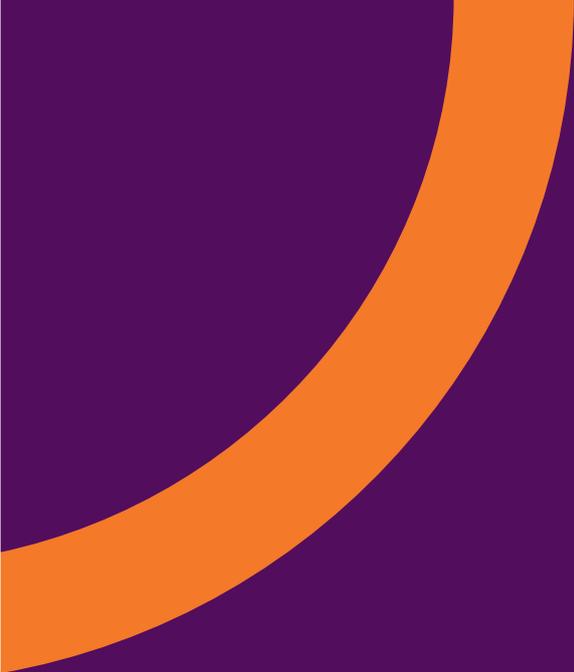




EFFECTIVE CROSS- FUNCTIONAL COLLABORATION IN A CHANGING WORLD OF WORK



The CIPD is the professional body for HR and people development. The registered charity champions better work and working lives and has been setting the benchmark for excellence in people and organisation development for more than 100 years. It has more than 160,000 members across the world, provides thought leadership through independent research on the world of work, and offers professional training and accreditation for those working in HR and learning and development.

Report

Effective cross-functional collaboration in a changing world of work

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1 Executive summary

People professionals have a key role to play in leading change in our workplaces, putting people at the heart of any transformation. To do this effectively, they need to work closely with line managers and leaders to understand current and future challenges.

Building on CIPD [research](#), this report shares insights from people professionals and their peers in other business functions, to show how cross-functional collaboration can help people professionals navigate future workplace trends.

Collaboration through crisis

The COVID-19 pandemic created huge change across organisations. With many moving at least some of their workforce to remote work, there are now even more digital channels to aid communication and collaboration. Although these have challenged work-life balance and reduced informal interactions, professionals also spoke of greater communication and partnership because of increased collaboration.

This collaborative work will help professionals navigate upcoming workplace challenges, from successfully implementing hybrid working to business transformation and managing employee wellbeing.

People professionals should reflect on the benefits of collaborative working through the pandemic and the practices they need to adapt. They should consider:

- the implications of hybrid working on work-life balance
- the potential to increase cohesion of global teams through virtual working, in a sustainable manner
- how people professionals and functional managers can work together to tackle new and existing challenges.

Collaboration to navigate future trends

Digital transformation, sustainability and responsible business were front of mind when considering future trends that people professionals and functional managers will need to navigate.

Other trends identified include:

- balancing business needs with increasing employee expectations in terms of flexibility and wellbeing
- keeping ahead of changing customer expectations and business models
- adopting more sustainable supply chains
- weathering economic instability
- keeping abreast of regulatory change.

The impact of these and other trends will vary from business to business, but people professionals will need to think strategically about the impact on people management practices and employees' skills. Cross-functional collaboration, including long-term partnerships and horizon-scanning between people professionals and other business functions, will support these activities.

Key themes identified by professionals that aid collaborative working include the following:

- **Building shared understanding and purpose:** the pandemic has united teams; harnessing this alignment and energy will be important going forward.

- **Transparency and openness:** information-sharing has increased throughout the pandemic, and, where appropriate, increased transparency can inform decision-making.
- **Sharing expertise:** people professionals can share expertise in people, work and change. Likewise, they can draw on the specialist knowledge of other functions to influence decision-making and people practice.
- **Collaborating across boundaries:** openness to cross-team and cross-organisation working can aid collaboration.

People professionals, and their peers in other functions, will need to work as closely as ever in the coming years – albeit with lessons learned about frequency and pressure brought about by remote and crisis working. Knowledge-sharing, increased communication and alignment around a core purpose have been vital to manage the change of the past 18 months and will continue to be in the future. Keeping people at the heart of organisations should be one of those core purposes.

2 Introduction

As experts in people, work and change, people professionals play a vital role in organisational success. This has never been clearer than in current times, with the profession being front and centre of organisations' responses to the COVID-19 pandemic, a human crisis.

