thing is to ask them what flexibility means to them. Most people tend to be quite reasonable in their ask and understand the constraints they may need to work with.



## Evaluating your perks for 2021

Looking at our survey results and taking the events of 2020 into account, it's time to recognise that people's needs are radically different from what they were before. Creating flexible working arrangements will be a big part of 2021, as we've covered, but you also need to take a look at your other benefits to ensure that what you provide isn't out of touch with the new working world.

A few key points to address include:

- ▶ **What do your employees want?**
- ▶ **How much budget do you have?**
- ▶ **Which perks have fallen out of favour since last year?**
- ▶ **Which perks have become more popular since last year?**
- ▶ **Which areas of life do employees need most support with?**
- ▶ **How well do your benefits align with your mission and values?**
- ▶ **How are you making employees aware of the perks they have?**
- ▶ **How does your current benefits offering match our survey results?**

By reviewing your offering in this way, you're showing your employees that you understand their circumstances have changed and that you're able to adapt to support them. The new perks you provide can also be seen as a thank you for their continued hard work during this time. Either way, this can help to improve engagement with the business and possibly make employees less likely to leave for a better offer.

# 4 Bridging cultural divides

Engaging in different locations

Supporting hybrid workforces

Growing company culture



## 4. Bridging cultural divides

2021 will be the year when all of the future workforce predictions come home to roost. Hiring strategies will change in some industries, employees may be spread across various locations, some will come into a physical office and others won't.

HR has the opportunity here to create or build on a company culture which unites employees regardless of their chosen working location. Hybrid workforces, which have both remote and non-remote employees, will need to pay particular attention to this.

In 2021, businesses can show the value that each set of employees brings to the business, bridging those cultural divides. As we touched on in the opening chapter, when you've got a common goal which everyone can work towards, it makes them feel unified, connected and engaged.

### Engaging in different locations

The events of 2020 brought about a positive shift for businesses prepared to operate in a more hybrid way of working – and it's highly likely that this will be the future model for many. If hybrid working improves productivity because morale is up, it makes commercial sense to evolve beyond the rigidity of 9 to 5 working hours.

For HR, it gives you the opportunity to refresh the business's views on work and find innovative ways to engage people in different working locations. Look for new ways of working which close that cultural divide. Be mindful of not favouring those physically present while leaving online colleagues to feel isolated. This could be as simple as ensuring everyone

has the opportunity to speak in meetings and reaching out to all your employees on a regular basis.

Employees who chose to work from home more than others may have personal reasons for doing so. Educating employees to be empathetic and understanding of why some colleagues choose to work from home more or less than others will play a big part in bringing them together.

Empathy is an important starting point but managers should take this further. Encourage them to stop using being physically present as a measure of someone's engagement or commitment. Judge employees instead on the output of the work they do and ensure it's given equal praise as those at the workplace.

As much as some people like the physical interaction with colleagues and the social aspect of work relationships, help them to be reflective on whether important decisions have been made during impromptu social interactions. While these can save time, more often than not, important stakeholders are left out of significant decisions. Don't ditch these spontaneous conversations, but follow them up with chats involving the other stakeholders before anything is set in stone.

## **Supporting hybrid workforces**

When we use the term 'hybrid workforces', we're referring to businesses who have employees who are able to work remotely and those who are expected to be on-site. For example, a supermarket has head office staff who can work from home but has employees who must work in-store.



Hybrid workforces pose a different challenge to having a portion of your employees choose to work from home and a portion not. There is the chance that cultural divides could open up and 'Us vs. Them' becomes an ongoing battle. HR has the exciting opportunity of bringing both sets of these employees together and uniting them for the good of the business.

