

HR Trends Report | 2020

Insights into people practices from
the world's leading employers

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Foreword

The new decade unleashes vast opportunities for HR to be at the forefront of innovation and change.

Over the years ahead, organisations are set to experience a fresh wave of disruption to the way they do business with shifts in technology, society, the labour market, as well as the way people think about and act on their careers.

The very definition of what a job entails is set to change, due to the steady growth in freelancing, contract work, outsourcing, and more flexible employment-contract models.

This will influence the way leaders and employees engage and perform. To come out on top, leading organisations will need to step up their agility, and harness one of their most important assets: **their people**.

A global and regional perspective of HR trends

At Top Employers Institute, we have audited and certified more than 1 600 of the world's leading employers over the past year. Our verified data puts into perspective what best-in-class organisations are doing to attract, retain, engage and develop their people.

We have identified clear trends and tendencies from this data, which are presented in this year's HR Trends Report 2020. The report highlights influential trends emerging from the world's most advanced employers. Our aim is to provide useful information that organisations across the globe can apply to improve the effectiveness, maturity and sustainability of their HR practices.

We hope you find the data useful in comparing your current policies and practices with those of your peers. Wishing you a prosperous and healthy 2020 on behalf of the Top Employers Institute research team,



Benoit Montet

International HR Expert, Netherlands

Executive summary

The HR Trends Report 2020 presents the latest in HR strategies and people practices of leading organisations around the globe. Among the organisations covered in this study are leading employers from all over the world, from SMEs to multinational enterprises operating across all industries. This ensures that the results of our research are a true reflection of where high-performing organisations stand right now. Based on our global data covering over 1 600 Top Employers worldwide, we have identified three overarching trends at the heart of leading organisations' people strategies in 2020.

Three HR trends in 2020



**Enriching
people**



**Enriching
careers**



**Enriching
society**

The strategic focus of HR continues to extend beyond the traditional areas of recruitment, employee relations, payroll and legalities. Leading organisations want to enrich their people in new ways by stimulating professional development as well as personal growth. At the same time, working to for the betterment of society is becoming a pivotal goal. Knowing that paying decent salaries is not enough to truly engage their people, Top Employers are striving to demonstrate the organisation's purpose in the greater context of society. Benefits will be felt by employees, teams, the organisation, customers, and most importantly, society as a whole.





ENRICHING PEOPLE

Attracting, engaging and retaining people throughout the entire career lifecycle will be a key priority for Top Employers over the the coming years.

Given the severe skills shortage, the tactics that worked in the past to attract talent will have to be bolstered by new approaches, especially for younger generations with ever-changing needs and preferences.

The candidate experience has become a key differentiator for Top Employers in their recruitment strategies.



The candidate experience has become a key differentiator for Top Employers in their recruitment strategies. Leading organisations know that by speeding up the selection processes and leveraging technology, they can improve candidate awareness of their employer brand and boost the quality of applications they receive. Likewise, Top Employers are striving to optimise their onboarding practices so that they become more impactful for new employees. To make sure the process is seamless, organisations are upgrading their technology: most now have a dedicated onboarding platform for new hires, and a growing number are enrolling their new hires in a pre-boarding programme before Day One.

As change is happening faster than ever before, listening to the voice of employees in 'real time' has become a fundamental element of HR strategy. As a result, the annual engagement survey has quickly become an outdated practice. Almost 6 in 10 Top Employers now complement their main engagement survey with pulse surveys or other more frequent

barometers, which help them to gather and react faster to employee feedback. One of the key drivers of engagement is personalised benefits, an important lever for Top Employers to show they care about their people. Benefits such as mental health support – previously not considered work-related – are now increasingly covered within Top Employers' local benefit programmes to address the levers that affect people's motivation, stress levels and happiness. Another growing area of attention is a renewed focus on regretted losses.

An engaging exit experience can have a positive impact on an organisation's employer brand, showing that the organisation cares about addressing the reasons their people are leaving – as a result, regretted losses can become strong employer-brand Ambassadors.

6 in 10



of Top Employers now complement their main engagement survey with pulse surveys or other more frequent barometers.



ENRICHING CAREERS

Automation of manual labour, new technologies, new business models and the shift towards freelance services are some of the key trends that will continue to pose challenges for employees' careers in 2020 and beyond.

While Top Employers aim to be honest with their people about how workforce needs will change, generic communications are not enough.

Employees need clarity from their leaders on personalised implications and what is needed for them to gain the skills needed to prepare for the future. Top Employers are responding by making career development a regular theme of discussion between employees and their managers.

In performance management, the vast majority of Top Employers have shifted towards flexible, ongoing and informal approaches to drive development and performance. Ultimately, employees need to take action themselves, but they will feel better supported by their organisations, which will in turn boost engagement and retention.

Transparency is a crucial ingredient in shaping a positive employee experience. Managers play a crucial role in helping their team members make career-development decisions based on a better understanding of the business context and the skills that they will need to succeed in the future.

With the changing business environment demanding new kinds of skills, innovative methods of learning are emerging at Top Employers worldwide. Learning is becoming an employee-driven process, with technology helping employees learn at any time, from anywhere. Employees can increasingly develop their technical skills through learning by doing rather than

Transparency is a crucial ingredient in shaping a positive employee experience.



by sitting in classrooms. Peer support, mentoring and job rotation are crucial tools in this effort. Not new, but highly relevant to enriching people's careers, is social learning, which means encouraging teams to learn from each other and exchange information 'just in time' to ensure greater efficiency and knowledge retention. A large majority of Top Employers have made social learning a key part of their learning philosophy with initiatives such as 'communities of practice' creating a supportive infrastructure for people to learn from their colleagues.

Despite the progress in learning and development, soft skills, or people skills, are becoming critical requirements. For example, given the choice between two managers with similar levels of skills and experience, Top Employers will select a candidate with evidence of having better people skills. Having a deep understanding of people, their motivations and drivers is essential as teams are becoming more culturally diverse than ever before, which brings with it challenges beyond the scope of work.



ENRICHING SOCIETY

In today's globalised community, the impact of a business extends well beyond the footprint of its products and solutions.

Employees want to work for organisations that care about the big issues of our time, such as the environment, sustainability of our planet and human rights.

Organisations that demonstrate positive actions in the communities they serve can profit from a stronger position in the labour market. Organisations with a socially beneficial purpose also enjoy an advantage in their employer branding. The interests of employees have started to converge with the concerns of business leaders. Research shows that when organisations pay attention to Environmental, Social and Governance concerns, they experience an improvement in financial returns. Now that responsible business behaviour has a financial value, it has become a key business imperative for organisations.

Changing organisational culture relies on changing people's behaviours and values. Leading organisations are increasingly evaluating employees not only on what they achieve in their jobs, but also on how they live their company's behaviours. The majority of Top Employers have activated company-wide internal communication campaigns to ensure all employees are familiar with their Corporate Social Responsibility (CSR) programmes, although there is still scope to involve employees more closely in rolling out the related initiatives – rather than just having CSR deployed top-down. Over the past year, diversity has become an even greater strategic imperative for Top Employers worldwide. Our survey data shows that Top Employers' practices around diversity are becoming increasingly nuanced and multifaceted,

perhaps because HR leaders have discovered that diversity works best when underpinned by a clear business rationale. Going beyond gender diversity, many organisations will be focusing on age diversity (to attract more millennials) as well as building better work environments for seniors and people with disabilities.

Attracting more millennials and building better work environments through diversification of:



To address inclusion, they will be paying more attention to diversity of thought and skills and over simply filling quotas of underrepresented groups. Diversity and Inclusion remains a context-specific topic, however. Local and regional organisations must feel they have a role in setting the priorities and actions that make sense in the social context in which they operate.

Introduction

Leading organisations want to enrich the lives of their employees in new ways by stimulating both personal and professional development.

At the same time, having a positive impact in the broader context of society is becoming a pivotal goal. Using original research from the Top Employers Institute, this report reveals the initiatives leading organisations across the globe are currently implementing in response to the priorities and challenges.

Our expert HR analysts reviewed the data obtained from more than 1 600 leading organisations from all major industries across the globe and identified three trends for the year ahead:

ENRICHING PEOPLE

Thanks to digital transformation and social media, HR leaders can now be more specific and customise the employee experience to be relevant to each individual.

ENRICHING CAREERS

Organisations are finding new ways to ensure career development aligns the individual's professional needs with those of the business.

ENRICHING SOCIETY

Employees are increasingly expecting their organisation to take responsibility for its global impact and to act with purpose and sustainability for future generations. To address these expectations Top Employers try to aim to enrich people, career, society

The insights taken from the Top Employers Institute latest survey reveals what the very best organisations are doing to attract, retain, engage and develop their people – and what they need to do if they want to improve the effectiveness, maturity and sustainability of their own HR practices.

Get recognised as a Top Employer

Do you put your people first?

Becoming an accredited Top Employer will showcase your organisation's leading efforts in people practices. As a recognised Top Employer, you will be provided with branding, benchmarking, alignment, and connection tools to further build and solidify your position as an employer of choice.

Get Certified



Three HR Trends in 2020

We have identified three overarching themes at the heart of leading organisations' people strategies in 2020.



1. Enriching people



2. Enriching careers



3. Enriching society

1. Enriching people

Engaging talent throughout the entire career lifecycle is a key area of focus for Top Employers over the year ahead.

Leading organisations bring fresh approaches to win the battle for talent

Across all industries, organisations are suffering from a major skills shortage, particularly in one of the job functions where they need people most: technology. The shortage is causing a drag on business growth worldwide. According to research from Ernst & Young, in Europe, almost half of organisations admit they lack skills in cybersecurity, artificial intelligence and robotics.

Research from the European Commission shows that 53% of organisations that recruited or attempted to recruit ICT specialists over the past period reported difficulties in filling these vacancies. It's a similar story around the globe. In the United States alone, there will be an estimated 1 million unfilled positions in the technology domain over the year ahead.

This means that well-educated job-seekers have greater choice than ever before in today's labour market. Increasingly, employees are looking for career that is financially rewarding – but also a job with a sense of purpose. For Top Employers, the tactics that worked in the past to fulfill the demand for skilled people will have to be bolstered by new approaches.

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Candidate experience is becoming a key ingredient in recruitment strategy

Among Top Employers, a growing area of attention is candidate experience, driven by research that shows that badly designed employer brand communication processes chip away at people's motivation and lowers the quality of applications received. Candidate experience is now the fifth most important objective for Top Employers worldwide in their talent acquisition strategies, up from eighth one year ago.



How to improve the candidate experience

Mapping the candidate experience captures useful insights into candidates' perceptions, their 'moments of truth' and the most suitable recruitment channels. From job application posts and online candidate portals, to providing clear next steps and interview feedback, a clearly defined recruitment process is the first step in creating a powerful employer brand.



Job application posts & online candidate portals



Next steps & interview feedback



Defined recruitment process



Technology is rapidly reshaping the candidate experience as well. Features like LinkedIn's Easy Apply make it effortless for candidates to communicate their interest in job vacancies without having to manually upload their personal information into complex, standalone application systems. Other innovative practices include selection tooling based on artificial intelligence, digital screening and video interviewing, all of which are gaining traction at leading organisations.