Although the pandemic has been a huge catalyst for change, it's not the only disruptor that has impacted our organisations, or the work of the people function. Economic, societal and political change will always have an impact, as will industry-specific trends.

In our future-focused report of [2020](#) we identified that, as well as dealing with five trends that people professionals believe will shape the future world of work,¹ the profession will need to understand trends affecting other business functions and collaborate with leaders and line managers to implement people management practices and enact organisational change.

This research aims to:

- share reflections on collaboration through crisis, and learnings for businesses going forward
- highlight the key future themes that will impact organisations
- offer recommendations on successful collaboration methods to weather external trends.

To do this, we talked to 46 professionals (a mix of people professionals and professionals from different business functions) from 25 public and private organisations across Europe, the UK and Asia-Pacific regions.

To gain a wide view on workplace trends and collaboration, we asked both people professionals and their peers in financial, digital and marketing roles to share their insights on:

- how they'd collaborated in the past 18 months, and what they'd learned in the process
- what short- and long-term trends would require collaboration, and which long-term trends were impacting their organisations
- how different business functions could learn from each other to navigate these trends.

¹ The five trends identified that will shape the future of work are: internal change; technological and digital transformation; changing demographics and inclusion and diversity strategies; diversity of employment relationships; and sustainability, purpose and responsible business.

3 Cross-functional collaboration through crisis: learnings and challenges

2020 and 2021 have seen huge disruption and change in our workplaces, and people professionals have brought their expertise to the fore. As one business leader said in our 2020 [responsible business report](#), ‘Cometh the hour, cometh the HR team.’

Indeed, our People Profession 2021 survey [report](#) demonstrates that people professionals have risen to the challenge of managing complexity and change through the COVID-19 crisis and have provided real value in their organisations, with over four in ten people professionals telling us the standing of the people team had increased in the past year.

Partnering across business functions is an integral part of people professionals’ role. Our 2021 [survey](#) found that around seven in ten people professionals say they work collaboratively across business functions to meet business needs.² With the last two years bringing about huge change due to the COVID-19 pandemic, we wanted to understand how people professionals and their peers in other functions had collaborated, and what lessons they had learned about successful collaboration in this challenging time:

‘I would like to think that we are at the cutting edge of the partnering relationship – any [organisational change] would always have the involvement of the HR team. So not a new concept for us at all. It’s always actually been our status quo.’ (Functional manager)

For many, it strengthened existing strong relationships, and for some, has enhanced collaborative relationships. There was a real sense of partnership and respect between the people function and the other functions that took part in our sessions:

‘What the last 12 months certainly have shown is that HR have added much more value in areas where perhaps you ordinarily wouldn’t have expected them to be normally operating, and I think that’s something we need to continue.’ (Functional manager)

There were also challenges and learning on collaboration that were region-, industry- and sector-specific. However, there were some key themes arising across every organisation we spoke to. While each organisational context will have its own challenges, the findings below reflect broad consensus among the organisations we spoke to.

Despite decreased in-person working, collaboration has increased

All organisations we spoke to have moved at least some of their workforce to remote working during the COVID-19 crisis – from those who had just moved some back-office functions to homeworking, to those where the majority of staff were remote working for much of the pandemic.

Despite a quick pivot to digital means of communication, a key theme was an increase in cross-functional collaboration and communication:

‘We put in place these additional touch points from our executive level down to allow communication and collaboration to strengthen... I think my relationship with particularly operational management is much better now than it was before because we have talked so much more.’ (People professional)

² 73% of UK respondents, 64% of Ireland respondents, 68% of Asia-Pacific country respondents and 67% of Middle East respondents agreed they work collaboratively across business functions to meet business needs.

Collaboration has not only included greater partnership between the people function and functional managers and business leaders, but has also led to a general increase in communication and information-sharing across functions:

'[Cross-team working] feels like a much slicker track than it used to be. There's loads of oil on the wheels, and it runs much faster. Yes, we've made mistakes along the way, absolutely, but we've learned from those really quickly and adapted.' (Functional manager)

In the early days of the pandemic, constant communication, agility and quick decision-making was required to work through the crisis. While some noted that this level of collaboration had now reduced, there was still a sense from many that collaboration is still heightened, at this later stage of the pandemic.

Digital tools have enabled collaboration, but have created work-life balance and workload challenges



Technology has created many different avenues for communication and, for some, this has enhanced collaboration. Professionals told us that virtual collaboration allows for different formats or channels and has forced a rethink of traditional ways of communicating to front-line staff. This has provided an opportunity for more frequent, efficient communication.

