

International survey report

The CIPD has been championing better work and working lives for over 100 years. It helps organisations thrive by focusing on their people, supporting our economies and societies. It's the professional body for HR, L&D, OD and all people professionals – experts in people, work and change. With over 160,000 members globally – and a growing community using its research, insights and learning – it gives trusted advice and offers independent thought leadership. It's a leading voice in the call for good work that creates value for everyone.

Report

People Profession 2023: International survey report

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Author profile

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Foreword

Since our last report in 2022, the landscape of work has undergone significant change. Hybrid working is now much more entrenched and the emergence of technology like generative AI is expected to have a profound and continuing impact on jobs and industries globally. While the events of the world more broadly seem tumultuous, it has never been as important as it is now to ensure good and fair work, and to keep people at the forefront of business innovation and change.

This year, our research provides an in-depth international view of the people profession, gathering valuable insights from practitioners in Asia-Pacific, the Middle East and North Africa, the UK and Ireland. We've also included a separate comparative perspective from Canada, based on research from CPHR Canada. It's clear that there are shared challenges, but equally, the profession is united by its role in supporting employee wellbeing, managing workplace culture in a hybrid world and developing skills and talent across businesses. There are so many opportunities for the profession to be innovative, and to take the lead on transforming business and adopting new and beneficial ways of working.

However, the role of the people professional is changing. With the rapidly evolving world of work, practitioners will need to prioritise their own learning and development to stay ahead of the curve. There is no doubt that the strategic importance of people teams is growing, and practitioners must ensure they are developing the capabilities and skills needed to be future-fit. Being a resilient business partner with a solid understanding of your business is critical to add real value, enabling change and good work, while also increasing the visibility of the people function.

This report represents the CIPD's commitment to give a voice to the people profession at an international level. While we see significant differences in cultural context, economic climate and political backdrop, we are also unified by the opportunities before us. Given that people teams are increasingly operating across regions, understanding the commonalities and contrasts of our colleagues is essential to navigating the ever-changing landscape of work.



Peter Cheese **CEO**, **CIPD**

3 Foreword



2 Introduction

As we settle into the post-pandemic 'new normal', we see significant shifts in the behaviours of workers and workplaces, which have brought new challenges and opportunities for the people profession across the world.

Macro trends, including advancing technology and digital transformation, economic instability, the transition to net zero and new models of working, are driving constant change. It is under these conditions that businesses need to adapt or risk being left behind. It's up to senior leaders and people teams to influence and shape current strategy and people practice to navigate this ever-changing landscape.

Aims of this report

This report gives a snapshot of the current HR landscape across different regions of the world: Asia-Pacific, the Middle East and North Africa, the UK and Ireland. It provides insights into how external factors are impacting current HR practices, and the challenges and opportunities these bring. It also explores how people professionals perceive their careers and working lives amidst these changes.

This report explores how global issues are affecting regions differently. We investigate the following questions:

- What are the key drivers of change for organisations?
- What are the top workforce priorities for organisations?
- What is the impact and value of people teams?
- How is the role of the people professional changing?
- What are essential skills for today's people professionals?
- How are people teams developing their capability and skills?
- How are people management tasks being delegated?
- · What is the impact of hybrid working on people practice?
- How are people professionals using evidence in practice?
- What is HR's role in the sustainability agenda?

Our accompanying Asia-Pacific, Middle East and North Africa, UK and <u>Ireland</u>, and <u>Canada</u> reports give regional perspectives on the key trends influencing the world of work and offer recommendations on how people professionals can navigate the challenges they are facing.

Introduction 4

Survey participants



Full details of the research methodology are included in the $\underline{\text{Methodology}}$ section.

Sample demographics are included at the end of each regional report.