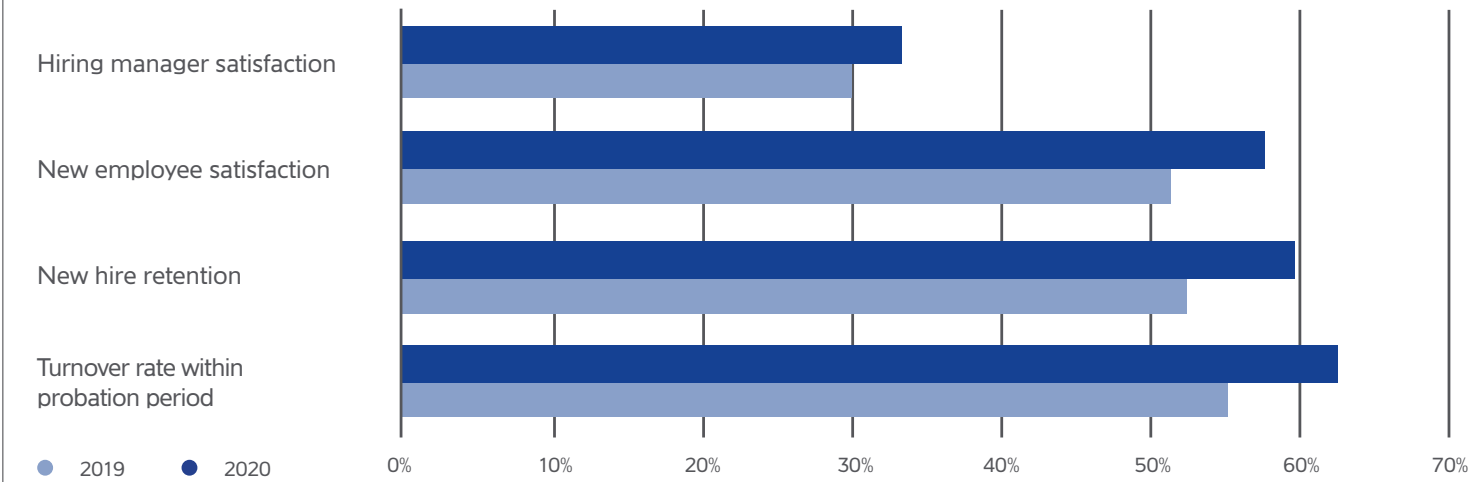
Engaging talent from the first day onwards

Top Employers see onboarding as a shared process with responsibility equally divided between management, HR, the individual employee and his/her team. During onboarding, expectations shaped during the selection period crystallise into professional reality, sometimes revealing differences between what the employer promised and the actual experience of the employee.

HR teams may wish to invest more time in creating an engaging onboarding experience. The two KPIs most frequently measured are operational: retention and turnover rate within the probation period. Here again, the tight labour market has a major influence. Organisations worry that new employees will decide to leave just as quickly as they are hired, leaving the team struggling to fill the job vacancy once again.

HR teams may wish to invest more time in creating an engaging onboarding experience.

How Top Employers measure the success of their onboarding programmes



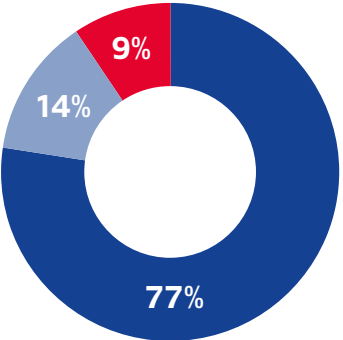
Organisations are measuring engagement more often – and acting faster on the insights gained

To engage talent across the entire employee lifecycle, leading organisations know that employees want to feel their opinions matter. This requires a culture of continuous listening – taking the temperature of the organisation in real-time. It also means consistently involving employees in engagement-related follow-up plans and activities with real employee ownership for the decisions taken.

Listening to the voice of the employee means asking targeted questions to the right people at the right time. In this sense, a yearly or biennial engagement survey is becoming an redundant practice. By the time the results are analysed, business dynamics have already evolved. Therefore 6 in 10 Top Employers now complement their main engagement survey with more frequent pulse surveys or other barometers, which help them to connect employee feedback to core strategic and business objectives, using the insights gained to plan goals and priorities.

Continuous listening is having a transformative impact on organisational performance, but organisations may struggle to find a balance between measuring engagement frequently and bombarding employees with too many surveys. Some Top Employers run their engagement survey on a monthly basis but with different samples of employees so that each employee is only asked to do the survey once a year. Others make use of pulse surveys or try out new questions with a small sample of employees before

A growing number of Top Employers actively involve employees in driving engagement follow-up plans.



● Consistently involve employee
● Do it sometimes
● Do not involve our employees

Continuous listening is having a transformative impact on organisational performance.

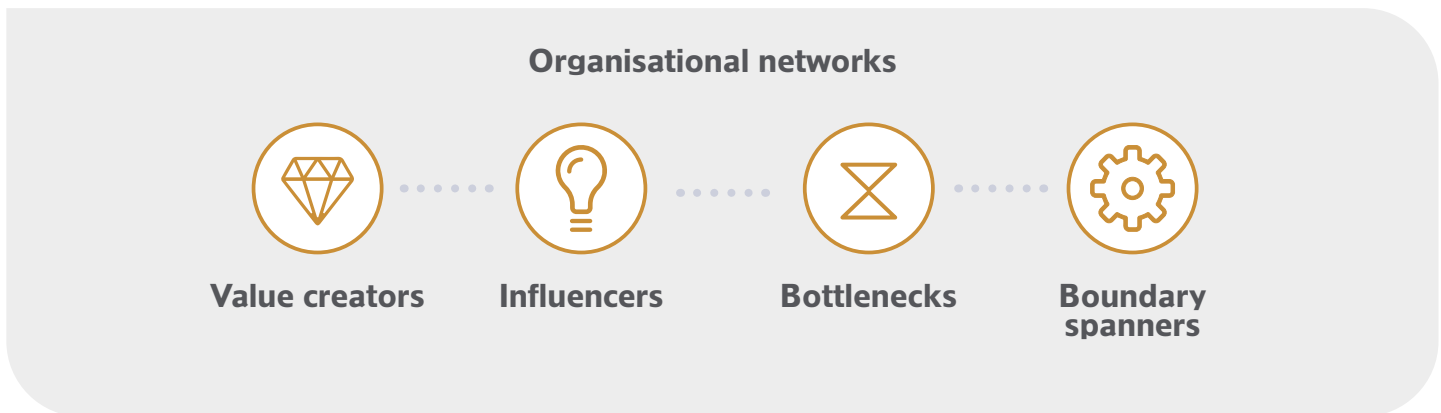


The power of networks to drive engagement and retention

Global organisations require efficient social networks to function at their best. Networks help employees with career-related issues such as advice seeking, mentoring, and coaching. They foster collaboration, resource exchange and knowledge sharing. Collaborative tools can have positive effects on behaviour, boosting employee engagement, and helping people progress in their careers.

Research on organisational networks identifies four different types of actors in networks:

- Value creators: individuals/groups who are top sources of novel ideas.
- Influencers: individuals/or groups who significantly affect others.
- Bottlenecks: individuals/groups who limit the performance of the organisation.
- Boundary spanners: individuals/groups who bridge communities and cross multiple boundaries.



For Top Employers, the focus should be on stimulating networks filled with value creators, influencers and boundary spanners while reducing the number of bottlenecks that limit organisational performance.

Source: <https://www.sciencedirect.com/topics/computer-science/social-network-analysis>

Emerging focus on engaging regretted losses

According to our survey data, a rising number of organisations have defined a consistent, company-wide exit management policy. An engaging exit experience, even for non-regretted losses, can have a positive impact on employer branding, as it shows that the organisation wants to address the reasons people leave. In this way, non-regretted losses can become employer-brand ambassadors, showing even more enthusiasm than regretted existing employees.

Internally, it is also a clever way to demonstrate that the organisation is not afraid to compare itself with its competition in the labour market.

It is now common for organisations to invite employees to take the lead in their exit interview: 70% of Top Employers provide the departing employee with various options on the timing and approach of the interview. Few Top Employers have defined a strategy to win back regretted losses or act upon the lessons learned, with 30% admitting they have no methodology in place to use feedback from exit interviews to improve their people practices.

Employee well-being has become a strategic imperative

Continuing the trend from previous years, leading organisations are taking a more holistic approach to employee benefits. They are improving the total package – not only compensation – to position themselves as employers of choice in the labour market. Also prominent is the role of recognition initiatives to show appreciation for strong performance. While base salary remains the key benchmark, well-being benefits have become a differentiator for world-class employers.

70%

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83%

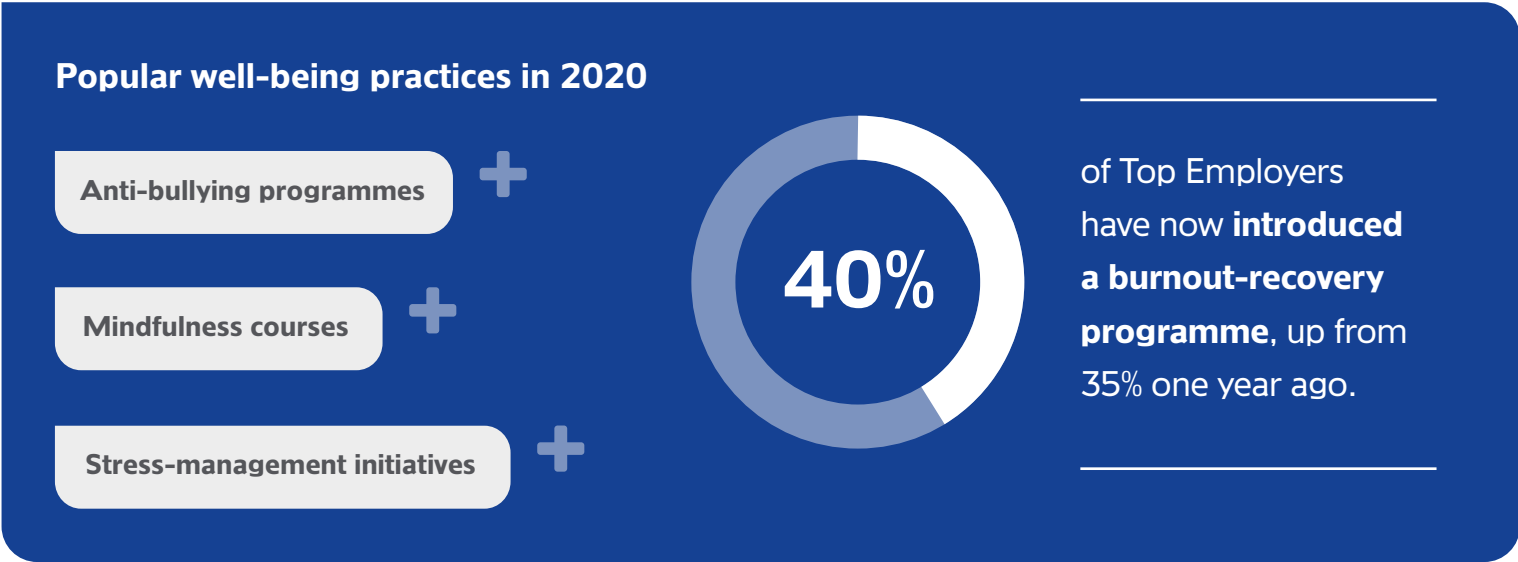
of Top Employers have introduced a company-wide exit-management policy, up from 79% one year ago.

A growing focus on mental wellbeing

If the challenge for employers during the last 50 years was to improve physical health and safety in the workforce, the one for the next decade is to boost employee well-being. Problems such as burnout, boreout (lack of mental stimulation), bullying and 'personality clashes' cause huge psychological damage to individuals and teams and detract from organisational performance. Leading organisations are rising to the challenge of tackling the (work-related) root causes. Well-being initiatives growing fastest in popularity revolve around mental health, still a taboo subject in the corporate world.



Anti-bullying programmes, mindfulness courses and stress-management initiatives are three examples of practices that have grown in popularity over the past year. At least 40% of Top Employers have now introduced a burnout-recovery programme, up from 35% one year ago. It is a huge step for employers to recognise that mental health issues impact their organisations.