Others noted that digital collaboration can allow more people to have a voice in meetings – using a chat function or similar – and allows better connection between employees and senior leaders. For global businesses, the pandemic has

somewhat 'levelled the playing field' in terms of collaboration, as many more people are regularly joining meetings virtually. This has enabled less travel time, increased openness to meeting requests and better experiences overall:

'Now all of a sudden... everyone [across the business region] is in the same boat. We're all on the same little square in Teams and it's been really interesting to see that.' (Functional manager)

However, increased digital collaboration has its drawbacks. Many reported that working days were getting longer, and meetings have become more frequent. It has also created additional pressures in some organisations to be 'always on' and responsive, especially to manager demands:

'There's definitely been an increased effort on the collaboration front, but that has also led to an increased number of meetings in order to get that collaboration done. It possibly leads then to work fatigue and burnout and all those kinds of words that we're hearing regularly now in the workplace.' (People professional)

In other words, increased opportunities and channels for collaboration can be beneficial but can also create additional work without careful management, with one participant noting, *'the tools are all there, but actually we still only have one mouth'*.

Many reported that collaboration has not only increased because of the amount of meetings, but also that virtual collaboration often takes more time and planning to make it successful; for example, sharing additional materials before meetings, as well as managing chat functions and 'reading the room'. Finally, some noted that managers felt that it was more difficult to gauge their teams' wellbeing and keep connected, meaning additional touchpoints that weren't required in person:

'It was more time, effort and complexity for [managers] to keep their teams connected – spending more time with people, checking in with all their team members every day, having monthly meetings and daily huddles at the start and end of the day. These planned meetings weren't needed before because you're all just sat together.' (People professional)

People professionals and functional managers spoke of different ways to tackle this: some naturally moved to more sustainable ways of digital working once the initial crisis subsided, while others worked with managers to set clearer boundaries on working time or intervening when departments or functions seemed to be working longer hours than necessary.

Reduction in informal collaboration



Linked to the above, informal collaboration was seen to be very challenging, and hard to replicate when working remotely. Not only has this meant additional meeting times for 'scheduled' informal catch-ups, but there was a sense that professionals are missing out on more informal opportunities for information-sharing: impromptu chats, chance meetings in shared kitchen areas and overhearing snippets of information. Professionals across functions felt that these interactions aren't easily recreated in a virtual space:

'It's all scheduled collaboration rather than the quick five-minute chats that you would normally have on the way down to get a cup of coffee or at the water cooler, so your calendar is completely booked – some of which would have been informal discussion.' (People professional)

This lack of chance collaboration or information-sharing was seen as a particular issue for new joiners to organisations, especially early-career joiners who were missing out on office connections.

Recommendations and reflections

Overall, there was a real sense of partnership and respect between the people professionals and colleagues in the discussions. Digital collaboration has certainly kept businesses going through difficult times and, for many, has enhanced existing relationships. That being said, informal collaboration has often been lacking, and digital overload and resultant burnout and wellbeing issues were real concerns for participants.

The issue of work intensification, along with some of the other difficulties brought about by hybrid working, are challenges that organisations will undoubtedly grapple with in the coming months and years, and will require people professionals to help managers to adapt to new ways of working and supporting their teams.

However, it is worth remembering that hybrid working is not the only challenge facing managers or employees. Many do not have the option to work remotely and there are plenty of pre-pandemic workplace difficulties that have not gone away. Our Good Work Index and Responsible Business 2021 report highlight issues that employers should be aware of, such as employee wellbeing and mental health issues, and navigating business change. We encourage people professionals to reflect on learnings from crisis ways of working: what positives can be taken forward, and what practices need to be adapted or removed?

In addition, the following recommendations can help people professionals manage the challenges of collaboration in hybrid environments:

- Consider how to support informal collaboration in a hybrid-working environment, especially one that is primarily remote: how will cross-team information-sharing happen with less face-to-face time in the future?
- Pay attention to virtual meeting fatigue in your organisation. While technology is an enabler of collaboration, there may also need to be clear boundaries set for meeting length, clear purposes for meetings, appropriate meeting times and other meeting etiquette to ensure meetings are efficient or necessary.
- Going forward, consider how to build in time for face-to-face meetings when appropriate and safe to do so, and think carefully about what type of work or meetings can be done more effectively remotely or in-person.
- When considering the location in which tasks or meetings are undertaken, it's also important to remember that mandating in-person attendance could be a barrier to access for some. Ensuring that hybrid options are available is important.
- Don't forget that fatigue and overwork is not an issue only for remote workers – workloads are also increasing for many front-line workers according to our 2021 Good Work Index.
- For those working in multinational businesses or distributed businesses, reflect on how increased virtual working has impacted collaboration across regions and how this will impact how work is distributed in the future. For example, does it allow for more local-level decision-making or better internal mobility?