A note on the survey findings

- The findings are based on the perspectives of those who took part in the *People Profession survey* in April and May 2023.
- We refer to the 'people profession' throughout this report, which includes a range of people-related roles, such as human resources (HR), learning and development (L&D), organisational development (OD), employee relations and other HR specialisms. It does not include people managers.
- Our sample included those responsible for HR, both in-house and as independent consultants.
- The data collection, carried out by the CIPD and YouGov, was conducted across nine countries: Australia, Egypt, Hong Kong, Ireland, the Kingdom of Saudi Arabia (KSA), Malaysia, Singapore, the United Arab Emirates (UAE) and the United Kingdom (UK). The sample is diverse, and each country will have different contextual factors influencing the findings. We make some international comparisons for interest and explore the data from each country in more detail within the accompanying regional reports.
- The data collection for Canada was conducted and analysed by the Chartered Professionals in Human Resources Canada (<u>CPHR Canada</u>).
 Separate sample details are included within the accompanying <u>Canada</u> report.
- Reported percentage figures are rounded up and therefore the total may be above 100%.

5 Introduction

- When we refer to the 'global average', we refer to the average percentage figure across all regions – that is, the entire sample of 2,957 participants in most cases. We refer to this figure as 'global', in the sense of including all participant responses.
- Further information on our sample can be found at the end of each regional report and in the Methodology section.
- The previous international survey report was the <u>People Profession</u> 2022: International survey report.

5 External factors influencing the current world of work

Technology and digital transformation

Managing digital transformation and advancing technology is an ongoing trend influencing people's working lives. Artificial intelligence (AI) has developed in leaps and bounds since the start of 2023, with generative AI able to create new content for mainstream users, given its user-friendly nature and accessibility. However, AI comes with many considerations, for example around workplace monitoring, workers' autonomy and the call for more governance on its use. There's also the question around equality and fairness. Data on ChatGPT search trends highlights that users tend to be based in countries with a more skilled population, suggesting a widening digital divide.

AI will have a profound impact on people and people teams. Using AI will transform how HR is carried out, making policy development, recruitment and selection, and people data and analytics leaner and more efficient, which leaves people professionals to focus on other areas of value. However, CIPD research in the UK has found that HR is one of the least involved when it comes to implementing AI. As the people experts within business, this is an opportunity for HR to get involved, particularly where intelligent automation (or other technology) is expected to significantly impact people.

We explore how digital transformation is changing the way people teams operate on page 8, and in more detail in our accompanying regional reports.

Economic instability and the cost-of-living crisis

Businesses continue to operate under a backdrop of economic instability, and many regions are experiencing a cost-of-living crisis.² Typically, average global inflation sits between 3% and 5%, but the current average inflation sits at 9% worldwide, with economic pressures continuing to drive cost savings and restrain business spending. Businesses have a keen eye on measuring productivity and financial performance, and a key challenge in many markets is recruitment and upskilling the existing workforce to manage skills gaps. The countries included in this international report will be impacted differently by the economic crisis, with some affected disproportionately more than others.

Sustainability strategy and reaching net zero

With over 70 countries committed to achieving net zero emissions by 2050,4 the transition will be a defining trend that will impact the future workforce. It's also an agenda that people professionals - who are values-led and people-centric – are well placed to lead on. Transition to a net zero economy will require large-scale changes, from global policy all the way through to individual responsibility. The CIPD UK report <u>Putting people professionals on</u> the road to net zero suggests that organisational change, workforce planning and skills development are key to this transition, all of which are highly dependent on people professionals.

We explore HR's involvement in the sustainability agenda on page 23.

New models of working

A global study in 2021 found that the vast majority of workers had a preference for hybrid working, but a year on, only 26% of CEOs said they have a strategy on future ways of working.⁵ In 2023, homeworking levels have somewhat stabilised, but remain higher than pre-pandemic levels. For example, recent data found that 40% of the UK working population had worked from home in 2023, compared with only 12% at the same time point in 2019.6 Flexible working models have introduced new opportunities and challenges for businesses and will require investment and insight to inform future hybrid solutions. People professionals will be at the very heart of this agenda and are expected to have their finger on the pulse in terms of understanding employee expectations and prioritising employee experience without compromising business operations and stakeholder demands – a tricky juggling act.

We explore how hybrid working has impacted people management in different countries on page 18, and in more detail in our accompanying regional reports.

The remainder of this report compares and contrasts findings across the nine countries included in this sample.



The people profession 2023: An international comparison

What are the key drivers of change for organisations?