To find out how others are already doing it, we asked business leaders how they're currently keeping their hybrid workforces happy, connected and engaged. They told us:

**Thinking about if you have a hybrid workforce (employees who work remotely and non-remotely), what, if anything, does your business currently do to keep both sets of employees happy, connected and engaged?**

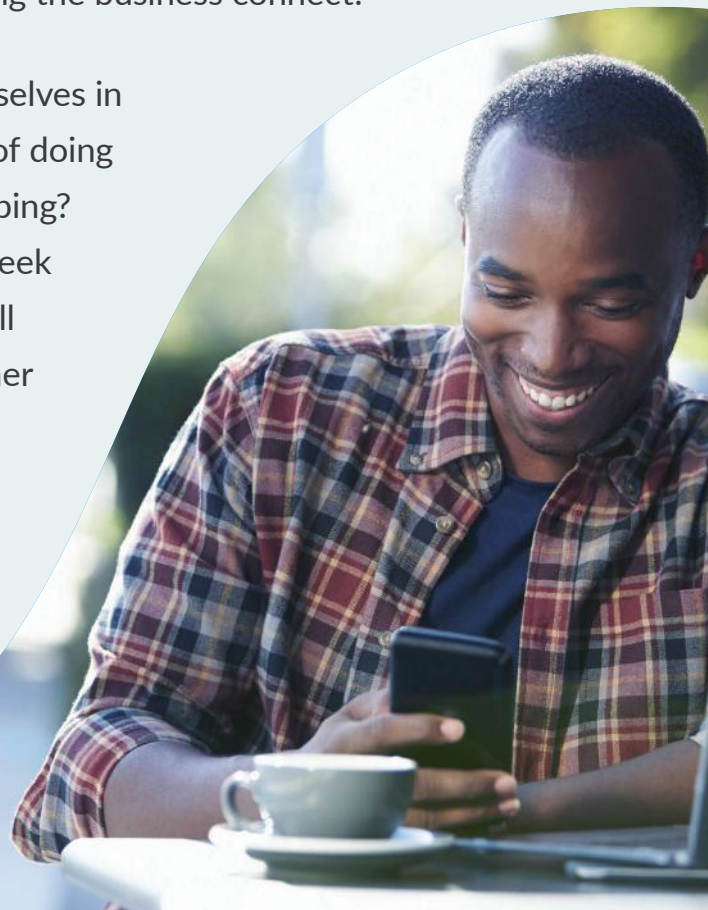


What's clear is that there is no set standard for doing this yet. For us, we believe the focus should be on fairness. A great place to start is making sure recognition for achievement is given equal spotlight for both remote and non-remote employees. This tells both sets of employees that their work is important and valued.

To bring the two sets together, find ways to get employees across the remote/non-remote divide and recognise each other. You may want to start this by running a competition to make people aware that they're able to recognise each other despite not being in the same physical location.