While the COVID-19 pandemic is still very much a reality across the globe at the time of writing, there are, of course, many other external factors influencing the world of work. In Section 4 we explore the external trends impacting the people function and other business functions, including finance, digital and marketing, among others.

4 Cross-functional insights on future workplace trends

Our [People Profession in 2030: A collective view of future trends report](#) identifies five key drivers of change:

- digital transformation
- sustainability, purpose and responsible business
- changing demographics and inclusion and diversity strategies
- internal change
- diversity of employment relationships.

Our [People Profession 2021 survey report](#) found that these – particularly digital transformation and internal change – were key trends creating change within organisations. In addition, digital and technological transformation, sustainability and responsible business were the most common themes discussed in our cross-function research. In this section, we share insights from different functions on these trends, and also on wider business trends that professionals felt will impact the future world of work.



Digital transformation

Adapting to evolving technologies was an important theme for the vast majority of professionals, largely due to the way that [digital change](#) has increased at pace throughout the pandemic. Technology has been used to enable hybrid work, but this is just one part of digital change.

Investment in better infrastructure and digital systems, and automating more tasks and processes, were some of the digital transformation projects discussed:

‘We’re looking to digitise and automate a lot of services, and it’s not at the expense of the human being. It’s not to remove the human being from it completely, but to allow them to focus on the higher-value items and innovation.’ (Functional manager)

While predicting where technology will go next is a difficult task, forward thinking about the impact of technology on skills will be important, and will also require a different skillset from leaders:

‘The businesses that are going to be successful in five years’ time will be different from the ones that were successful five years ago... that’s been brought on by this acceleration of technology and I think the leaders who will succeed need to understand the potentials of where technology will go.’ (Functional manager)

‘To lead, you need to understand what digitalisation or technology means for your function. To have leadership in that area is quite a different way of thinking.’ (Functional manager)

Kane et al³ suggest a thought exercise that involves first considering the impact of emerging technology on different industries, and second to think about the potential impact of different emerging technologies on your industry.



Sustainability, purpose and responsible business

[Sustainability](#) and [responsible business](#), specifically around climate change and environmental impact, was the second most common theme, indicating that, from being an emerging theme in our [People Profession in 2030](#) report, sustainability is rising up the agenda:

'The green agenda, and the climate agenda, is massive. Whether it's your business response to it, or if it's actually more central to what you're doing, it will become [a priority] over the next five to ten years.' (Functional manager)

Many recognised that sustainability was a high priority in their business, whether because of customer expectations, legislation change, investor or other stakeholder expectations, or a wider recognition that organisations have a role to play in sustainability and climate change.

Sustainability in a different sense, for example better people management practices for retention and succession planning, and investing in new strands of business to future-proof, were also raised, as was the need to share sustainability values and be more purpose-driven and socially responsible.



Inclusion and diversity strategies

Linked to this is inclusion and diversity, which was still seen as a key focus for businesses, with employees and external stakeholders watching carefully for poor practice and discrimination and challenging or even halting business relationships if wrongdoing isn't handled effectively:

'Inclusion and diversity will drive businesses going forward. It will no longer be okay for businesses to ignore it.' (People professional)

For many organisations, there was talk of inclusion and diversity becoming a core part of strategy in order to properly represent and serve customers:

'Do we reflect our customer base? Is diversity in our business reflective of our customers? Because if we're serving our customers, we need to reflect our customers.' (People professional)



Internal change

The final trend identified in the People Profession 2030 report was internal change – that is, changes to business models and services. The pandemic has already brought about much change and opportunity for reflection:

'The pandemic also had a big impact on how customers consume our product... people are looking for something else... I think it's a good thing, though, because it really gives us the chance to re-evaluate what our customers need and how we offer that.' (Functional manager)

Internal change also links with digital transformation, with improving customer experience being a key path towards digital transformation. Consumer trends and customer expectations will also bring about operating model change in the future (as discussed further below).



Diversifying employment relationships

While diversifying employment relationships wasn't a commonly discussed theme overall, some organisations saw the need for more contract-based work in the future to navigate uncertainty.