Looking across our international sample, including respondents from Asia-Pacific (APAC), the Middle East and North Africa (MENA), and the UK and Ireland, we can identify prominent trends that are impacting businesses across all regions. These include the following:

- **Digital transformation and advancing technology**: Regardless of region, business size, sector, strategic level or years of experience within the profession, for all people practitioners, the impact of digital change and advancing technology is perceived as a prevalent driver of change. While we found that respondents from the Kingdom of Saudi Arabia (KSA), Singapore and Australia were more likely to cite this trend, at least a fifth of respondents from each country highlighted this in their top three drivers of change.
- **Economic change**: The impact of the changing economy on businesses is hitting regions differently. Our findings show that economic change and rising costs were particularly prominent in the UK, Ireland and Australia, whereas MENA and wider APAC countries were significantly less likely to cite this as a key disruptor.
- Flexible, hybrid and new ways of working: This is here to stay and the old ways of working simply aren't an option for businesses to thrive in the future. While respondents from Hong Kong and Singapore were most likely to cite this trend, it was ranked in the top five by most regions.

Table 1: All regions perceive digital transformation and advancing technology as a key driver of business change

The top three drivers of change for businesses per region (ranked by number of cases)

Rank	APAC	MENA	UK and Ireland
1	Digital transformation and advancing technology	Digital transformation and advancing technology	Economic change and rising costs
2	Digital technology to enable remote working	Demands for flexible, hybrid and new ways of working	Demands for flexible, hybrid and new ways of working
3	Economic change and rising costs	Social media and content consumption	Digital transformation and advancing technology

Base: APAC (n=812); MENA (n=525); UK and Ireland (n=1,620).

Question: Which of the following, if any, are drivers of change in your [client] organisation? Please tick up to three responses.

Other prominent trends driving change in APAC and MENA countries include the following:

- Social media and content consumption: We found proportionately more respondents in MENA countries (25%) and APAC countries (19%) cite social media as an important lever of change compared with the UK and Ireland (11%).
- Changing employment relationships: This trend is more influential in MENA countries (23%) and APAC countries (18%) compared with the UK and Ireland (9%).
- Globalisation and integrating international talent: This is driving change more in MENA and APAC countries. According to other research, global hiring has grown significantly in the APAC region, with Australia and Singapore ranked as two of the top three countries hiring remotely in 2022.⁷

While these trends act as disruptors to businesses and the world of work, it's critical for people professionals to understand the impact they will have for people practices in different regions.

What are the top workforce priorities for organisations?

Perhaps in response to the increasing competition for talent, our findings show that the majority of countries are developing their existing talent and planning for their future workforce. Although recruitment and turnover remain a priority, we're seeing less focus on recruitment and competing for talent, compared with the increased focus of developing talent internally and workforce planning solutions. Malaysia, Singapore, Australia and the United Arab Emirates (UAE) noted upskilling as their top workforce priority. Other CIPD research based on UK data found that upskilling existing employees was the most common response to recruitment difficulties for 60% of the sample.

Separate <u>research</u> by CPHR Canada also found that Canadian organisations are experiencing recruitment challenges, with six in 10 of their survey respondents citing it as very or extremely difficult, so retention strategies are key in this region too.

Table 2: Developing in-house talent, workforce planning and maximising performance are key people priorities for the majority

The top three workforce priorities by country (ranked by number of cases)

	APAC				
Rank Australia		Hong Kong	Malaysia	Singapore	
1	Upskilling, reskilling and building capability	Workforce planning and management	Upskilling, reskilling and building capability	Upskilling, reskilling and building capability	
2	Engaging with the workforce	Developing leadership behaviours	Measuring productivity and financial performance	Measuring productivity and financial performance	
3	Workforce planning and management	Engaging with the workforce	Workforce planning and management	Fostering innovation and adaptive ways of working	

	MENA		UK and Ireland		
Rank	Egypt	KSA	UAE	Ireland	UK
1	Measuring productivity and financial performance	Measuring productivity and financial performance	Upskilling, reskilling and building capability	Measuring productivity and financial performance	Engaging with the workforce
2	Workforce planning and management	Focusing on recruitment, mobility and turnover	Engaging with the workforce	Upskilling, reskilling and building capability	Focusing on recruitment, mobility and turnover
3	Managing industrial and employment relations	Upskilling, reskilling and building capability	Workforce planning and management	Focusing on recruitment, mobility and turnover	Workforce planning and management

Base: Australia (n=202); Hong Kong (n=155); Malaysia (n=251); Singapore (n=204); Egypt (n=154); KSA (n=158); UAE (n=213); Ireland (n=164); UK (n=1,456).