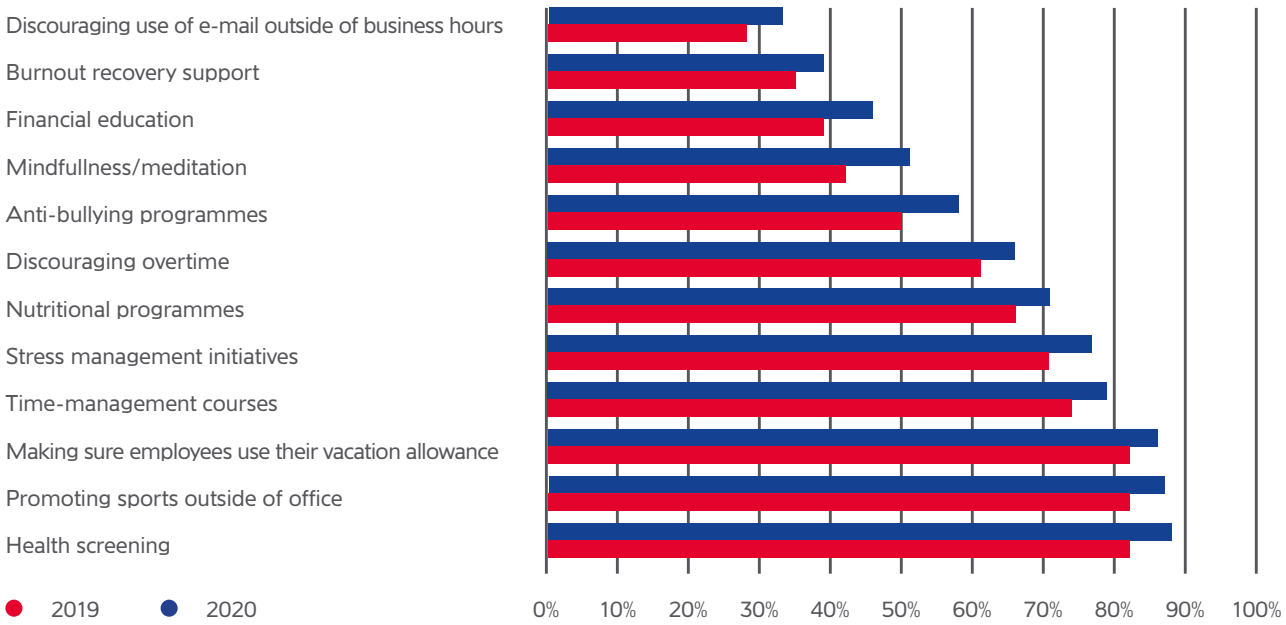
Despite all the research showing how overworking can cause burnout, too many organisations still struggle to manage the 'always-on' mentality, which has negative consequences for mental health.

Only 1 in 3 Top Employers actively discourage their people from checking e-mails outside of business hours.



For example, only 1 in 3 Top Employers actively discourage their people from checking e-mails outside of business hours. There is plenty of scope for Top Employers to further improve their well-being programmes in 2020 and beyond.

Top ten health and well-being practices at Top Employers:



2. Enriching careers

Top Employers aim to be open with their people in an environment where new technologies are affecting the way employees manage their careers.

The changing business environment is reshaping the workforce

Automation, technology, new business models and a shift towards freelance working are just a few of the changes that will bring significant challenges for Top Employers over the year ahead.

Amid all the seemingly unstoppable shifts, organisations need to be open and honest with their people about the fact that everybody’s job could look different in five years’ time. Upskilling is needed. The days of the vertical career path, or the job-for-life, are over. However, an employee could still work for many years at the same organisations in different jobs. These are difficult messages to share. And none of these changes will be easy for anybody at any level of the workforce. Employees involved in blue-collar, routine work are most at risk.

Projected cumulative job losses
by automation, up to 2030*

Since 2004, each
new industrial robot
installed in the
manufacturing sector
displaced an average
of 1.6 workers from
their jobs.

*Source: Oxford Economics
<http://resources.oxfordeconomics.com/how-robots-change-the-world?source=recent-releases>



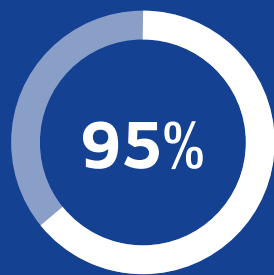
According to research from Oxford Economics, the number of robots working in manufacturing has more than doubled over the past 10 years – and the pace of change is accelerating, especially in China, which now accounts for around one-fifth of the world’s total stock of machine workers.

Given that every robot displaces an average of 1.6 factory workers, reskilling is a social imperative for blue-collar organisations. Failure to provide any support to the affected employees could greatly damage a company’s reputation.



The number of robots
working in manufacturing
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over the past

10 years



of Top Employers agree that their executive management has a role to play in driving the change towards an employee development culture.

Encouraging self-development initiative

For years, Top Employers have been pushing the message that employees must assume responsibility for their own career journeys. A range of career-planning tools has been launched to help them do just that.

80%



of Top Employers promote cross-functional career paths.

For example, recommended career paths, with which people can imagine how their own development will evolve. Too often, however, it's a one-way dialogue. Lacking clear guidelines and overwhelmed by generic messages, employees struggle to identify the right development levers to advance their careers. According to the findings from Top Employers' engagement surveys, career development remains the most important area for improvement that employees would like to see tackled within their organisations. Leadership is another point of concern for employees. Many Top Employers have noted the feedback from employees and are responding by making several improvements to their people practices in this regard.

Four areas for improvement


1. The role of leaders and managers as career coaches

It is encouraging to see that 95% of Top Employers agree that their executive management has a role to play in driving the change towards an employee development culture, which has increased from 89% the previous year. How people managers communicate with their team members is crucial. Now, this does not mean managers need to spoon-feed employees or instruct self-development. Instead, managers need to have the skills to act as career advisors, helping their people make development decisions for themselves based on a deep understanding of the business context, professional threats and the skills needed for the future. Armed with this information, employees can take action themselves while feeling supported by their organisations.

Armed with an understanding of the business context, employees can take action themselves while feeling supported by their organisations.

Preparing leaders to ‘walk the talk’ and become better career advisors

If leading organisations have set the goal to make managers better career advisors, many struggle to make it happen. To drive change, organisations will want to equip managers with knowledge and skills to show people the way to become more agile and flexible in their careers.



Drive change
by equipping managers
with knowledge and skills



Leading the way
for people to become more agile
and flexible in their careers


It is of the utmost importance for managers to invest time in communicating better with employees. This is one of the reasons why a growing number of Top Employers are reviewing their leadership competency models – putting a bigger emphasis on people-related skills like **vulnerability, sensitivity** and **emotional intelligence**. These are the skills needed for leaders to become true role models for their team members.

2. Flexible conversations around development, not just performance

A second area where Top Employers are enriching people's careers is performance management. Traditionally, an annual performance review felt like a visit to the doctor where employees received a prescription to improve their performance.

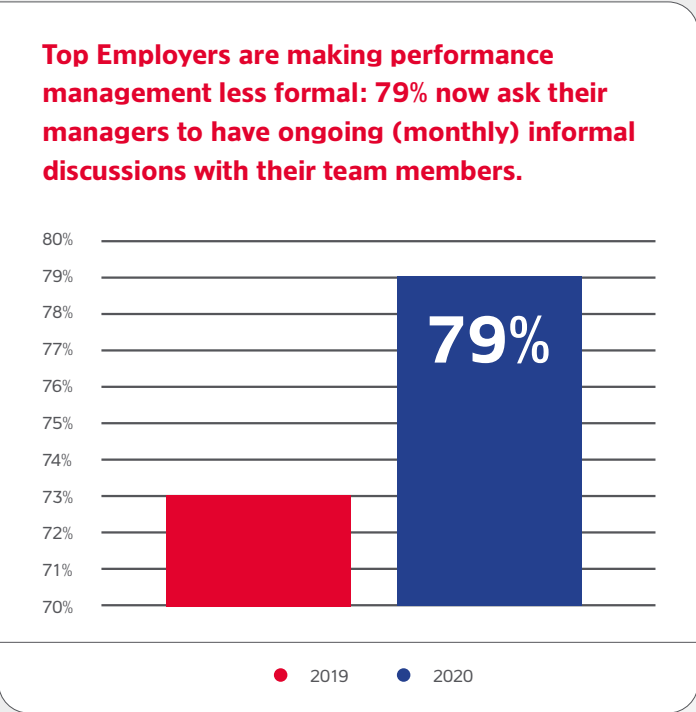
Career development, if discussed at all, only occupied a small percentage of the meeting time. World-class organisations are doing things differently. Instead of positioning performance management as an occasion where managers judge their team members, Top Employers are turning it into a development tool where employees and managers can have meaningful conversations at regular intervals throughout the year.

Instead of positioning performance management as an occasion where managers judge their team members, Top Employers are turning it into a development tool.



Employees are encouraged to take a more proactive role in scheduling and leading the conversations. Conversations are becoming mutually beneficial for both managers and employees. The most advanced Top Employers are using performance management as an opportunity to encourage managers to solicit feedback from team members about their leadership style.

Goals have also become more flexible. A greater number of Top Employers now allow their employees to adjust their individual goals at any point of the year in response to changing circumstances. By encouraging managers and employees to have honest conversations and by keeping goals smart and realistic, employees go into their annual performance review knowing where they stand in terms of performance. This reduces uncertainty and the chance of last-minute surprises. Nevertheless, performance management remains an area of constant evolution. Given that the challenge of creating the perfect system has not yet been solved, Top Employers will continue to improve the quality of their practices in 2020.



The top three priorities for Top Employers in performance management in 2020:



3. Communicating transparently with employees

The third area where Top Employers are enriching people's careers is through transparent communication. Amid all the changes affecting leading organisations worldwide, Top Employers know they have to offer their employees clear guidance and treat employees with respect and trust. For example, informing employees about planned organisational changes allows them to join the dots between how their organisation is transforming and how to boost their own development.

78%

of global Top Employers plan to communicate information about how business strategy will affect long-term workforce needs in 2020.

2%

of Top Employers allow speculative applications to their leadership development programmes. This number has not changed during the last five years.

Not all leading organisations have created an open culture. Many prefer to communicate only to groups directly concerned by a change, and not to the whole organisation. This is unfortunate, because rumours can spiral out of control when teams do not have access to the full story. With social networks growing in power, the question is not whether to share information but how to share it.

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Another black box in many organisations is leadership development. While our survey data shows that three-quarters of Top Employers worldwide give general information about their leadership development offering to all employees, hardly any Top Employers allow ordinary employees to apply based on merit or self-assessment.

3/4

of Top Employers worldwide



provide leadership development offerings to all employees

The likely reason is that most organisations still require approval from top management or talent review committees before an employee can be accepted into a leadership programme. It seems probable that many career-related topics will become more transparent in the years to come as Top Employers work to make their organisations more meritocratic. A trend to watch in 2020 and beyond.



4. New methods and a focus on soft skills

With the changing business environment demanding new kinds of skills, new methods of learning are emerging. Learning is now a more self-driven process, with technology helping employees access learning at any time, from anywhere. Traditional competency-based trainings are no longer relevant, and the learning process for technical skills is becoming learning by doing. Peer support, mentoring and reverse mentoring are crucial tools. Job rotation programmes and gamified learning are also gaining in popularity. Not new, but highly relevant to enriching people’s careers, is social learning. Top Employers are increasingly encouraging teams to learn from each other and exchange knowledge faster through internal social networks, ‘just in time’ to ensure greater efficiency and knowledge retention. The way forward will be for employees to embrace new methods such as, learning from the learner, learning how to learn, and, learning how to teach and share.



Peer support, mentoring and reverse mentoring are crucial tools

Social learning

3 in 4

Top Employers have made social learning a key part of their learning philosophy.