In other words, organisations in this research don't expect large-scale change in the type of employment contracts they offer in the shorter term. Instead, employee expectations of their employer were seen as a bigger shift. Part of this includes flexibility in work time and location (ONS statistics⁴ show that 85% of workers currently remote working want a hybrid approach in future), but there are also

expectations of employers to safeguard wellbeing, reduce workplace stress and invest in the mental and physical health of their workers:

'There's been a shift, almost like a seismic shift in terms of their expectation and their level of discernment in terms of what current and future employees expect from an employer.' (Functional manager)

This was seen as a challenge and an opportunity; for example, with more flexible working patterns, organisations could consider business hour changes to meet the needs of customers. However, there were examples where employee expectations couldn't be met:

'We're not going to change every job to suit the changing needs of the workforce. We've still got to deliver services and still deliver a product or process, whatever it might be.' (People professional)

This change in employee expectations is also noted in our [responsible business research](#), with senior leaders also concerned about getting the balance right between business needs and employee expectations.

Cross-functional drivers of change

Customer expectations

We noted above that employee expectations are perceived to be changing, but another key theme was the changing expectations of customers. This is something that was already on the minds of many organisations, with implications for pressure on staff and wariness of falling foul of the way social media is often used to log complaints or call out issues:

'Customer expectations are constantly increasing... large online organisations are now delivering products within an hour of when people are ordering it. People's expectations are constantly being stretched and stretched.' (People professional)

In the longer term, business will likely have to adapt service delivery and business models in line with such trends. Examples identified included the need for faster turnaround times for purchasing and receiving goods, more focus on transparency in supply chains and increased digital purchasing, even for high-value items:

'With all the talk around digital, organisations need to think about their sales cycle, because it's all online. Big purchases and research are done online, rather than going to exhibitions. Where you would have found them before, they're not there.' (Functional manager)

These trends are reflected in other research; for example, McKinsey⁵ identifies that changing patterns of consumption is one of five forces impacting the retail consumer landscape, which includes more personalisation and convenience.

Supply chain changes

With [staff shortages](#) and resultant distribution issues front of mind for many UK businesses at the time of writing, it's perhaps not surprising that supply chain and procurement changes was another trend identified. For some UK participants, *'the collision between Brexit and the pandemic'* is influencing supply chains and staff. Globally, staff shortages, shipping and warehousing costs, and the potential need to hold more stock to weather times of crisis (like another pandemic) were all potential influencers. As one participant put it:

'There's a cost to [managing changes to procurement trends], and it's something we need then to factor into business plans for the next 5, 10 and 15 years, so it's definitely a changing environment at the moment.' (Functional manager)

Another key focus globally will be sustainable procurement and distribution (for example, governments encouraging the use of local produce, or ensuring transport vehicles are electric in the future), as well as customer demand for businesses to reduce their environmental impact and to have traceability in their products or services (see the IBM report on supply chain changes⁶):

‘There is a preference really to be buying locally, which fits into the environmental and sustainability agenda; there’s implications in how we adjust to that.’ (Functional manager)

In the longer term, climate change will also impact supply chains. BSR⁷ identifies that climate change will impact supply chains on a broad scale, with multi-country impacts on migration and access to materials. The ILO⁸ reports that heat stress – changing temperatures due to climate change – is causing unsafe working conditions, which could lead to huge-scale productivity losses by 2030.

Regulatory change

Another external driver of change is regulatory and legislation changes – this could include governmental policy and the rate and type of regulation occurring. Some participants noted that they are seeing an upward trend in the amount of regulation they contend with, especially for large or complex organisations who work across multiple industries:

‘We have seen a significant increase in [technology] regulation and guidance and direction, not just coming out of the UK, but other regions. We’re getting daily, or at least weekly, requests for confirmation on software regulation. It’s everywhere and it is getting more complicated and more difficult to manage.’ (Functional manager)

This is reflected in a KPMG report⁹ of 2021 trends, showing that digitisation brings complexities for cross-border working and cyber security, meaning enhanced regulation is likely and will continue. Another report from KPMG¹⁰ calls regulatory changes *‘the relentless march of new regulation’*, so this trend is likely to continue.

Organisations may need to invest in headcount to deal with compliance and regulatory pressures. [One piece of research](#) found that 32% of businesses thought that this compliance is costly – greater than 5% of their revenues.

Government and authority legislation will also impact businesses, with some participants noting that decision-making by these parties has long influenced funding and operations or even the type of staff that can be hired.