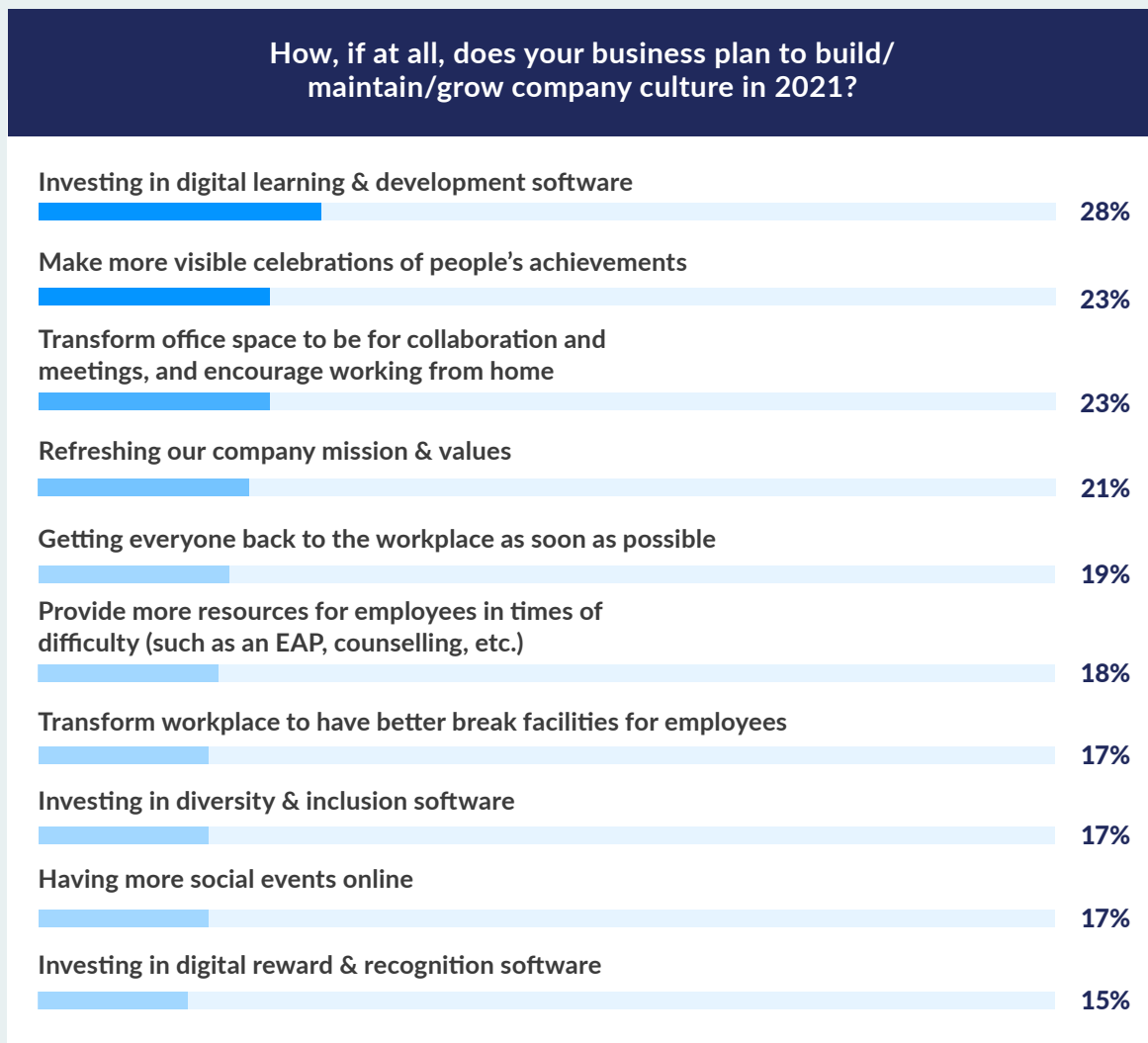
Digital software exists to make this easier, but don't forget the physical and social recognitions once in a while. The physical card or the shout out in a meeting could give that 'wow' factor. Enter everyone who sends recognition across the business into a draw, give the winners a prize and a bit of air time to show how they're helping the business connect.

Fairness is better judged when we put ourselves in another person's shoes. What better way of doing this than job shadowing, or even job swapping? Why not have every new starter work a week or two on the front lines? Or ensure that all employees work with or job shadow another employee outside of their department once a year? This way they get a more rounded view of your business through understanding the challenges their colleagues face on a daily basis.



## Growing company culture

We asked business leaders how, if at all, their company plans to build/maintain/grow company culture in 2021, and they told us:



These responses are exciting as three of the top four areas directly correlate with what we're seeing in the *'In this together'* chapter – investing in digital learning & development software, making celebrations of people's achievements more visible, and refreshing company mission and values.

Transforming office space for collaboration is also a popular response with 23% of businesses surveyed, and this will feature heavily as workforces transform in 2021. HR can bring great insight here for senior leaders looking to change their office space.

To do this, you need to pose questions which your office space will solve. For example:

- ▶ **Will the office be a place for quiet work or for collaboration, brainstorming and celebration?**
- ▶ **If it is for collaboration, will you still include some quiet areas for those who need it?**
- ▶ **What equipment do you need to ensure those not physically there can still be 'present'?**
- ▶ **How can you arrange your desks to ensure people sit where they feel most productive?**
- ▶ **Will you introduce a desk booking system so people can choose to sit in the quieter/louder spaces?**
- ▶ **Do you have a budget for free drinks, snacks, etc.? And could you redirect these to offer 'off-site' packages which managers can use at the office to bring the team together?**

There are so many more ways to think about how the office can adapt to support the working habits of your employees. We also covered this topic in our [webinar on reinventing the workplace](#) which outlines four ways you can create a working space that ensures development, celebration and collaboration – helping your company culture to grow and employees to stay productive.