⌚ 5%

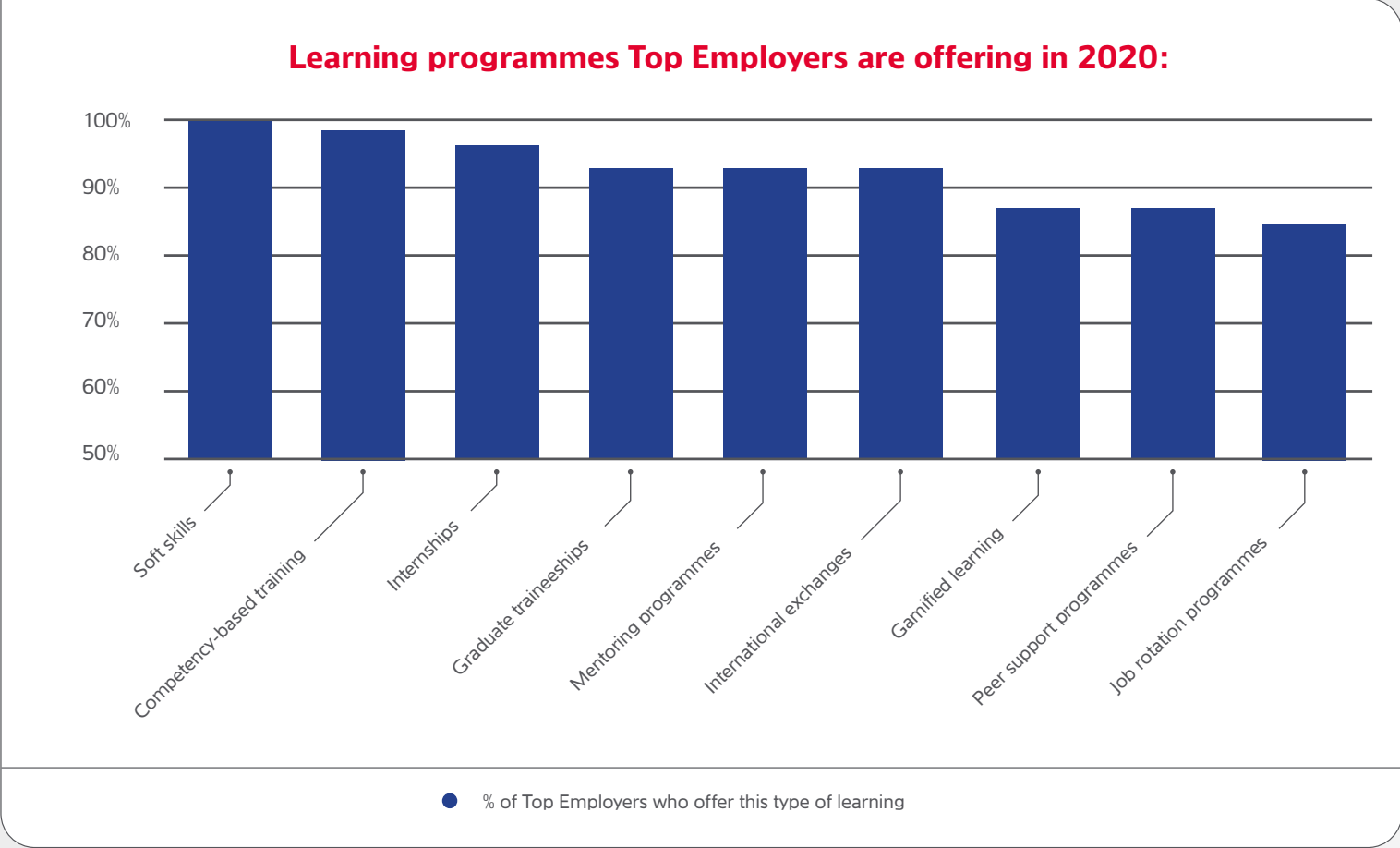
increase over the past 3 years.

59%

activated ‘communities of practice’, create supportive infrastructure for social learning

Our research shows that 3 in 4 Top Employers say they have made social learning a key part of their learning philosophy, (a 5% increase over the past three years) and 59% have activated ‘communities of practice’ to create a supportive infrastructure for social learning, up from 51% one year ago.

Despite the progress made with technology, the choice of learning opportunities on some portals can be overwhelming for employees, with convoluted enrolment procedures. Quantity does not mean quality. Not all organisations grasp that e-learning goes beyond reading articles and watching videos.



Soft skills, or people skills, have become more relevant in today’s labour market. For example, when considering candidates for promotion to management, leading organisations now consider the fact that not everyone is good at managing people.

Some first-time managers can succeed with the right training programmes, but others will never make the cut. When faced with the choice between two candidates with identical levels of experience and seniority, Top Employers choose the one with the best people skills – especially as teams are becoming more complex as they become diverse and inclusive.

Soft skills, or people skills, have become more relevant in today’s labour market.



A nudge in the right direction: how to subtly shape employee behaviours and mindsets

Eliciting complex behavioural changes in response to organisational change is not as simple as imposing a new set of rules. Employees do not always make rational and informed choices about their behaviours but rather their choices are done automatically and intuitively. According to nudge theory, people respond well subtle changes in their physical environment that influence their choices without imposing decisions. In other words, all options remain available, but employees are nudged to make the right choices in their daily jobs and in their careers.

This can include:

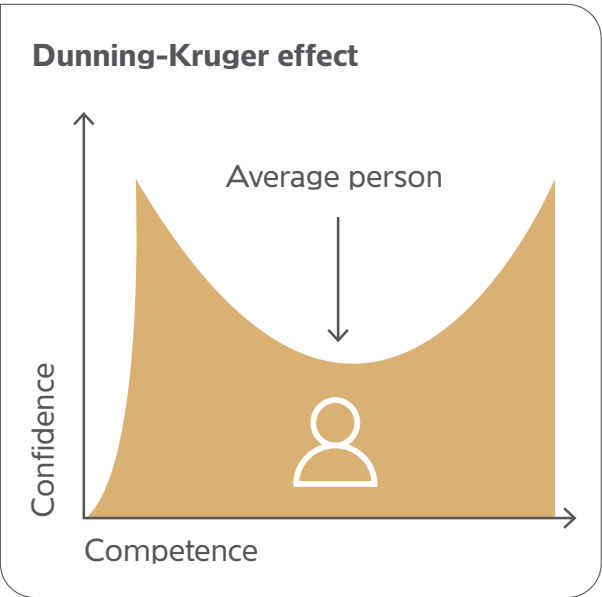
- **Choice Architecture:** involves designing the work environment in a way that encourages employees to make wise decisions without feeling forced to do so. For example, showing the best results on screens visible throughout the office. People are more likely to model the behavior they are exposed to. Employees want to be recognized and appreciated for their work. It is important to reward exemplary behaviour and make it visible.
- **Peer pressure/leading by example:** using managers or colleagues as role models. This is a powerful force when it comes to behavioural change. For example, whether employees arrive early and leave late is often influenced by what they see colleagues and managers doing.
- **Communication:** using visual communication rich with examples instead of generalisations, and a positive tone of voice.

Researchers in nudge theory believe that by persuading people to make better choices rather than mandating behaviours at work, it is possible to create lasting change in everything from well-being to performance, as well as to better engage and empower employees.

Source: Peoplemanagement.co.uk

Never stop learning: how employees can combat the ‘Dunning Kruger effect’

According to researchers David Dunning and Justin Kruger, people tend to overestimate their own knowledge and ability, and are poor at recognising gaps in their own performance. For example, a person might only know a small amount about a specific subject, yet according to the Dunning-Kruger effect, believe that they are an expert on it. In the workplace, low-skilled employees are often unable to recognise why their skills and abilities compare poorly with those of their peers.



This helps to explain why they frequently have high self-confidence, viewing themselves as better, more capable, and more knowledgeable than others. This creates challenges for organisations' learning strategies. The average employee sits somewhere in the middle of the curve: reasonably competent in their job and reasonably confident in their own capabilities. High-performing organisations strive to reduce the curve and bring people towards higher levels of competence and confidence. Ultimately, nobody is immune to the Dunning Kruger effect.

Learning strategies in the workplace:

- **Keep learning in-depth:** even within areas where we already consider ourselves experts. Once we go deeper into a topic, we often see how much there is still to learn.
- **Be self-aware:** we should seek out information that challenges our existing beliefs and ideas.
- **Ask for feedback:** asking colleagues for constructive criticism can sometimes be difficult to do, but the feedback can provide valuable insights into how others perceive our abilities.

Source: Verywellmind.com

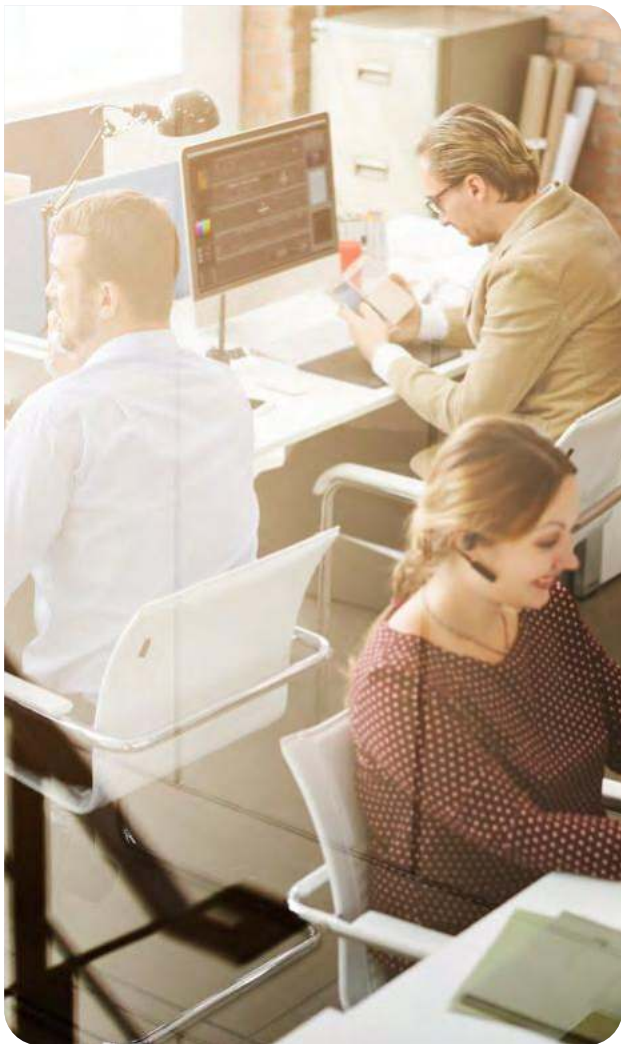
3. Enriching society

As the working world becomes more transparent, Top Employers are eager to have a positive impact on the communities they serve.

Positively impacting society is a key business imperative

In today’s globalised world, the impact of a business extends well beyond the footprint of its products and solutions. Candidates, employees and consumers have access to an arsenal of information about the impact organisations are making in society. Which has the potential to seriously affect an organisation’s reputation. As a result, the best organisations are proactive in shaping the stories told about them.

For Top Employers, ensuring responsible employee behaviour, good customer service, and making sure people are living by organisational values, is not only the right thing to do, it is also a business imperative to safeguard long-term financial sustainability and build a strong employer brand.



How negative publicity can damage financial performance: the example of United Airlines

Many organisations have made the news for the wrong reasons, showing how reputational damage can cause significant financial damage and have a negative impact on employee engagement.

For example, in 2017 a YouTube video went viral showing a doctor being dragged off an overbooked United Airlines flight, an incident that wiped \$250 million off the airline’s market value within the space of one day. News reports identified the organisation’s “top-down culture” as one of the reasons for repeated customer service failures at the airline. “If they treat their employees well, then the employees will treat their customers better,” commented an industry expert.

1 x viral video incident



-\$250 million

market value loss in one day.

Incorporating Environmental, Social & Governance criteria into business planning

In the past, business leaders tended to view sustainability as a financial cost. Now, research from McKinsey is demonstrating that when organisations pay attention to Environmental, Social & Governance (ESG) concerns, they in fact enjoy improved financial returns. That links to cash flow by facilitating revenue growth, lowering costs, making regulatory compliance smoother, increasing employee productivity, and optimising investment flows. Politicians are playing their part in making sure organisations incorporate ESG into their business planning. For example, in 2019, European Union institutions adopted a resolution that financial organisations should include ESG criteria in their financial reporting. The aim is to reorient the flows of capital towards sustainable business models.

Results of >2 000 studies on the impact of Environmental, Social & Governance propositions on equity returns.



<https://www.mckinsey.com/business-functions/strategy-and-corporate-finance/our-insights/five-ways-that-esg-creates-value>

These developments have not gone unnoticed by investors. For example, Larry Fink, the CEO of BlackRock, the world's largest asset management company, recently issued a message to company leaders saying that BlackRock would prioritise investments in firms that apply good governance. This clearly suggests a close link between purpose and profit.

