CIPD HR Practices in Ireland Survey 2021

May 2021

About

Championing better work and working lives
We're the professional body for experts in people at work. For more than 100 years, we've been championing better work and working lives by setting professional standards for HR and people development, as well as driving positive change in the world of work.

With hubs in the UK, Ireland, Middle East and Asia, we're the career partner of choice for 6,000 members in Ireland and more than 150,000 members around the world. We're the only body in the world that can award Chartered status to individual HR and L&D professionals, and our independent research and insights make us trusted advisers to governments and employers.

Summary report

CIPD Ireland continues to capture, analyse, and share the views and concerns of the people profession in Ireland. Our annual survey on HR Practices in Ireland, is carried out in conjunction with the Kemmy Business School, University of Limerick.

2020 was a year like no other. The 2021 survey data was gathered at the end of 2020 during the Covid-19 pandemic and the results provide key insights into the emerging and new challenges facing the people profession in Ireland, and their response.

Building on CIPD's COVID-19 survey (June 2020), this HR Practices 2021 survey found that 71% of respondents had rolled out remote working in the past year and 77% planned to adopt a blended model for the future. Responding to Covid-19 and dealing with economic uncertainty were identified as top priorities for 2021 and 2022, and the profession reports that it has been adding value through championing diversity, enhancing the employee experience and contributing to the strategic direction of business.

The survey findings confirm a significant step change for many Irish workplaces, and health and wellbeing taking a central role in supporting employees. Remote working is identified as increasing the challenges around supporting employee well-being, teamworking and collaboration, innovation and upskilling. Whilst increased support for line managers continues to be an area requiring more focus, the survey confirmed that productivity increased for almost half of respondents (48%) while 21% confirmed it was maintained at pre-pandemic levels.

We thank everyone who responded to the 2021 HR Practices Survey and to University of Limerick for their support.

In conjunction with **KEMMY BUSINESS SCHOOL University of Limerick**

People profession leading the way

Each year the CIPD HR Practices survey explores what is driving change in organisations in Ireland. Unsurprisingly this year the findings are set within the context of the pandemic and change drivers were responding to Covid-19, economic uncertainty, labour market challenges and the impact of Brexit.

The dominating business priorities for the next two years, irrespective of organisational size, were responding to the impact of Covid-19 and economic uncertainty. This contrasts starkly to previous surveys, where the focus was on leadership development, talent management and employee engagement. Whilst the change in priorities is understandable, it was concerning to see leadership development drop as this can impact future development and the ability to deal with the challenges posed by the pandemic.

Similarly, HR priorities for 2021 and 2022 changed significantly from previous surveys, to prioritising embedding remote working and responding to the impact of Covid-19, though more than a third continued to place significant emphasis on talent management, attraction, and retention, and employee engagement.

Adding value

In looking at how HR adds value to an organisation, there were positive results across a range of areas including championing diversity (87%), enhancing the employee experience (84%), contributing to the strategic direction of the organisation (84%) and leading change effectively (80%).

When it comes to the constraints facing HR, of key concern is the continuing trend over the last three years that line managers lack the time to carry out the people management aspect of their role (56%) and that devolvement of HR to these managers is not effective (38%). This shows the need to prioritise the support and development of line managers, especially given their increasingly important role as blended working becomes embedded.

When it comes to improving HR's level of knowledge and expertise, the main areas mentioned were analytics and technology (24%) and legislation and regulation (15%).

Technology

As the emphasis on digitalisation and technology grows, nearly a third of respondents disagreed that HR is influencing a people centered approach to technology, showing little change since last year. This is particularly disappointing considering the pace of technological change facing many

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Top four external drivers of change

Responding to COVID-19

Economic uncertainty

Labour market challenges (eg availability of key skills)

Impact of Brexit

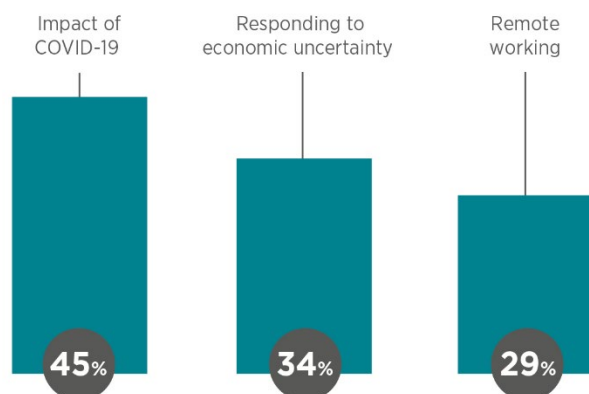## Knowledge requirement for HR professionals