Question: Which, if any, of the following are your [client] organisation's workforce priorities? Please tick up to three responses.

Productivity and <u>performance</u> measures are also important for businesses, with Ireland, KSA and Egypt noting this as their top priority area. Interestingly, despite citing economic change as a key disruptor, measuring productivity and performance is less of a priority for the UK and Australia, compared with the majority of the sample.

CIPD evidence reviews on <u>people performance</u>, <u>high-performing teams</u> and <u>productive meetings</u> provide the latest recommendations on productivity and performance to support practice.

We consider people priorities in more depth in our accompanying regional reports.

What is the impact and value of people teams?

Global research on senior leaders in the profession found that people teams are growing in terms of headcount and strategic importance, with 74% saying HR is more involved in their organisation's strategic initiatives compared with before the COVID-19 pandemic.⁸ However, there is often an underlying tension between people teams' strategic versus operational/transactional remit, the value that both aspects bring to the business, and where practitioners should prioritise their valuable time to best support business functions. People professionals' perceptions on contribution and recognition of impact are shown in Figure 1.

Figure 1: Respondents from APAC countries are the most positive about their team's strategic impact and recognition by the business

International views on strategic impact and recognition



While similar proportions of APAC and MENA respondents felt their people teams make a strategic contribution and are acknowledged for it, in the UK and Ireland, we see a sizeable disparity between the perceived strategic value that HR brings to the business and the recognition of HR's impact

(from both senior leaders and the wider business). Specifically, despite 64% of respondents from the UK and Ireland agreeing that their people teams bring strategic value to the table, less than half believed they are recognised for their impact by the business (47%). This very much echoes the anecdotal tensions that are felt within the profession by UK practitioners:

"Within the public sector, HR is seen as the personnel department of days gone by. Despite many senior HR colleagues and those entering the profession bringing innovative and creative change to modern people practice and strategy, organisations still aren't getting the value we add to the bottom line through positive stakeholder relations, and commercial and business acumen." (Survey respondent)

"My role is increasingly taking on a strategic leadership role within the organisation. [HR is] no longer seen merely as an administrative function but as a critical partner in shaping the overall business strategy. I contribute to the development of long-term plans, aligning the people plan with the organisational goals, and driving initiatives that enhance employee engagement, diversity and inclusion, talent development and organisational culture." (Survey respondent: Head of people and culture)

"HR has been rebranded to 'People and Culture' to denote the change in focus from transactional HR to people strategy." (Survey respondent)

The CIPD UK-based report <u>The value of people expertise on corporate boards</u> found that only a quarter of UK FTSE 350 boards have a member with HR experience, suggesting that many organisations fail to recognise people-related risks at board level. This could lead to a lack of understanding on people issues and the value potential of the workforce. Just as financial risk is prioritised and discussed, boards require knowledge of people practices, policies and data to comprehensively inform their understanding of potential workforce risks.

Professional credibility and accreditation can also influence strategic perceptions. Our data suggests that perceptions around strategic value differed significantly between CIPD members and non-members. Across the global sample, on average, 70% of CIPD members agreed that their people team contributes strategic value to the business, compared with 60% of non-members. For the UK sample, this difference was even more prominent, with 73% of CIPD members agreeing, versus just 59% of non-members.

The CIPD <u>Profession Map</u> sets the international standards of the profession and the principles that govern how people professionals deliver value through their work. Our resources support people, teams and organisations to use the Profession Map to develop professional expertise and make an impact at work. More details on strategic human resource management can be found in the CIPD factsheet.

How is the role of the people professional changing?

People professionals' opinions on how their roles are changing fell under several common themes.