According to Fink, favourable criteria for investment include an organisation's "board diversity, corporate strategy and capital allocation, compensation that promotes long-term thinking, environmental risks and opportunities, and human capital management". In short: many of the priorities of Top Employers. We can refer to this balanced state as the 'sweet spot'. When one area is lacking or ignored, the results range from employee disengagement, to lack of growth or even bankruptcy.

Favourable criteria for investment include an organisation's "board diversity, corporate strategy and capital allocation, compensation that promotes long-term thinking, environmental risks and opportunities, and human capital management".



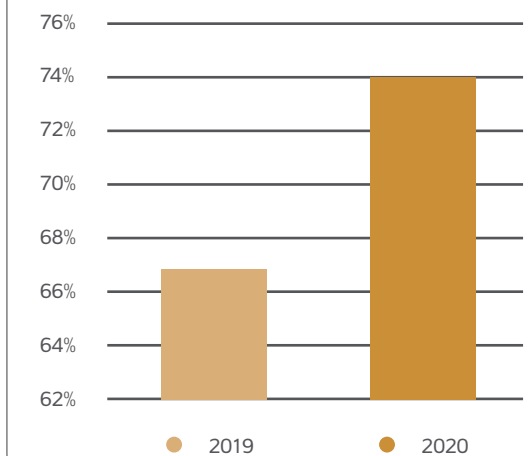
Socially relevant employer branding

Employees want to work for organisations that make a positive impact on society, which means that organisations with a socially beneficial purpose enjoy an advantage in the labour market. In this context, two thirds of Top Employers have implemented a company-wide communication campaign to ensure employees understand their organisation's employer value proposition.

In 2020 and beyond, leading organisations will be involving their people in employer branding activities, especially via social media. Employees can share authentic insights into what it really looks like to work at their organisation; these stories may carry a lot of weight for prospective job candidates.

In addition, 73% of Top Employers now operate an incentive programme for referrals (+4% from 2019), where employees earn a bonus for helping to fill vacancies.

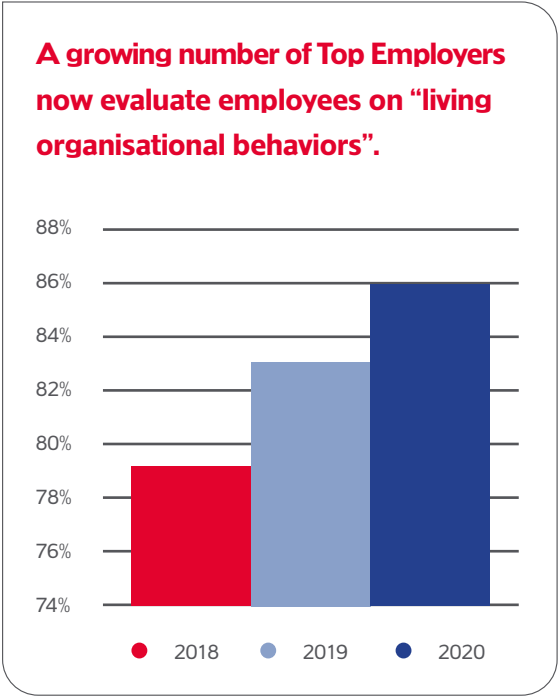
The majority of Top Employers involve their employees in social media recruitment campaigns.



Communicating values and behaviours

As it only takes one rogue employee to cause horrendous damage to a company's reputation, Top Employers are taking action to enforce the right behaviours. Performance management is a key lever. Leading organisations are increasingly evaluating employees on how they live their company's behaviours.

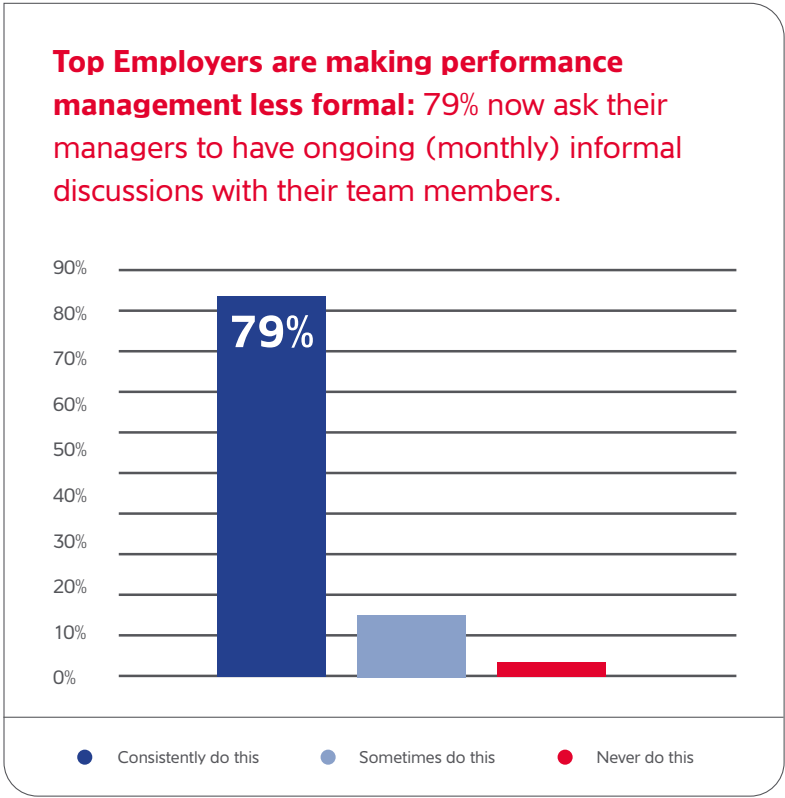
Our survey data shows 86% of Top Employers now do this, up from 78% in 2018. Using the company behaviours as a frame of reference helps to reinforce the kind of culture that the organisations want to drive.



More leaders support responsible behaviour

Whereas many organisations used to see corporate social responsibility (CSR) as a PR exercise, it will become more of a tangible activity with regular, year-round interventions where employees play a bigger role in defining the priorities and actions.

As an example of how leaders have started to value the business benefit of being socially responsible, 98% of Top Employers say their leaders now regularly incorporate social and environmental concerns into their decision-making, which is significant rise from the numbers we saw one year ago.



Common to all Top Employers is the fact that CSR remains a top-down activity. While almost all Top Employers have activated company-wide internal communication campaigns to ensure all employees are familiar with their CSR programmes, only 58% consistently take the needs and preferences of employees into account when developing programmes and initiatives. There is scope to make CSR an activity that is just as relevant to corporate reputation as it is to employees' pride, motivation and sense of purpose.



Diversity remains a strategic imperative to drive growth

A diverse workforce is an essential ingredient in boosting organisational performance, with studies by McKinsey and other consulting firms demonstrating that businesses with diverse leaders and diverse workforces perform better. Inclusion also makes sense from a social perspective as diverse employees have a deeper understanding of what different customer groups need and desire.



Our survey data confirms that Top Employers' Diversity & Inclusion (D&I) practices are becoming increasingly multifaceted, perhaps because HR leaders have discovered that diversity works best when underpinned by a clear business rationale. Like any aspect of business strategy, D&I does not happen by accident. It relies on people, and leaders in particular, to drive change. This explains why 68% of Top Employers will be training their leaders worldwide to be role models for diversity and to inspire teams to drive the improvement initiatives needed. To encourage accountability at local level, 61% of Top Employers have defined KPIs to hold their local business leaders responsible for meeting D&I targets.

However, measurement remains a challenge to overcome. Only 51% of Top Employers consistently measure the impact and effectiveness of their D&I practices, which makes it hard to define meaningful benchmarks among peer organisations.



Only 51% of Top Employers consistently measure the impact and effectiveness of their D&I practices

Diversity remains a work in progress, and leading organisations freely admit that global strategies will only achieve so much: local organisations must feel they have a role in setting the priorities and actions that make sense in the social context in which they operate.

Diversity & Inclusion: New areas of focus

In 2020, many organisations will be starting to look beyond the traditional focus point of gender diversity. They will be making interventions in the areas of age diversity to attract more millennials (93% see this as a priority) as well as building better work environments for seniors and people with disabilities. They will also be paying more attention to diversity of thought and skills and to filling quotas of underrepresented groups.

Social background is also emerging as a crucial area of attention. In Europe, for example, we often notice that the headquarters of global organisations in capital cities of very different countries have more in common with each other than they do with local firms operating from regional cities within their own countries. This is because even though these global headquarters might appear visually diverse, there is actually poor diversity in terms of age or social background: all the employees come from the best universities, they have international experience, they come from educated families and they speak fluent English. In sum, they already share the same international social codes.

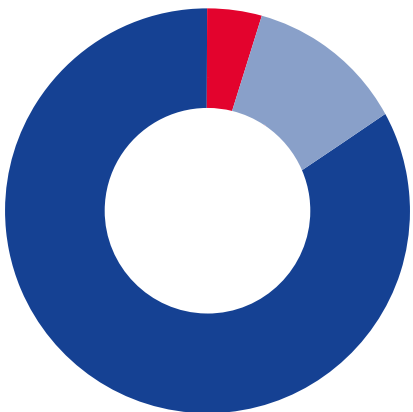
Social pressure on data privacy will force organisations to invest further in compliance

In the age of social media, Top Employers are harvesting a growing array of personal data from customers and even their own employees. However, data privacy has become a controversial issue worldwide. Within the past year alone, there have been countless incidents of private information being leaked, hacked or sold to third parties for nefarious purposes. Incredibly, these incidents usually only come to light when employees feel compelled to raise a red flag, such as the anonymous employee who reported the secret transfer of personal medical data of up to 50 million Americans from one of the largest healthcare providers in the US to Google.

National and international regulations such as Europe’s GDPR will limit the scope of how organisations can use people’s personal information over the years to come. To address this issue, an increasing number of Top Employers have put in place whistleblower policies to encourage people to raise their concerns through secure and anonymous internal channels.

For global HR leaders, 2020 is the year to have a serious conversation with business leaders and legal departments to make sure bulletproof policies are in place to safeguard legal compliance and encourage a culture where people feel free to raise questions and doubts internally. Just like sustainability and diversity, organisations that are known to have a strong culture of legal compliance will see a positive correlation with customer trust, profitability, employer branding and ultimately employee engagement and retention.

Almost all Top Employers operate a whistleblower policy.



- Whistleblower policy consistently implemented
- Whistleblower policy implemented, but not consistently
- No whistleblower policy



Regional View

Priorities and practices of leading employers in Europe, Latin America, Asia-Pacific, the Middle East and Africa.

Introduction

Achieving the right balance between adopting global approaches with local customisation is key for regional Top Employers. This report includes area-specific discussions on HR developments in Europe, Latin America, Asia, Africa and the Middle East.

These insights explore how regional trends compare with global trends discussed in this study, and the factors unique to each region driving these differences.





Europe

As with other continents, the new decade in Europe will be full of changes. The specificity of the continent will be affected by the geopolitical change between China and USA, as well as Brexit, and the subsequent consequences in terms of global trade agreements. Europe is also becoming somewhat of an aging continent, organisations will have to manage up to three generations of employees at work.

To protect their competitive positions in a globalised business landscape, Europe's leading organisations are becoming faster and more innovative. With the added complications of Brexit, the challenge is to be ready for the unexpected and to be agile enough to adapt quickly. There will be plenty of opportunities for the most innovative organisations to make their mark.



Highlighted trends in Europe:

- New approaches for attracting and retaining talent.
- Improvements to the onboarding process.
- Efforts to continuously listen to employee feedback.
- Employees taking on the role of talent ambassadors.
- Transparent feedback culture in core HR practices.
- Learning and development for all age groups.
- Better support for work-life balance, especially wellbeing.

Enriching people

Fresh approaches to attract and retain talent

Labour markets across Europe are getting tighter. Critical skills are becoming harder to find. As a result, Top Employers in Europe have intensified their efforts to attract, engage and retain talent throughout the entire career lifecycle. Leading organisations are focusing on their employer branding and shaping their company cultures into ones that complement employees' sense of purpose in life.

To boost their employer branding, organisations in Europe have started to involve their existing employees more heavily in recruitment marketing campaigns. Tactics include sharing employees' stories on social media or bringing employees along to recruitment events as employer brand ambassadors, where candidates can discover daily working conditions first-hand.