24% HR analytics and technology

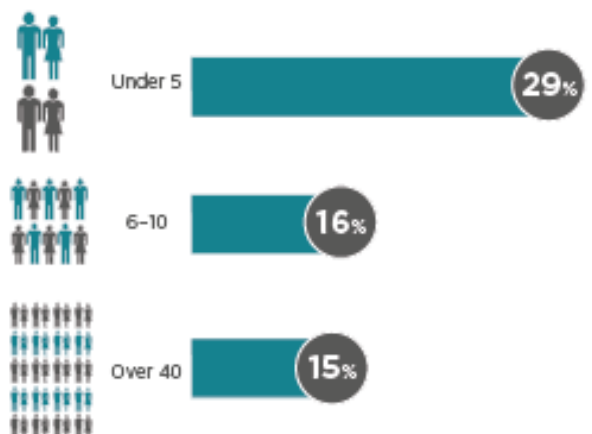**15%** Legislation and regulation
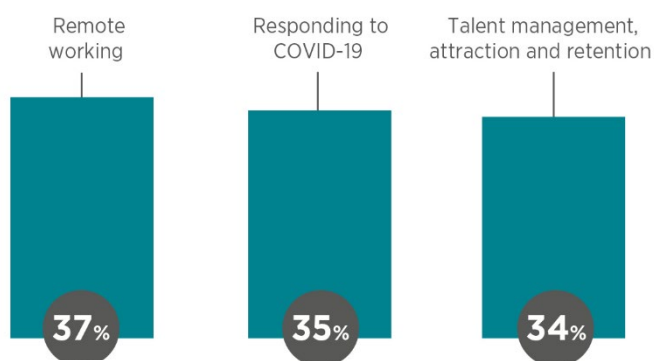
12% Culture and behaviour

11% Leadership development

HR

Top organisation priorities over the next two years

Impact of COVID-19 — **45%**

Responding to economic uncertainty — **34%**

Remote working — **29%**

Size of HR team

Under 5 — **29%**

6–10 — **16%**

Over 40 — **15%**

Top HR priorities over the next 2 years

Remote working — **37%**

Responding to COVID-19 — **35%**

Talent management, attraction and retention — **34%**

Top constraints on HR

HR

1. Lack of time for line managers to carry out people management activity

2. Ineffective devolvement of HR to line managers

3. Inadequate systems/technology

4. Ineffective devolution of HR to line managers

industries and indicates that, in some employments, technological progress ioccurring without adequate input from HR.

When we examined the organisation changes that took place in 2020, the most common was flexible working (67%), followed by automation and augmentation through technology (48%), upskilling (43%) and surveying staff (39%). Interestingly when it comes to planned changes for 2021, automation was still strong (49%), as was upskilling (60%), flexible working (53%) and redesigning roles (44%).

The findings showed evidence of the progressing digital transformation within HR, with accelerated use of online training, online mental health programmes and access to EAP, followed by automation of HR processes and use of HR analytics tools.

The challenges of working through Covid-19

Covid-19 had a significant impact on the way organisations managed their people in 2020. Many organisations had to close for a substantial portion of the year, others remained open as providers of essential services, while others had to reduce their workforce. Many respondents indicated they used the Government backed employment wage subsidy scheme, 43% implemented a hiring freeze, 38% introduced redundancies, 36% had layoffs and 19% introduced pay cuts.

Flexible and remote working

The survey provides useful insights into remote working during the pandemic. Most organisations moved a proportion of their staff to remote working, reflecting the unique circumstances created by the pandemic. Small organisations were more likely to have all their staff working remotely (40%), compared to only a quarter of organisations employing over 1,000 employees.

To enable remote working the majority of organisations (89%) provided essential IT equipment such as laptops, 50% provided office equipment such as desks, while only one third provided non-essential IT equipment such as printers, and only 9% provided financial support for working from home. Worryingly, by the end of 2020, only half of the organisations reported conducting health and safety assessments.