As well as the practical and operational changes required, this creates additional complexity in managing teams for people professionals and managers alike:

‘A lot of what we do sometimes is driven by the requirements of the regulators... and sometimes it’s quite difficult to communicate to staff that changes need to be made, as they’ve been doing it the same way for 20 years.’ (People professional)

Economic instability

Finally, COVID-19 has brought about economic instability for many businesses, public and private sector alike. For participants in the public sector, government budget cuts were a concern, especially after already difficult financial constraints. In other contexts, inflation and interest rates were on the minds of professionals:

‘What [high inflation] does is it plays havoc with interest rates, and will affect us in terms of pension schemes in the longer term.’ (People professional)

Although research from the International Monetary Fund¹¹ suggests that global inflation is currently being driven by the pandemic and is expected to fall back to pre-pandemic levels, it still creates challenges and uncertainty and, given that different countries are at different stages in their vaccine rollouts, uncertainty will likely be higher in less wealthy regions:

'[Implementation of strategy changes] depends on the business environment and the economy. It will impact how we develop products and the extent to which we outsource. I strongly believe the economy is a huge influencer in how we move forward.' (People professional)

Organisational changes and priorities

People professionals and functional managers alike agreed that leadership style, people management capabilities and the type of culture required for the future of work were all key internal factors that affect the impact of disruptors. Other important aspects to consider are:

- **Wellbeing:** this is a high priority for many businesses, recognising that the past 18 months have been difficult for many, personally and professionally. Employees also have more expectation that their employer should provide a safe working environment, both mentally and physically.
- **Changing ways of working:** this includes hybrid working (see Box 1) but could also include less hierarchical business structures, more fluid team structures and different global distributions of teams, all of which could create short-term and long-term people management challenges.
- **Changing skills:** new ways of working require new behaviours, skills and capabilities, and more focus on reskilling current employees. Empathetic management and leadership, digital skills and adaptability were all seen as important future capabilities. The way we look at skills development – often linear and tied to a specific function – will require more flexibility going forward.

Box 1: Cross-function insight on hybrid working challenges

Operational challenges

- Getting the right technology in place to facilitate hybrid meetings.
- Changing employment contracts.
- Complex tax implications for potential global mobility or global remote working.

Strategic challenges

- Readiness for workplace change and more hybrid working.
- Ensuring a strategic approach to office space, for example using the space for collaboration and a clear purpose, rather than pre-pandemic working practices.
- Maintaining company culture in a hybrid working world, where less face-to-face demonstration of behaviour and values were perceived to make it harder to embed culture.

Impact on people management

- Organisations based away from capital cities are concerned about losing staff who could now work remotely for companies offering higher salaries in other regions.

Recommendations and reflections

Many potential internal and external trends that will impact organisations are often linked; for example, changes to supply chains and procurement will likely be linked to a focus on sustainability and responsible business.

Prepare for future skills needs

- Think about the skills that the workforce in your organisation will need as these future trends impact the business and which sections of the workforce will need to be upskilled or reskilled if parts of their role become automated.
- Consider what areas will be important for people professionals to upskill or reskill in, in the wake of both digital change and other drivers of change.

Adapt to changing expectations

- Consider how employee expectations have or haven't shifted in your organisation. How can people teams and managers navigate these changing expectations?
- Similarly, how have (and how will) customer expectations change in the short, medium and longer term? How will organisational business models change in line with this and what does this mean for people strategy?

Prioritise horizon-scanning

- Reflect on how the trends identified are impacting your organisation now, and how they could impact in the future. How can the people function collaborate with other business functions to respond strategically to these changes? For example, how could changes in customer demand impact the business model and thereby staffing levels, skills and resources needed?
- Continue to horizon-scan. Which sector, regional or industry trends are impacting your business? What people implications does this have?

Whatever trends and organisation factors are most influential in the future, collaboration across business functions, and even beyond organisational boundaries, will be vital to adapting to workplace changes and driving transformation.

5 Using effective collaboration to navigate future trends

It was clear from our discussions that cross-functional collaboration and partnership have been vital throughout the pandemic. In the medium term, making hybrid working a success was seen as a key point of teamwork, but there will be longer-term trends that will also require collaboration in the future. In fact, working collaboratively with colleagues throughout the organisation has been identified as a priority to improve HR capability for around a quarter of respondents in our [People Profession 2021 survey report](#).