Onboarding: a shared responsibility

Leading organisations across Europe are doing more to engage and motivate people from day one. They are investing resources in making sure the employee experience is seamless. Actions include better planning of key milestone moments, more involvement of managers and improvements in technology. And to start the onboarding experience earlier, 1 in 5 Top Employers are now enrolling their new hires in an onboarding platform before their first day.



What Top Employers in Europe are doing best to enrich people:

- 70%** actively involve current employees as talent brand ambassadors.
- 85%** view social networking as a critical part of their recruitment strategy.
- 62%** have a company-wide communication plan to ensure all employees are familiar with their employer value proposition.
- 58%** offer home-working possibilities.
- 58%** have a dedicated onboarding platform for new hires.
- 51%** send surveys to job candidates to measure their experience.



Enriching careers

Continuous listening

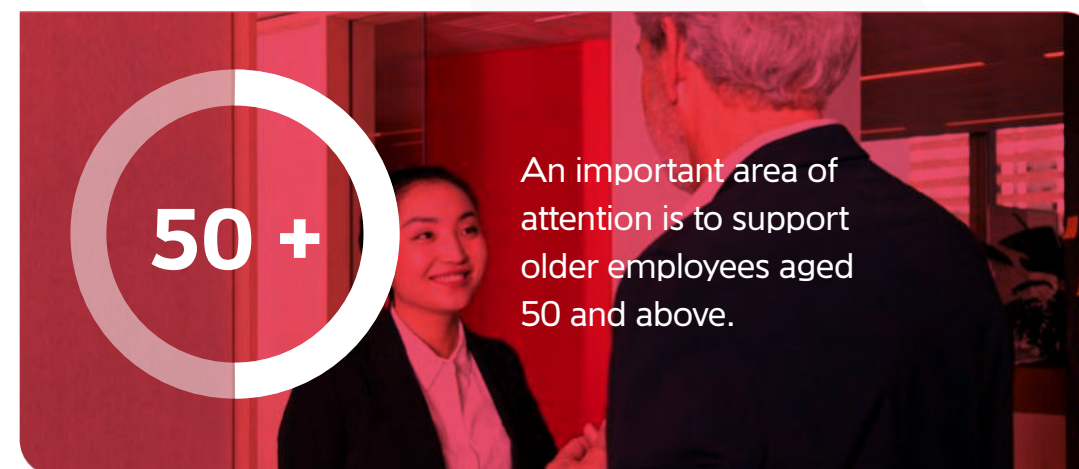
Increasingly, European Top Employers have moved beyond the standard annual engagement survey and have embraced a more agile model of 'continuous listening', which means gathering frequent feedback from employees and embracing next-generation feedback tools. The biggest challenge lies in how to apply the feedback received. Not all the feedback collected through pulse surveys and the like can be actioned immediately. European HR teams need to deal with budget and resource concerns, competing organisational priorities and management inertia.

Supporting work-life balance

To support employees in their work-life balance, European Top Employers lead the way in offering family-friendly benefits such as flex-working and well-being programmes. Many of the continent's Top Employers offer employees the option to customise their own compensation and benefits package, while still doing so in a cost-effective way.

Supporting all age groups to learn and grow

Even though practically every Top Employer in Europe expects employees to take the initiative in their own careers, many organisations suffer from a lack of transparency when it comes to career opportunities. The result is that many employees feel forced to look elsewhere because they see no future for themselves within their current organisation. Only 3 in 4 Top Employers in Europe have personal development plans in place for all of their employees. The most advanced organisations, nonetheless, are striving to provide a supportive climate for employee development. An important area of attention is to support older employees aged 50 and above. Having grown accustomed to family-style work environments, many older workers have spent decades working for one employer. Upskilling this cohort has become a critical area of attention.



What Top Employers in Europe are doing best to enrich careers:

96% systematically track and report on performance management KPIs.

84% ask for employee feedback on how to improve the performance management cycle.

77% offer mobile learning – popular with younger employees. This number was only 41% in 2015.

Enriching society

Meanwhile, looking at younger Millennials are maturing into the leaders of today and are facing new life challenges. Meanwhile, Generation Z employees born between 1995 – 2010 are interested in rapidly gaining the skills they need to learn and grow. Technology can address these needs. Enabled by mobile-phone learning technology, Top Employers in Europe are increasingly developing quality, bite-sized learning content, which millennial and Generation Z employees are happy to consume during their free time.

The result is they can take a greater lead in their own learning journeys, which is exactly what Top Employers want people to do. Another growing trend in Europe is for organisations to facilitate social learning. Employees value collaborating in forums and community groups where they can share their knowledge with each other, shining a spotlight on pockets of excellence within large, slow-moving organisations.

Gen Z employees born between

1995 – 2010

are interested in rapidly gaining the skills they need to learn and grow.



+



Transparent approach to performance management

In Europe, performance management traditionally revolved around what the employee could do for the organisation. Today it is equally about how the company can keep people engaged, satisfied and productive. Real-time feedback is a clear example of how performance management systems have become more forward thinking. We see Europe's Top Employers moving away from the annual performance review and moving to ongoing conversations revolving around development and performance. Another growing area of attention is to create transparency on goal setting. Giving context on how employees' personal goals feed into overall company strategy gives employees a greater sense of meaning and purpose, helps them be more efficient in their daily decision-making processes.

The need for a social purpose

European Top Employers are some of the globe's most advanced leaders when it comes to corporate social responsibility, reflecting the socially well-developed markets they serve. Practically every Top Employer in Europe is acting on CSR initiatives. Many of the areas of focus might be considered 'first world problems' in other parts of the world – but for employees in Europe these happen to be some of the issues closest to their hearts.



What Top Employers in Europe are doing best to enrich society:

92% have defined an organisation-wide CSR programme.

89% see D&I as a key business imperative.

62% train managers to be role models for diversity.

62% communicate openly with all employees about their diversity programme.

58% involve employees in developing D&I activities.

Enriching society

For example, people are looking for organisations that share their concerns about the impact businesses are having on communities and the environment. Strong CSR commitment and personal rewards linked to social initiatives, connections to groups with common interests, and volunteering opportunities are examples of some of the things that help to attract talent in Europe today.

More emphasis on diversity & inclusion

European Top Employers have made D&I a key pillar of their people strategies, so that all employees feel valued and heard. Implementing D&I initiatives has become a business imperative that boosts financial performance and is beneficial to employer branding. Employers that show a visible commitment to diversity will have a competitive edge in the war for talent in Europe, especially among younger age groups who find it enriching to work in diverse teams. Related to that, we see an increase in the number of European Top Employers who are training their leaders to act as role models for diverse and inclusive teams, and inspiring others to take individual responsibility.

But there is still room for improvement. With so many potential D&I initiatives to implement, it is critical for organisations to understand which ones really move the needle. In other words, the focus needs to be on quality over quantity. Deployment also needs to become more consistent.

Even though 3 in 4 European Top Employers have defined a company-wide framework for diversity, around 1 in 4 fail to consistently deploy the related initiatives within their organisations. Having open discussions will help organisations in Europe to take their D&I practices to the next level.



Social learning

3 in 4

European Top Employers have defined a company-wide framework for diversity.

1 in 4

fail to consistently deploy the related initiatives within their organisations.



Latin America

Latin America's Top Employers have grown accustomed to managing through years of crisis. With a new decade upon us, many countries are going through another period of political, economic and social instability.

In 2020 and beyond, leading organisations will need to rely on their change-management expertise to deal with changing circumstances and seize the many commercial opportunities that exist.



Highlighted trends in Latin America:

- Improvements in talent acquisition and onboarding.
- Greater focus on the employee experience and well-being.
- A more year-round approach to measuring engagement.
- More attention to employees' professional development.
- Dedicated efforts to enrich society with interventions in diversity and CSR.

Enriching people

Improvements in talent acquisition, candidate experience and onboarding

Like their global peers, organisations in Latin America are struggling to find the right talent to meet their long-term growth strategies, which is why ensuring new hires meet long term capability needs is now their number one priority in talent acquisition. Organisations across Latin America are working to fill vacancies faster and more efficiently through tactics such as the use of social networks for recruitment marketing purposes. Leading a global trend, organisations are focusing more on measuring and improving the candidate experience. In fact, 2 out of 3 Top Employers in Latin America have introduced KPIs to monitor candidate experience, well ahead of the global average of 57%.

Top Employers across the continent are also enhancing their onboarding practices. Onboarding has become a longer-lasting, strategic process, with core components as well as role-specific parts that are adapted to cater to different roles and levels. Regular conversations between new joiners and their managers (as well as with HR) have become a common part of the process for white-collar roles, with check-in meetings at specific intervals during the first months of employment. Aligned with global trends, Latin American organisations have also increased their measurements related to new joiners' experiences. Popular KPIs include the employees' level of engagement and overall satisfaction with the onboarding experience.

A more year-round approach to measuring engagement

Top Employers in Latin America are making dedicated efforts to build a more open work environment and measure engagement more frequently. To get an insight into what is weighing on people's minds, the annual engagement survey remains a trusted method for 89% of leading employers in the region. Pulse surveys complement the annual engagement survey, giving a more nuanced insight into how employees perceive their work environment. Engagement has become a more employee-centred practice, with 87% now getting their employees involved in action plans for improvement, ahead of the global average of 77%.

Well-being has become a strategic imperative

In line with trends globally, Top Employers in Latin America are taking a fresh look at the employee benefits they offer. They are improving the total benefits package – not only compensation – to position themselves as employers of choice. Many organisations have set up networks to drive well-being internally and they evaluate the success of their interventions on a regular basis. **Examples of initiatives growing in popularity include locally driven programmes around mindfulness, meditation, disease prevention, nutrition, healthy lifestyles, fitness and financial well-being.**



What Top Employers in Latin America are doing best to enrich people:

86% have defined an organisation-wide strategy for talent acquisition.

89% maintain company profiles on social networks.

87% involve their employees in delivering engagement follow-up plans.

61% complement their annual engagement survey with regular pulse surveys.

80% have defined a complete well-being strategy.

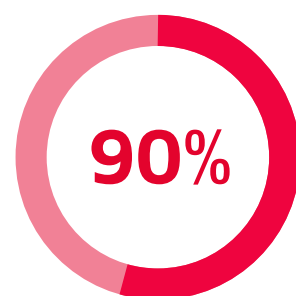
Enriching careers

Greater focus on year-round professional development, not just performance.

A new performance management culture is emerging in Latin America, where employees play a more active role seeking ongoing feedback from their managers. From HR, we see a clear effort to offer guidance to ensure employees become comfortable with their newly enhanced role in the process: almost 90% of Latin American Top Employers offer behavioural training for their people.

A growing number of HR teams are offering coaching for managers so that leaders are comfortable with the new type of conversations they are expected to have with their team members. An employee-centred approach to performance management contributes to an optimal employee experience.

A growing number of HR teams are offering coaching for managers so that leaders are comfortable with the new type of conversations they are expected to have with their team members.



Top of Latin American Top Employers offer behavioural training for their people.



What Top Employers in Latin America are doing best to enrich careers:

83% encourage employees to have year-round informal discussions with their managers.

85% offer training for employees on performance management.

90% allow flexible goal setting throughout the year.

Enriching society

Focus on values and behaviours

Corporate values are playing an increasingly important role in shaping the business decisions of Latin American Top Employers. Nowadays, almost all leading organisations in the region are investing resources in training employees on how to live their company's values. As part of the performance review cycle, people are evaluated on how they practice the company values and behaviours.

Focus on diversity

Across Latin America, policies and practices around diversity have become increasingly sophisticated. Conscious that the culture remains top-heavy in many organisations, HR teams are investing in training their leaders to act as role models for the diverse and inclusive culture they want to drive. Local organisations play a role in setting the priorities and actions that make sense in the social context in which they operate.

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More employee involvement in corporate social responsibility

Across Latin America, CSR is becoming a hot topic. Increasingly, social responsibility inspires leaders in their decision-making. A rising number of organisations take employees' needs and preferences into account when developing CSR programmes and initiatives, although Latin America still lags behind the global average on this topic. Something to work on in 2020 and beyond.