Of concern is that remote working was seen as increasing the challenges around supporting employee wellbeing by nearly three quarters of respondents, (71%), along with impacting on teamwork and collaboration (53%), innovation (51%), and upskilling (40%). More common in large organisations, over a third, (38%) of respondents had a policy that remote working employees must work within the State, and 27% planned to introduced such a policy.

However, it was surprising to find that there had been little change in the barriers to remote working between our 2020 survey before the pandemic and the 2021 survey during the pandemic. In the 2021 survey, 68% reported operational barriers, 66% reported lack of support from senior leaders, 62% reported lack of buy in from line managers and 54% saw lack of promotional opportunities as a barrier. There are legitimate concerns that will need to be addressed that remote working employees may lose out in terms of career development and promotion in the future.

The shift in employer attitudes to flexible and remote working is in line with changes witnessed in our COVID-19 survey in June 2020. Over three quarters, 77%, now plan to adopt a blend of remote and on-site working on a long-term basis, and a smaller number, 51%, plan to adopt remote working on a permanent basis. Over three quarters (76%) indicated that a right to request remote working should become a statutory right. Overall, the findings indicate a shift in the way organisations will work in the future, aligning to employee expectations.

Impact on culture and performance

Organisational culture is one area that has been impacted by the move to remote working. Over one third of organisations (37%) reported there had been a negative impact, almost one third reported a positive change and 30% reported that there had been no change. Increased communications were the main tool used to maintain and embed organisational culture since the start of Covid-19 along with increased use of and investment in wellbeing initiatives.

Concerns had previously been expressed that remote working had the potential to have a negative impact on productivity. Figures from the survey allay this fear, as overall responses indicate that productivity either increased (48%) or remained steady at pre-pandemic levels (21%). Two in four employers reported an increase in the number of goal setting meetings during the pandemic to manage performance.

Caring and childcare

Childcare and caring responsibilities emerged as key issues during the pandemic with 52% of respondents indicating that this had affected productivity and 50% reporting that managers had to redistribute work among staff to facilitate caring responsibilities within the workforce. A further four in five reported that caring responsibilities caused problems for people working remotely and 64% said this would pose obstacles for people returning to work onsite.

The impact of childcare on male and female workers during the pandemic differed, finding that female workers were more negatively affected than men, according to 48% of respondents. This was further supported by the findings whereby 19% of respondents indicated that there had been a significant increase in female workers taking leave to fulfil caring responsibilities and 44% reported a small increase. However only 40% indicated that they had seen a small increase in men taking leave in this regard and none reported a significant increase.

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Remote working

Offer flexible and remote working — **75%**

Organisations with between 71% and 100% of employees working remotely — **47%**

Plan to adopt remote working on a permanent basis — **51%**

Plan to adopt a blend of remote and on-site working long-term. — **77%**

Productivity

48%
Productivity Increased

21%
Productivity remained steady (at pre-pandemic levels)

Combining care and work
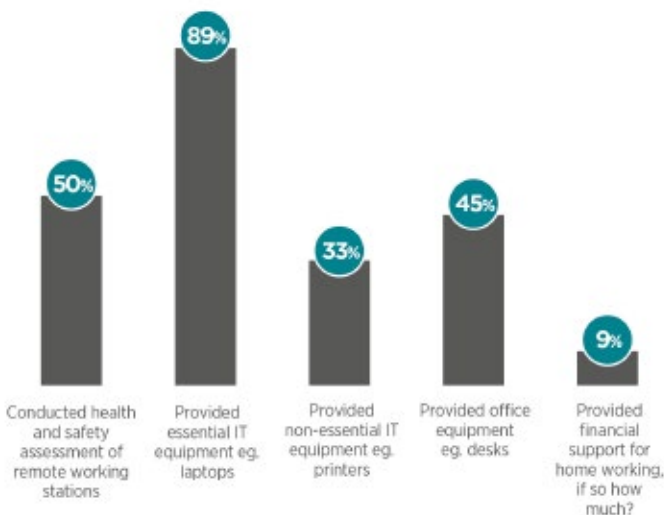
Females more negatively affected than men.