In this section, we bring together key learnings from participants for more effective collaborative working:

'I'm hoping that the strength of the relationships that we've built and the learnings we have will enable us to continue on this journey... it's how you leverage what you've learned, and you take it on your journey going forward in the next one to five years – that for me is the real game-changer. We've got to harness what the future looks like and not just let people drift back into the way it was.' (Functional manager)

Building a shared understanding

In the past 18 months, people professionals and functional leaders – and indeed organisational teams more broadly – were united around a common purpose. This alignment has made collaboration stronger and streamlined:

‘When we come together, we achieve more. We learn more about what each party can bring to the table and, with the right expertise, we get things done quicker. I think that is what we’ve done over the last 18 months by coming together, learning more about the challenges that we each face, and having a common goal.’ (People professional)

‘Shared understanding’ was an often-used phrase. Many spoke of having a better understanding of other business functions’ challenges and priorities, both in terms of strategic aims and day-to-day operations. Some functional managers noted that they now have a better perspective of the value people bring, and acknowledged the support and effort of their HR teams. In addition, people professionals noted that closer working has fine-tuned their understanding of other teams’ priorities.

In summary, collaboration has helped professionals develop a better understanding of strategic and operational challenges. This, in turn, has helped develop more proactive partnerships.

Increased information-sharing has been a necessity as ways of working have changed through COVID-19. That said, the rate of collaboration through the pandemic is not sustainable for many; there needs to be a balance between ensuring there are regular touchpoints for collaboration and information-sharing, while recognising the amount of meetings that are really required for this.

Empathy, respect for others’ time pressures (for example, recognising colleagues’ work commitments) and setting clear boundaries with managers are some examples of the steps organisations have taken to ensure collaborative working leaves enough time for other types of work.

Transparency and openness

Increased transparency and openness to cross-team, cross-seniority and cross-role workings were also borne out of the need for organisations to simply get things done and serve customers through the pandemic. Many participants spoke of employees’ and leaders’ willingness to change tack quickly, step up, to be redeployed or to help other teams, especially when restrictions first came into place.

This blurring of boundaries between teams was seen as a positive, and harnessing employee flexibility and motivation to meet business needs going forward was also on the minds of functional managers alike. Like the point above, however, there is also a balance between empowering employees to work flexibly across projects and teams, while avoiding overwork and uncertainty.

One people professional also noted that these blurred boundaries and ways of working can be a positive learning for the people profession:

‘How do you join those dots and create connections that allow those ideas and pieces of work to happen quickly, rather than having to go through the formal organisation structure? I think that matrix learning and connecting with each other is something that HR can actually learn from other functions: to think, “What can I bring to this?” You want to bring something positive and not sit in this defined box.’ (People professional)

Some participants also said that virtual working, and working through crisis, has given more employees a voice and influence – for example, those working in front-line roles having the knowledge and expertise to inform senior-level decision-making, or those with subject-matter expertise, but not necessarily a management role, being able to have their say. Particularly, some noted more openness from leaders to call on others' expertise when they needed it:

'[Through COVID-19] there was a change in terms of being humble, being willing to listen, being willing to think, reflect and engage at various levels of the organisation, and I think it's important that that continues, and that it's not just something that we've done because we had to navigate crisis.' (People professional)

Shared expertise

There is recognition that working closely with other business functions has real organisational and professional value, with teams truly being 'stronger together'.

Many participants – across functions – talked of the importance of 'knowing what you don't know', and being able to draw on the expertise of partners in other functions, whether this is collaborating with an IT team on an HR system transformation, or drawing on a people team's expertise in navigating employment relation situations:

'As we go through [digital transformation], my colleagues in HR help me navigate through some of the people challenges that will drop out the back end of all of the change that's coming.' (Functional manager)

Similarly, people professionals spoke of the support they receive, for example from IT colleagues when implementing new HR systems, or working closely with their functional partners to better understand their business areas.

As one people professional said, collaboration has always been a core part of what people professionals do, but it's important to note the level of collaboration and value the profession has brought through the pandemic, and in turn, how different business functions can inform people practice.

Collaboration beyond organisational boundaries

Finally, an emerging theme was intra-organisational collaboration, with some participants, especially in the public sector, noting that they have seen examples of great cross-organisational collaboration, partnership and information-sharing through the pandemic, which has resulted in better services or experiences for customers.

Of course, types of information-sharing or collaboration will look different for different sectors or industries. Private sector competitors are very unlikely to share in the same way. However, more industry events and networking to share new challenges and what has worked with peers was seen as valuable.

Some also spoke of increased partnerships with other businesses to break into new markets, and recognising where others have more expertise, for more sustainable growth.

While it's too early to tell whether more cross-organisation collaboration will become the norm, it's clear that there is real value in organisations with common purposes coming together to share expertise or better deliver connected services.