What Top Employers in Latin America are doing best to enrich society:

- 96%** train employees on living their company values.
- 94%** assess employees on their behaviours as part of performance review.
- 92%** view diversity as a crucial business imperative.
- 86%** say their leaders consistently incorporate social and environmental impact into their decision-making.
- 72%** train leaders to act as role models and inspire others to drive D&I.



Middle East

Many Top Employers in the Middle East are Western-owned organisations. These organisations recruit internationally to fill job vacancies. While low income-tax rates and generous relocation packages go a long way towards attracting talent, remuneration alone will only go so far.

The extra dimension, which Top Employers are keen to exploit, is employee-centred people practices. The pace of change is accelerating in the region, and Top Employers are adopting agile methods in order to stay ahead of the curve.

Highlighted trends in the Middle East:

- Candidate experience has become a key priority in talent acquisition.
- A better infrastructure to support employee development and equip managers to be career coaches.
- More frequent measurement of engagement and organisational agility.
- Good progress in the areas of transparency and CSR.
- Interventions on well-being aligned with business strategy.

Enriching people

Improving the candidate experience in talent acquisition

If a candidate is going to fly half-way around the world for a career opportunity, it would better be a good one. And the first taste of what it might be like to work in an organisation comes from interactions with the recruitment team. Perhaps for this reason, candidate experience has become a big priority for Top Employers in the Middle East. Our survey data shows that their focus on optimising the recruitment journey and creating an engaging candidate experience goes well beyond the global average. In the competition for talent, organisations in Middle East see the candidate experience as a competitive advantage they can further boost in 2020 and beyond.

Employer branding is another key area of focus. As many employees in the region have been hired in from outside, employer branding should be about more than a generous salary package.

International talent want to be sure that their employment experience in the region will be profitable for the rest of their careers and that the local working conditions and processes adhere to the highest international standards.

As many employees in the region have been hired in from other countries, employer branding should be about more than a generous salary package.

Measuring employee engagement to drive agility

Top Employers in the Middle East have become active in measuring employee engagement, taking the pulse of employees more frequently. The goal is to get real-time feedback from employees and quickly adjust where needed. It means that employees can play a bigger role in the agility of their organisations and teams can take action to improve employee experience, engagement and satisfaction.

Focused interventions on wellbeing

Instead of organising well-being activities based on feelings and perceptions, a growing number of Top Employers in the Middle East structure their activities to align policies with business strategy. For some employers this remains quite a challenge, which explains why executive management is more heavily involved in acting as a role model by participating in HR-related initiatives. The participation demonstrates the importance of well-being (which is a key element of employee engagement) and contributes to organisational culture change. Popular activities include sports events at work, work-life-balance initiatives and special leave for parents above legal requirements – although in many cases local legal requirements are well below the global benchmarks of organisations headquartered elsewhere.



What Top Employers in the Middle East are doing best to enrich people:

- 64%** measure candidate experience as a KPI.
- 69%** use feedback from candidates to optimise talent practices.
- 68%** run candidate experience satisfaction surveys
- 75%** conduct year-round engagement pulse surveys, ahead of the global average of 55%.
- 64%** have implemented KPIs around employees' satisfaction with leaders, up from 51% one year ago.
- 92%** have defined an organisation-wide total well-being strategy.
- 83%** involve senior management in programme design and delivery.
- 64%** offer special leave for parents above legal requirements.

Enriching careers

Building a work environment where employees can develop themselves proactively

Like elsewhere in the world, employees in the Middle East need guidance on how to develop themselves. Leading organisations are responding by providing a supportive infrastructure where employees are empowered to be protagonists in their own development. Social learning has become a preferred way for groups of employees to learn and grow. Individual development is also making progress thanks to technology: interactive career portals are increasingly popular, filled with individual recommendations and advice for employees to achieve their personal career goals and develop the required competencies.

Better equipping managers as career coaches

To support organisational transformation, Top Employers in the Middle East are training managers to better support team members and drive an improved employee experience. Beyond process-specific trainings for core HR activities, HR teams are coaching managers to improve the relationships they have with their teams and to inspire others to behave in line with the organisational culture. For example, many Top Employers in the Middle East are training their leaders to act as role models regarding D&I, and to inspire others to take individual responsibility for driving the changes and actions needed.

With employee turnover higher than in the rest of the world, Top Employers in the region make sure that knowledge management receives a high level of attention, so that employees who leave will not damage the long-term sustainability of their organisations.

Providing greater levels of transparency

To support organisational transformation, Top Employers in the Middle East are striving to become more open with their employees about organisational strategies and how people can take advantage of career-development opportunities. Leaders are taking the initiative to better inform employees about their employability and their growth potential. This builds a culture of trust and openness, helping with retention and engagement. At a practical level, HR is also trying to be more transparent and detailed about its own ways of working.

For example, HR is providing employees with clearer explanations about their compensation and benefits package, which can contribute to retention, as employees are more likely to remain when they can compare the whole package they currently receive with a potential job offer from another company.

At a practical level, HR is trying to be more transparent and detailed about its own ways of working.



What Top Employers in the Middle East are doing best to enrich careers:

- 70%** offer communities of practice to drive social learning.
- 87%** offer 180/360 development feedback tools.
- 90%** offer dedicated coaching and support to equip managers to have the right kinds of development conversations with team members.
- 93%** operate a self-service portal giving employees real-time insight into their compensation.
- 92%** regularly measure employees' perceptions of the quality of their communication.
- 89%** share information about how business strategy will affect long-term workforce needs.
- 75%** inform high-potential employees of their status.

Enriching society

Increased focus on social responsibility

Many Top Employers in the Middle East specialise in the extraction of natural resources such as oil and gas, and these activities that are not considered sustainable from a social or environmental point of view. Leading organisations thus face a risk that the initiatives they take around CSR are perceived as 'greenwashing' – paying lip service to environmental issues without taking concrete action to address the root causes.

Nonetheless, many traditionally harmful organisations have started to diversify into other sectors and are striving to invest resources in the green economy. Importantly, leaders appear to be driving the shift; in fact, at Top Employers in the Middle East, leaders are on average more likely than their global peers to participate in CSR activities. Employees are also more heavily involved than the global average.

By making a positive impact on society, Top Employers in the Middle East will be better positioned to align with the views and preferences of their people, and ultimately attract and retain international talent.

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What Top Employers in the Middle East are doing best to enrich society:

89% have a clearly defined purpose reflected in their employer value proposition, up from 68% one year ago.

83% regularly measure the impact and effectiveness of their CSR programmes.

68% of executive managers take part in CSR activities, ahead of the global average of 57%.

65% take the needs and preferences of employees into account when developing CSR programmes.





Asia-Pacific

The Asia-Pacific (APAC) region remains a key driver of global growth, but there are signs that the next decade will be more challenging than the last one. As APAC's Top Employers expand into global markets, they face a great degree of uncertainty, complexity and ambiguity.

Leading organisations are preparing for prepared for sudden changes in market demand or friction within the geopolitical landscape. Top Employers will need to become more agile and innovative, if they want to grow in a highly competitive global market. All of which starts with strengthening their commitment to their people.



Highlighted trends in Asia-Pacific:



Organisations are improving the employee experience.



Employers are focusing more on people's wellbeing.



Corporate culture is evolving to become more agile and transparent.



Performance and development have become more agile and flexible.



Employees are playing a bigger role in designing HR solutions.

Enriching people

Improving employee experience for a competitive advantage in the labour market

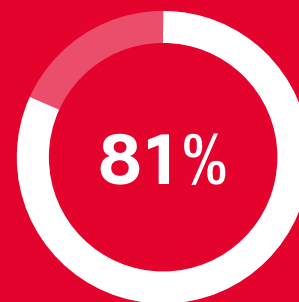
Most of APAC's Top Employers have long been active in the region. However, to expand internationally they need to recruit talent in their target markets. To improve their employer branding internationally and better engage their existing employees, Top Employers in APAC have started to focus more on employee experience.

They understand that Asia's dynamic professionals want to enjoy flexibility in their work and be empowered to develop themselves proactively. Keenly aware of global lifestyle trends, employers in APAC are seeking to move away from the paternalistic model of employment. A new generation of employees is eager to be more involved in leading projects, sharing knowledge, coaching/mentoring colleagues, influencing opinions and managing teams with full empowerment.

In line with trends seen in mature markets around the world, the satisfaction obtained from these experiences has little to do with remuneration benefits. Rather, the sense of purpose and ability to make a difference are fundamental reasons for employees to feel engaged and stay with the one employer over the long term.

Transparent communication

Across APAC, a trend towards more transparent communication plays a role in enriching the employee experience; in fact, transparency has become a key priority for all Top Employers in the region. However, trust is still a challenge due to governmental controls over free speech. It is a way to improve employee experience by addressing feelings and perceptions. Organisations in APAC are looking to communicate more openly about HR practices such as compensation and benefits, which were previously written in bureaucratic language. They also strive to ensure internal communications have a positive and engaging tone of voice, as they know this is a crucial ingredient in shaping a positive mindset among employees. Top Employers are also measuring employees' feedback on the quality of communication, with 81% now having measurements in place, up from 72% one year ago.



of Top Employers have measurements in place to evaluate employees' feedback on the quality of communication.



What Top Employers in APAC are doing best to enrich people:

- 100%** communicate transparently about organisational strategy through face-to-face meetings and other channels.
- 73%** incentivise their employees to create learning material themselves
- 56%** involve high-performing employees in the design of their learning solutions.
- 70%** map and optimise the candidate journey in talent acquisition.
- 81%** measure the quality of communication sent to employees.

Agile behaviours and mindsets

Across APAC, the pursuit of being agile is at the heart of Top Employers' business strategies. Yet the demand for agility is also coming from bottom up. Feedback from Top Employers' engagement surveys shows that 'changing their organisations to become more agile' is the second most important area where employees would like to see improvements within their organisations.

Employees want to work with managers who empower team members to come up with solutions – rather than simply telling people what to do. This is a huge culture change for organisations, and many Top Employers have had to update their leadership competency models to make sure managers embrace these much-needed changes.

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More involvement of employees in the design and implementation of HR solutions