48%

Female workers taking annual leave to fulfil caring responsibilities

significant increase **19%**

small increase **44%**

Enabling remote working

50% Conducted health and safety assessment of remote working stations

89% Provided essential IT equipment eg. laptops

33% Provided non-essential IT equipment eg. printers

45% Provided office equipment eg. desks

9% Provided financial support for home working, if so how much?

Talent attraction

Strategy for attracting and retaining talent to include remote working

53%

Sector breakdown

Private **59%**

Public **46%**

Early careers/graduate Intake

52%
Unlikely to be affected

40%
Respondents indicating it will impact negatively

Career progression and development

Impact of COVID-19 will definitely/probably affect career development

Yes **64%**

Due to lack of

63% Mentoring opportunities

59% Visibility and opportunity in current situation

Childcare and caring responsibilities

50% Managers had to redistribute work among staff to facilitate carers

52% Negatively affected productivity

Career Development

Survey responses indicated that the pandemic is having an overall effect on career advancement. The lack of visibility, workplace exposure and opportunity because of remote working, emerged as significant issues with 64% agreeing that these would or probably would affect career advancement.

The results are more positive for graduates with 52% of respondents indicating that graduate intake is unlikely to be affected. Whilst a positive outcome, the fact that 40% of respondents indicated graduate intake will be affected is of some concern as this is a sizeable proportion.

We also asked if caring responsibilities would affect career advancement. Results highlight that this remains a key issue with a split between those respondents who felt it would (45%) and those who do not (52%). Overall adopting to a future of blended working is going to throw up challenges in relation to caring responsibilities, careers and equality.

Inclusion and diversity

As in the 2020 HR Practices survey report, the 2021 survey found that organisations are continuing to progress with their approach to inclusion and diversity. Going beyond a compliance approach, 62% of respondents were actively working to create inclusive organisation cultures and 56% were incorporating inclusion and diversity into recruitment and retention strategies – a considerable increase on the 44% reported in 2020. Additionally, 23% of respondents confirm that they have appointed a diversity officer – a 5% increase on 2020.

Less positive is that only 34% reported proactively undertaking inclusion and diversity awareness raising activity with employees, a relatively low number, and a smaller percentage had appointed employee resource groups, indicating that involving employees tended to be less common than management led policies.

Remote working: facilitating inclusion

Whilst recognising the challenges remote working presents, this way of working is seen as facilitating inclusion in our survey. The findings mirror research that identifies remote working as a tool which increases access to work for many different employee groups, including people with disabilities and those with caring responsibilities.

Although there were challenges associated with caring and childcare during remote working, under normal circumstances flexible working has been found to support the management of various caring arrangements.
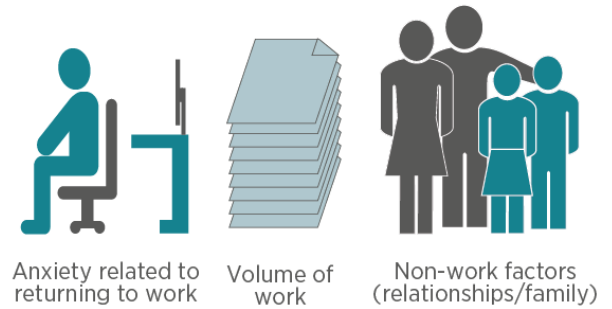
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Culture
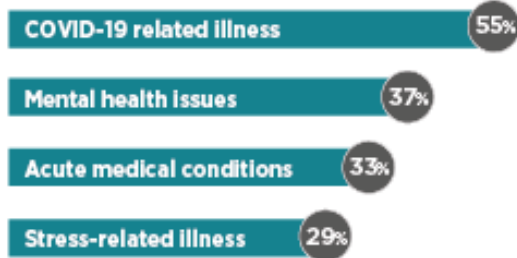
Respondents reported impact on culture as:

37% Negative impact

30% No Change

33% Positive impact

Top factors contributing to stress-related absence:

Anxiety related to returning to work

Volume of work

Non-work factors (relationships/family)

Well-being and absenteeism

48% of organisations reported an overall decrease in absenteeism

Factors contributing to absenteeism:

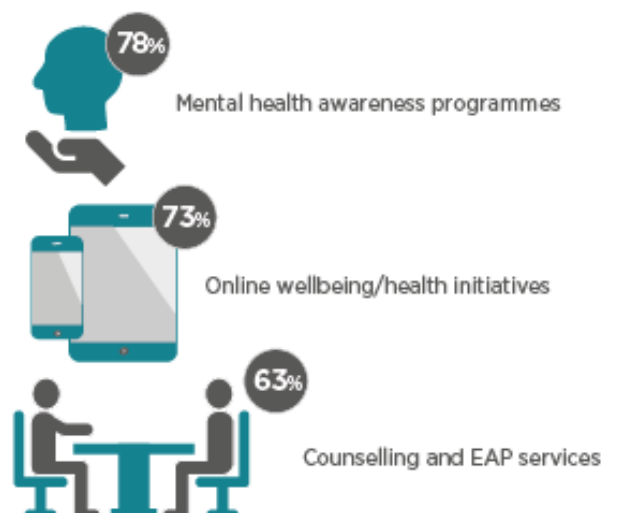- COVID-19 related illness **55%**
- Mental health issues **37%**
- Acute medical conditions **33%**
- Stress-related illness **29%**

Actions to address wellbeing:

On senior leaders' agenda (**41%** in 2020) — **2021 60%**

Line manager training to support wellbeing issues (**25%** in 2020) — **28%**

Have a formal strategy — **32%**

Factors contributing to an increase in reported mental health issues:

Anxiety related to returning to work **55%**

Workload and volume of work **50%**

Remote working **44%**

'Always on' culture as a result of technology **44%**

Top wellbeing initiatives

Mental health awareness programmes **78%**

Online wellbeing/health initiatives **73%**

Counselling and EAP services **63%**

The role of the manager in driving inclusion and diversity

Line managers are expected to actively implement many people policies and to influence employees with respect to inclusion and diversity. In this year's survey, 45% of respondents indicate guidance and training for line managers is provided in inclusion and diversity. Whilst a positive message, this is only a small increase of 2% on last year's result. A minority of respondents (27%) indicated that they provided leadership development programmes aimed at increasing diversity at senior levels. Equal to the 2020 survey result this is an underutilised tool to tackle lack of diversity in senior roles in organisations.

Wellbeing

There were positive indications in the 2021 survey that organisations were working proactively to maintain and enhance wellbeing during 2020, demonstrating an increasing emphasis on mental health awareness programmes (78%) and the provision of EAP services, (63%). There was also an increase in online wellbeing/ health initiatives (73%) and 46% increased the focus on encouraging employees to disconnect from technology, though only 30% enhanced measures to address a long hours' culture. Three in five respondents reported that employee wellbeing was increasingly part of the senior management agenda though only 28% reported progress on training of line managers to deal with wellbeing issues.

The issue of mental health is more openly discussed in workplaces, and the survey found an increase in reported mental health issues by employees. The contributing factors to this increase were anxiety related to returning to work (55%), the volume of work (50%), non-work factors (48%), remote working (44%) and the 'always on' culture as a result of technology (44%).

This year's survey identified that 43% of organisations reported that absenteeism decreased since COVID-19, and this was even higher in the public sector, at 59%. Medical experts comment that the behaviors to reduce the spread of COVID-19 contributed to the reduced spread of other infectious illnesses. The main reasons reported for medically certified absence were to Covid-19 related illness or self-isolation (54%), mental health issues (37%), acute medical conditions (33%) and stress related illness (29%).

In a related finding, four in five organisations reported a low take-up of annual leave. A third of organisations increased the leave that employees could carry over into the following year. Two in five reported an increase in leavism, whereby employees worked during annual leave days, and a quarter reported an increase in presenteeism, working when they were ill, neither of which are positive wellbeing indicators.

Overall wellbeing got significantly more attention during the pandemic, though concerns exist about the impact of the variety of the responses, but we must sustain this progress and adopt effective interventions for a blended way of working.

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Survey details: CIPD Ireland conducted this survey of members and people professionals in Nov/Dec 2020. Of the 426 responses received the majority, 65%, operated in the private sector and 28% the public sector and the remaining in the not-for-profit sector.

Just over half, 52%, of respondents work in HR teams with five or less people while 15% worked in HR teams of more than 40 people. For over half of respondents there was no change in the size of their HR team in the previous year, 15% reported a decrease in team size and 30% an increase, reflecting the increased contribution of the profession during the pandemic.