# 5 Leading digital transformation

Connecting with digital recognition

Socialising like humans

Tackling bias with tech



# 5. Leading digital transformation

Technology has been a lifeline in 2020, allowing us to continue working, keep connected with friends and family, and stay stocked up on toilet roll. Even those who would consider themselves technophobes have embraced new ways of working with technology, and are now more tuned in as a result. In 2021, HR has the opportunity to lead the digital transformation within your business.

To understand where businesses currently stand, we asked the business leaders which digital solutions they already have in place:

Beyond the tools to do your job (email, word processing, etc.), what does your business already have digital solutions in place for, if anything?



It's no surprise to see learning & development, reward & recognition, and employee discounts rank so highly, as solutions such as Perkbox are being used by more and more businesses. What we're predicting in 2021 is a change in how those digital tools will be used within our businesses.

## **Connecting with digital recognition**

In 2021, we'll see a bigger emphasis on connecting and motivating employees through digital recognition. With our workforces finding less time to see each other in person, digital recognition will be the key to bringing employees together and maintaining motivation.

Digital recognition platforms tie employee achievements to your mission and values, and makes them visible company-wide. This allows both the receiver and those watching to see the direct impact everyone is having. Previously, employees would see this in the office and feed off the great work being achieved, creating high-performance cultures. Digital recognition will help to bring those same motivational benefits.

On the other side, digital recognition allows for more interactive team bonding sessions which have to be carried out online. We've adopted this approach at Perkbox. Instead of going for drinks and putting money behind a bar, that money was put towards individual spot prizes in team meetings which employees could then choose to spend as they wish. This gives employees a much greater sense of achievement and togetherness than the sore head from an open bar does.



## Socialising like humans

At a time when employee loneliness is at an all-time high and only 20% of businesses have a digital solution for social wellbeing, companies need to find more ways to provide a social connection between employees.

What we've found to work well is allowing employees to socialise during work time, just as humans naturally do. While socialising at work may sound like an oxymoron, remote employees are missing out on the countless opportunities for small talk which they naturally encountered in the office.

To help recreate this, HR can be the ones to set a precedent that it's ok for employees to socialise on company time. Give employees permission to take 10/15 minutes out of their day to call, email, instant message or even just send the latest meme they've seen to their colleagues.

It seems counterintuitive to place rules on socialising, but when you think about it, socialising has long held a set of unwritten rules which we all follow to get along with each other as best as possible. And this is no different when it comes to socialising digitally. Doing this will make it much easier for conversations to flow, connections to be made and employees to feel less isolated.



## Tackling bias with tech

As 2020 has pushed us to adopt technology more readily, you can use this momentum to address other areas with tech – such as bias, diversity and inclusion. Where bringing more diversity into the workplace has been [shown to increase productivity](#), HR has a great chance to lead digital transformation and help hiring managers get the right employees who'll help take the business to the next level.

Our survey results show 77% of businesses don't have a digital solution to improve diversity & inclusion. To help you address this, there are many new digital solutions which can assist businesses in removing bias from their recruitment process, helping to build more diverse workforces.

With [60% of job ads in the UK having a significant male bias](#), HR can look to provide tools that use artificial intelligence to reveal the gender bias in job ads and show ways of amending them. Certain tools can even ensure job ads are written to attract employees who will best fit the company's mission and values.

The interview process has digital solutions to reduce bias too. [Platforms now exist](#) which record and transcribe interviews to provide feedback on the language used and suggestions on how to foster more inclusive decision making.

# So, feeling positive about 2021?

With everything discussed, it's easy to see why 2021 will be an exciting year for HR. There is so much opportunity for you to connect with your workforce and collaborate together for the success of your business.