Using technology and digital solutions to improve HR processes, communication and efficiency

"Digital platforms and analytics mean that change is demanded quicker; as learning specialists, we are required to adapt quickly to employee needs."

"Digital transformation is changing the service we offer."

"Access to
digital solutions
has eliminated
unnecessary
paperwork and freed
up my time."

Using data analytics to inform practice and decision-making

"Data is driving business, but people metrics are not often black and white and can be grey. I am spending a lot of time coaching leaders to interpret the data." "My role is becoming more data-driven. I leverage people analytics to gain insights into various HR metrics, such as employee performance, turnover rates and workforce demographics."

Changing talent strategies

"Employment is much more fluid now, so a different approach to staff retention and hiring is required."

Integrating wellbeing and equality, diversity and inclusion (EDI) across the employee lifecycle

"EDI is coming to the forefront of the profession – we're being asked to embed it into all areas of HR." "We are focusing more on people wellbeing, but are mindful of costs. Mental health has become a much bigger topic and HR is leading on how to manage this."

"CSR and EDI are taking prominence over traditional HR functions." "HR has become more socially aware than ever to include diversity conditions."

Managing employee expectations across a diverse workforce

"Engagement is paramount, and L&D is a huge area of focus, especially as the younger workforce demands more from roles."

"Employees will demand more visibility on things like corporate responsibility and expect to have a greater hand in shaping their workplace and how it operates."

Managing the impact of external disruptors

"People management used to be more conflict, more personal issues but, after COVID, there are significantly more wellbeing expectations – physical and mental – along with a number of different EDI topics."

"The COVID crisis changed the job landscape for many businesses around the world.

Mass layoffs, the rise in popularity of remote work and other factors have transformed the expectations that employers and their employees have for each other."

The impact of organisational changes on HR roles and responsibilities

"Change at strategic levels has an impact on the direction and focus of OD and L&D work."

Cost-cutting and economic pressures

"Managing challenges around public sector budgeting and service demand, pay and conditions for staff due to the cost of living, and ensuring good trade union relationships [are key]."

Creating new policies and procedures in line with changing employment law and legislation

"We've needed to develop new strategies and policies at pace to respond to post-COVID working environments."

What are essential skills for today's people professionals?

With the role of people professionals changing, new skills are needed.

Business acumen

"People professionals need to be resilient business partners who are responsive to the needs of the business."

Critical skills include:

- a good understanding of business finances, risk management and a solid understanding of the operational context
- strategic thinking
- · problem-solving.

Specialist skills

People professionals should build capability in:

- talent management
- business transformation
- data analytics
- organisational design tools and techniques
- employment law.

Interpersonal skills

"Understand your people and what motivates and engages them."

People professionals need:

- influencing and negotiating skills
- · emotional intelligence
- communication and active listening skills
- · curiosity
- empathy
- patience
- respect.

People manager support

"Understand the role of the line manager and the role of HR – and keep the distinction clear."

Critical skills to support line managers with people management include:

- conflict-resolution skills and the ability to have difficult conversations
- coaching, team facilitation and leadership development skills
- an understanding of what motivates and engages people
- an ability to develop and deliver management training that is bespoke to the unique challenges and culture of the organisation
- provision of advice, support and coaching to line managers when needed.

How are people teams developing their capability and skills? Capabilities

A consistent area of focus across all regions is working more collaboratively with colleagues across different functions. An integral part of people professionals' roles is partnering across business functions and ensuring that the people strategy is closely aligned with the wider business goals. Working with peers in areas such as finance, marketing and data enables wider organisational change and ensures people management practices are embedded across departments. It also supports co-dependencies and knowledge-sharing. The CIPD's effective cross-functional collaboration report gives examples of how people professionals and their peers across Europe and Asia-Pacific have worked closely together through crisis, including the key learnings from their experiences.

As with previous years, we found that organisational development and change management skills are a key improvement area for people professionals across all regions. Given the turbulence people teams have been grappling with over the last few years, this is unsurprising. Looking across the entire sample, we note that only 15% of respondents identified organisational development, design or change management as their specialist area. However, 67% said they have some level of responsibility or decision-making within organisational development and 56% in organisational design. This suggests that the majority require some level of organisational development skills within their job role, and this is creeping into the skillset required by HR generalists.