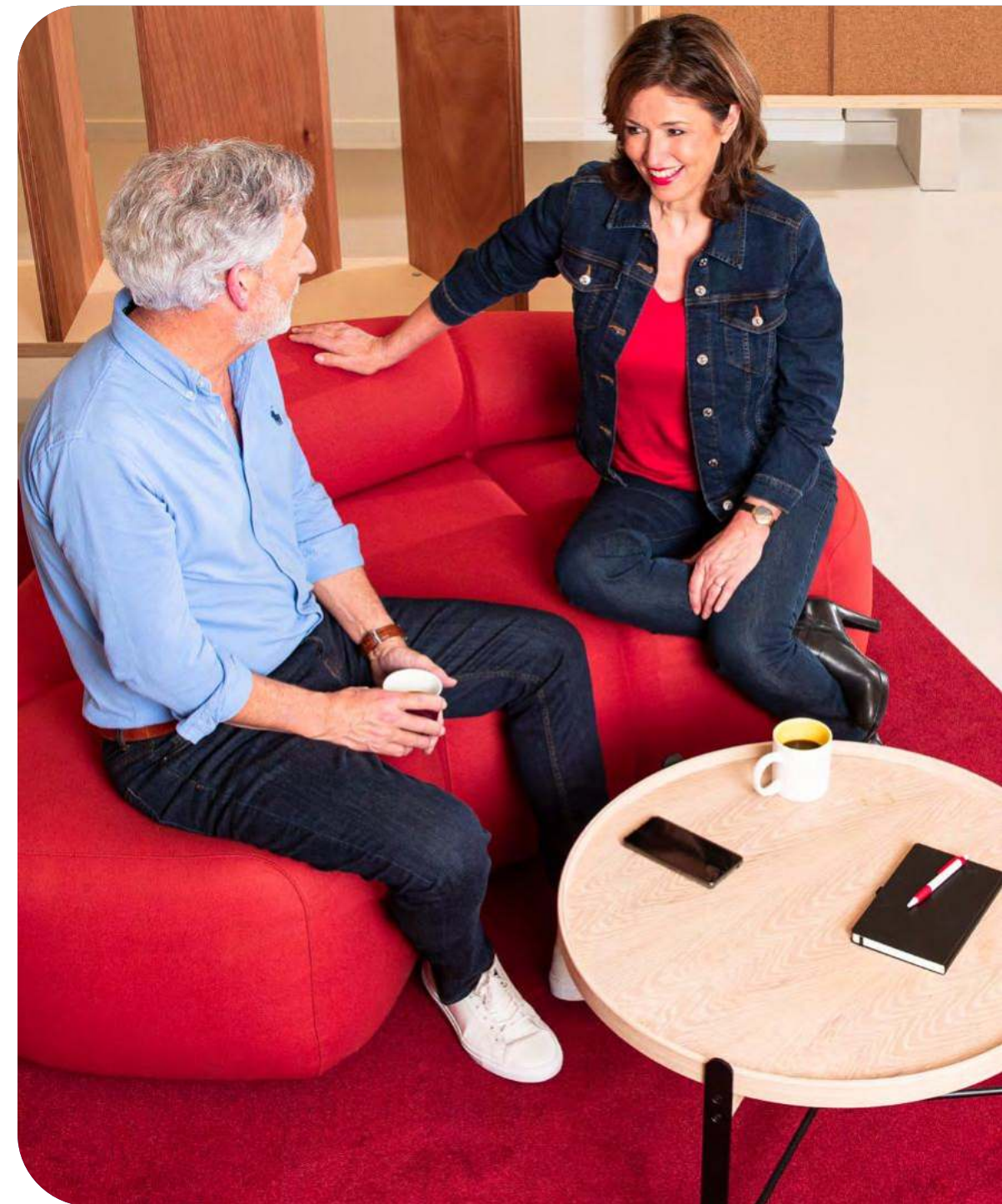
Another way APAC's Top Employers are improving the employee experience is by tailoring their HR solutions to people's career and development needs. Eager to become more employee-centric, HR professionals have started to embed employee feedback into the design of their core HR processes and practices.

For example, in learning, more than half of APAC Top Employers are planning to involve high performers in building best-practice learning solutions. These are significant changes in a region where traditionally policies were designed by committees with little input from employees.

Improve employee experience by tailoring:



HR solutions to people's career and development needs.



Enriching careers

Year-round performance management

In line with the global trends, development opportunities are the number one area for improvement coming out of engagement survey feedback from employees in APAC. Top Employers in the region are starting to change their culture around performance management to make it more employee-centric and actionable all year round.



Whereas managers used to be fully in the lead when it came to performance conversations, in 2020 and beyond there now is a bilateral approach, with decision-making jointly shared between managers and employees. It is becoming far more common for employees to take the lead in scheduling regular feedback sessions with their managers.

Technology has helped to reshape the way organisations run their performance process. For organisations, this means business departments can track performance progress forensically. With tools storing all the relevant information in one system, HR can use the data to re-examine organisational design, recalibrate career and succession plans and identify potential retention risks.



What Top Employers in APAC are doing best to enrich careers:

89% have moved towards a culture of year-round discussions on development and performance, in line with global trends.

93% offer coaching support to managers so that they are ready to have the types of conversation they should be having with their employees.

86% offer extensive behaviour trainings for employees to become comfortable with their role in the process.

76% leverage technology to support 360-degree feedback.

Enriching society

Growing focus on wellbeing

In the past, employee well-being was simply not a priority for APAC's Top Employers. Conscious that a positive employee experience is a competitive advantage in attracting and retaining talent, leading organisations are starting to pay more attention to this topic.

3 in 4

Top Employers are now communicating with their people about work-life balance issues.

1/2

nearly half are now providing resources and support above legal requirements for employees that have specific needs outside of work.

Encouragingly, almost 3 in 4 Top Employers are communicating with their people about work-life balance issues, in particular the need to avoid overworking and burnout.

Nearly half are now providing resources and support above legal requirements for employees that have specific needs outside of work, such as new parents or employees transitioning into retirement. Through practices like these, Top Employers can maintain a competitive advantage in the labour market and ultimately help people feel less stressed and more engaged in their jobs.



What Top Employers in APAC are doing to enrich society:

72% discourage overtime so that employees can achieve a better work-life balance.

42% offer support/coaching with transition into new life phases (e.g. parenting or retirement), up from 35% one year ago.



Africa

Top Employers in Africa are getting ready for an exciting period of transformation amid unique market challenges. With over 1 billion potential customers, Africa could be a vital source of global economic growth in 2020 and beyond.

Yet doing business in Africa comes with a complex set of challenges. Volatile politics, difficulties in accessing talent, infrastructure challenges, and the need to sometimes work out-of-the-box are just a few of the issues that will continue to cause sleepless nights for Top Employers over the year to come.



Highlighted trends in Africa:

- Organisations are improving the employee experience.
- Employers are focusing more on people's wellbeing.
- Corporate culture is evolving to become more agile and transparent.
- Performance and development have become more agile and flexible.
- Employees are playing a bigger role in designing HR solutions.

Enriching people

Talent acquisition converging with global standards

As in other regions, skilled professionals are in short supply in Africa, and Top Employers compete to attract the finest talent. Employer branding has become an important area of focus: HR must emphasise their organisation’s strengths and build an authentic and inspiring story to tell job candidates. Even if recruitment is a key priority for most organisations in Africa, it nonetheless remains quite a top-down process. Only half of Top Employers involve their current employees as brand ambassadors. Also, only half have an incentive programme in place for referrals. These are still plenty of opportunities to better involve existing employees.



Ongoing focus on engagement and agility

Top Employers in Africa are people focused. They place a huge amount of emphasis on teamwork and collaboration, and verbal communication is typically the preferred method for leaders to keep their team members informed and engaged.

Nonetheless, organisations in Africa need to become quicker and more agile in responding to uncertainty, because doing business across the continent comes with a unique set of bureaucratic challenges that can slow organisations down.

Measuring engagement remains an important priority for Top Employers in Africa. According to our survey data, 3 in 4 of Africa’s leading organisations conduct a full engagement survey each year and around half add pulse surveys on specific topics to defined groups of employees, in line with the wider trends globally.

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1/2 + add pulse surveys on specific topics to defined groups of employees, in line with the wider trends globally.



What Top Employers in Africa are doing best to enrich people:

86% train managers to communicate effectively with their teams.

94% have an onboarding policy and strategy in place.

80% have defined and communicated their employer brand.

75% conduct an annual engagement survey and 50% complement it with regular pulse survey.

92% consider that limiting risk to employees, and their job security, is a key factor when making strategic business decisions.

Enriching careers

Growing focus on transparency

A rising number of Top Employers across the continent are becoming more transparent with employees; for example, openly sharing information about how business strategy will affect long-term workforce needs. The numbers are still below the global average, but the trend is moving in the right direction. Certain areas of HR remain opaque, however.

1 in 5 fail to share information openly with employees about their general organisation-wide compensation policies.

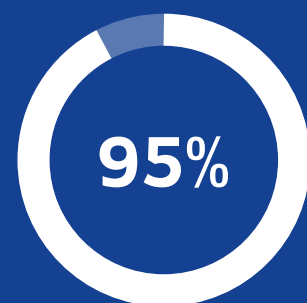
77% of Top Employers in Africa now operate an intranet portal sharing compensation and benefit information.

For instance, salaries remain something of a taboo subject for many organisations in Africa: 1 in 5 fail to share information openly with employees about their general organisation-wide compensation policies. Only a few organisations share total reward statements where employees could understand their individual compensation. Nonetheless, the general trend is one of gradual improvement – and technology also plays a role here, as 77% of Top Employers in Africa now operate an intranet portal sharing compensation and benefit information.

Sharper focus on learning and development

Top Employers in Africa are shifting away from one-size-fits-all competency models and moving towards more flexible frameworks for employee development, which make sense in a fast-changing business environment where employees (and organisations) need to stay agile. Social learning continues to grow in popularity, especially for leadership development and job-specific skills.

As an example, 95% of Top Employers in African countries now encourage cross-functional networking, a practice that delivers positive outcomes for individuals and for organisations. And managers, for their part, are being made more accountable for the career development of their people.



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What Top Employers in Africa are doing best to enrich careers:

85% have an IT platform that integrates various HR processes.

84% offer international exchange programmes.

70% offer ongoing feedback on performance

62% offer mobile learning solutions to employees

92% of executives actively mentor future leaders

74% freely make information about the career and succession management cycle accessible to all employees

71% have incorporated social learning into their strategies.

Enriching society

Growing focus on well-being

In the past, organisations in Africa did not pay as much attention to the topic of employee well-being as Western organisations tended to, instead they placed greater emphasis on benefits. Nowadays, the topic has become a business imperative: leading organisations have come to understand that employees perform better when they feel better.

It is now much more common for employees in Africa to enjoy flexible work schedules including home-working arrangements. Other well-being practices growing in popularity include sports events outside the office and internal company sport challenges. This can be explained by the relative youth of employees in the region compared to the global benchmarks. Still, there is plenty of room for improvement, because the local legal benchmarks on work-environment and work-life balance are often not as advanced as in other parts of the world.

More action on Diversity & Inclusion and Corporate Social Responsibility

Leading employers across Africa are intensifying their efforts to address diversity. Fully 9 in 10 Top Employers across the continent are now undertaking equality measures to improve gender diversity and youth talent. In some countries such as South Africa, this is a legal imperative.

Meanwhile, CSR is getting more traction from African Top Employers. Almost all of them have defined a company-wide CSR programme. The most significant change in recent years is that rather than impose activities top down, the needs and preferences of employees are now being considered by a growing number of Top Employers, although not quite as much as on other continents. Meanwhile, almost all African Top Employers have introduced a formal code of conduct for their employees as part of the effort to eliminate corruption when dealing with governments and public officials, which is a great achievement, as local regulations are often opaque.

Fully 9 in 10 Top Employers across the continent are now undertaking equality measures to improve gender diversity and youth talent.

A formal code of conduct gives employees clarity on what kinds of behaviours are acceptable. These trends illustrate the challenges and opportunities facing Top Employers in Africa. Yes, Africa is unique, but at the same time it is heavily exposed to global best practices.

Ultimately, success for Top Employers in Africa depends on conserving the knowhow they already have, retaining a healthy degree of pragmatism, and building additional capabilities that will ensure organisations continue to grow and develop in the future.



What Top Employers in Africa are doing best to enrich society:

- 95% see D&I as a key business imperative.
- 88% view employee well-being as a key business imperative.
- 85% have defined an organisation-wide D&I programme.
- 71% have defined an organisation-wide well-being strategy.

Meet the research team

The authors and researchers who contributed to this report from Top Employers Institute are:



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Methodology

The data quoted in this report comes from the Top Employers Institute's 'HR Practices Framework', which contains survey data from six domains. External auditors independent from Top Employers Institute have validated the information declared by participants, ensuring that our analysis is more objective and fact-based than other talent trend reports.

This research has a global scope: the data is obtained from leading employers across Europe, Middle East, Latin America, APAC and Africa.

STEER



Business Strategy



People Strategy



Leadership

ATTRACT



Employer Branding



Talent Acquisition



On-boarding

ENGAGE



Well-being



Engagement



Rewards & Recognition



Off-boarding

SHAPE



Organisation & Change



Digital HR



Work Environment

DEVELOP



Performance



Learning



Career

UNITE



Values



Ethics & Integrity



Sustainability



Diversity & Inclusion

About Top Employers Institute

Top Employers Institute is the **global authority on recognising excellence in people practices**. We help organisations accelerate their people practices to enrich the work of work. The Top Employers certification programme provides participating organisations with branding, benchmarking, alignment and connection tools to further enhance and solidify their position as an employer of choice.

Identifying Top Employers across the globe for more than 25 years.

Top Employers Institute has **certified over 1 600 organisations in 119 countries/regions**, impacting the lives of **more than 6.9 million employees**. We are dedicated to helping organisations with world-class employee conditions become recognised for the great employers they are.

Top Employers Institute. For a better world of work.

+ 25

Years in industry

+ 1 600

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