What to take away from each trend:

## 1. In this together

- ▶ **Work closely with managers to support onboarding and employee progression**
- ▶ **Make room for new-found flexibility in the work-life balance of employees**
- ▶ **Lead with empathy and set the right examples across all levels**



## 2. Good habits for good

- ▶ **Give employees the room to continue the good habits they've started**
- ▶ **Create a flexible working policy alongside managers and employees**
- ▶ **Maintain good habits with flexible hours, remote working and emotional wellbeing perks**

### 3. Perks on demand

- ▶ Provide employees with perks to complement their lifestyles
- ▶ Consider the differing needs of remote and non-remote employees
- ▶ Evaluate your benefits offering to ensure they're not out of touch in 2021

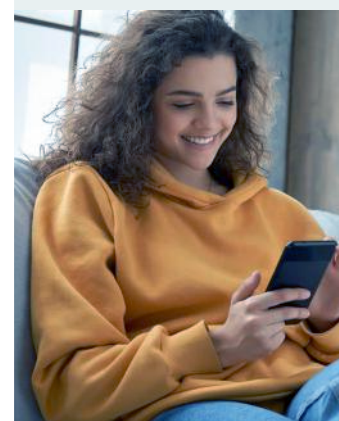


### 4. Bridging cultural divides

- ▶ Educate employees on why some may prefer to work from home
- ▶ Give recognition equal spotlight for remote and non-remote employees
- ▶ Reinvent the workplace to embody your company's new ways of working

### 5. Leading digital transformation

- ▶ Use digital recognition to connect and provide engaging spot prizes
- ▶ Set a precedent which allows employees to socialise as they would naturally
- ▶ Give managers digital tools to make more conscious, diverse hiring decisions

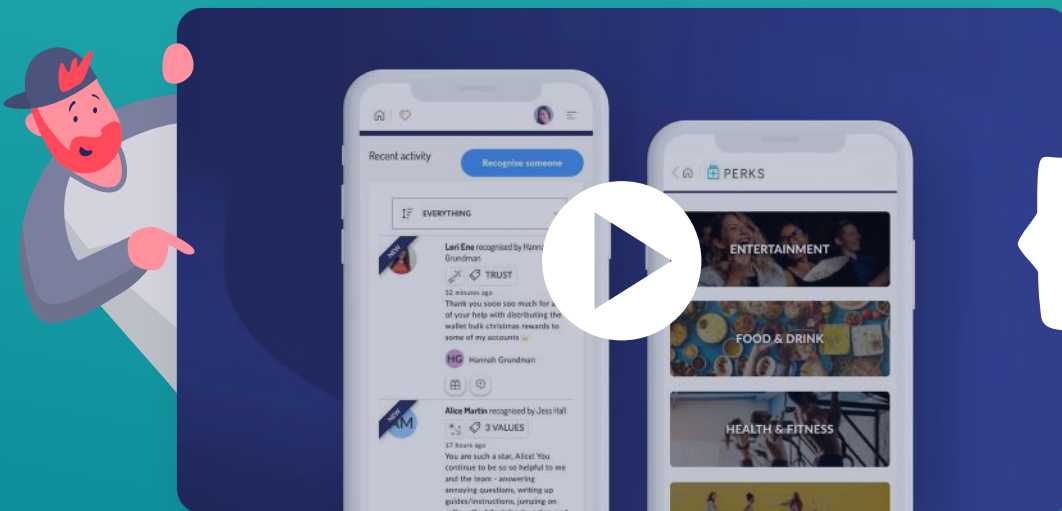


We wish you the best for 2021, and we'll use our findings here to create a set of resources that will help you make the year a success.



# Helping employees live better, in life and at work

Perkbox is a platform designed to enrich the employee experience. Our three products help create environments in which people and companies thrive.



Watch our Perkbox in 60 seconds video

We also host events, publish books, write articles and create videos that will assist you in your journey to delivering the ultimate employee experience.

[See the platform in action](#)