Looking to the future

There are many external trends and internal complexities that organisations continually need to navigate. While hybrid working will undoubtedly be important for many organisations, our

discussions also surfaced other external disruptors and internal factors – from rising inflation rates to upskilling. Managing these will require strategic, longer-term partnership and horizon-scanning between people professionals and other business functions:

'[External trends] are described as disruptors, but I don't think they are disruptors anymore. I think they're just areas where we have got to be strategically making the most of our competitive advantage.' (Functional manager)

The insights shared by our focus group participants demonstrate the true value of real partnership with other business functions and the people profession, with mutual expertise-sharing and alignment around strategic goals paving the way for positive outcomes.

In our People Profession 2030: A collective view of future trends report, we noted: *'It's up to the [people] profession to champion the voice of their people, so that people outcomes are beneficial rather than detrimental to people, as well as the organisation.'* With shifting internal and external factors, this has never been more important.

The cross-functional discussions that form the basis of this research also highlight that people managers and functional leaders also have people issues very much at the front of mind; after all, businesses would not work without people:

'It's all about the fact that [all organisations] are dealing with people. Ultimately it doesn't matter if you're producing plastic or producing food. Your customers are people, your leaders are people, your end users are people. How we can enable the business to connect more with humanity is going to make a difference.' (People professional)

People professionals, and their peers in other functions, will need to work as closely as ever in the coming years – albeit with lessons learned about frequency and pressure brought about by remote and crisis working. Knowledge-sharing, increased communication and alignment around a core purpose have been vital to manage the change of the past 18 months and will continue to be in the future. Keeping people at the heart of organisations should be one of those core purposes.

People Profession: Now and for the future

Our People Profession: Now and for the future work is set up to support the profession to drive change and thrive in the present and future, no matter what it brings.

Along with insights and guidance, identifying future workplace trends and what this means for our profession is a key part of this work. Keep up to date with our latest research on our latest insights page.

6 Endnotes

- ¹ The five trends identified that will shape the future of work are: internal change; technological and digital transformation; changing demographics, and inclusion and diversity strategies; diversity of employment relationships; and sustainability, purpose and responsible business. CHARTERED INSTITUTE OF PERSONNEL AND DEVELOPMENT. (2020) *People Profession 2030: a collective view of future trends* [online]. Report. London: CIPD. Available at: https://www.cipd.co.uk/knowledge/strategy/hr/people-profession-2030-future-trends#_ga=2.85926681.1268387770.1640195374-243412346.1623762165

- ² 73% of UK respondents, 64% of Ireland respondents, 68% of Asia-Pacific country respondents and 67% of Middle East respondents agreed they work collaboratively across business functions to meet business needs. CHARTERED INSTITUTE OF PERSONNEL AND DEVELOPMENT. (2021) *People Profession 2021: UK and Ireland survey report* [online]. Report. London: CIPD. Available at: https://www.cipd.co.uk/knowledge/strategy/hr/people-profession-survey#_ga=2.187108392.1268387770.1640195374-243412346.1623762165
- ³ Kane, G.C., Phillips, A.N., Copulsky, J.R. and Andrus, G.R. (2019) *The technology fallacy: how people are the real key to digital transformation*. Boston: MIT Press.
- ⁴ Office for National Statistics. *Business and individual attitudes towards the future of homeworking, UK: April to May 2021*. Available at: <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/articles/businessandindividualattitudestowardsthefutureofhomeworkinguk/apriltomay2021>. Accessed 7 December 2021.
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- ⁶ IBM [webpage]. *Supply chains are changing. Here are 5 things we know now*. Available at: <https://www.ibm.com/watson/supply-chain/resources/five-things-we-know-about-supply-chains/#section-4%C2%A3>). Accessed 7 December 2021.
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- ⁸ International Labour Organization. (2019) *Working on a warmer planet: the impact of heat stress on labour productivity and decent work*. Available at: https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms_711919.pdf. Accessed 7 December 2021.
- ⁹ KPMG. (2021) *Ten key regulatory challenges of 2021*. Available at: <https://advisory.kpmg.us/articles/2020/ten-key-challenges-2021.html>. Accessed 7 December 2021.
- ¹⁰ KPMG. (2018) *Regulation 2030: what lies ahead?* Available at: <https://assets.kpmg/content/dam/kpmg/gh/pdf/regulation-2030.pdf>. Accessed 7 December 2021.
- ¹¹ International Monetary Fund. (2021) *Fault lines widen in the global recovery*. Available at: <https://www.imf.org/en/Publications/WEO/Issues/2021/07/27/world-economic-outlook-update-july-2021>. Accessed 7 December 2021.



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