Interestingly, for the APAC and MENA regions, building more specialist expertise was a key improvement area, with respondents from Hong Kong, Malaysia and Australia more likely to cite this. At a global level, we found that a significant proportion of the sample have responsibilities and influence in specialist areas, for example workforce planning (68%), HR information systems/people analytics (63%), equality, diversity and inclusion (71%), reward, compensation and benefits (56%), organisational development (67%) and organisational design (56%). However, when asked about their main HR specialism, figures are much lower for the above people areas, suggesting that many people professionals have influence and decision-making responsibility for more than one specialist area, which may not be their main area of expertise or where their professional qualifications lie.

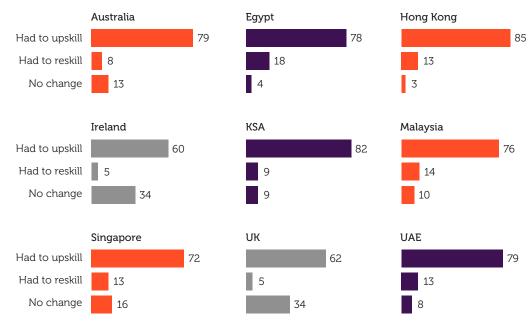
Skills

Although building skills and capability across the workforce was found to be a top priority for organisations, skills development within the people profession itself is somewhat varied across the global sample. For example, although the level of upskilling has remained consistent in the UK since 2022, we see much lower levels of UK people professionals' upskilling, compared with other regions (see Figure 2).

Hong Kong and the MENA countries were proportionately more likely to upskill, with the vast majority actively developing their HR skillset.

HR capability and upskilling is covered in more depth in our accompanying regional reports.

Figure 2: Respondents from Hong Kong were most likely to say they have upskilled in the last year Changes to HR skills in the last 12 months (% of respondents)



Base: Australia (n=202); Egypt (n=154); Hong Kong (n=155); Ireland (n=164); KSA (n=158); Malaysia (n=251); Singapore (n=204); UK (n=1,456); UAE (n=213).

Question: Which of the following statements best describes how your HR skills have changed, if at all, in the last 12 months?

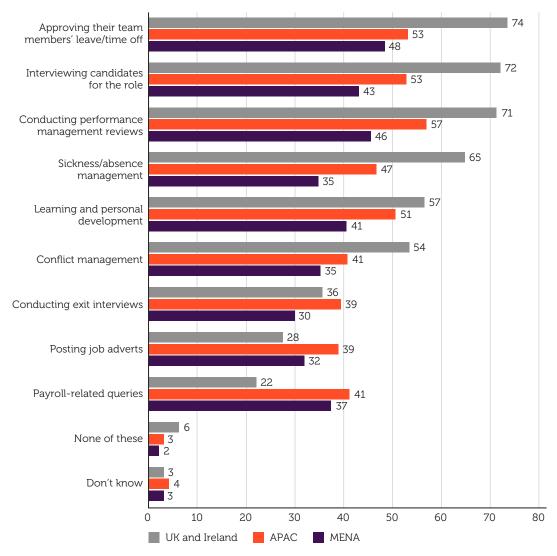
How are people management tasks being delegated?

For Australia, Ireland and the UK, supporting people managers is a key capability area for people professionals, with respondents in the UK most likely to cite this compared with the other regions. This has been a consistent priority since 2021. The CIPD's *Effective people managers* evidence review draws on the best available evidence on why people managers are important for organisational success and how to develop them.

Related to this, proportionately more UK and Ireland respondents said that their most basic recruitment and people management tasks are delegated to line managers (in comparison with APAC and MENA respondents) (see Figure 3). Given the higher proportions of line manager responsibility for people management tasks, this may explain why supporting line managers is higher on the agenda for UK and Ireland people teams, to ensure people management tasks are effectively carried out.

Figure 3: Approving leave requests and interviewing candidates for roles were the most common people tasks delegated to line managers

Delegation of HR to the line, by region (% of respondents)



Base: UK and Ireland (n=1,620); APAC (n=812); MENA (n=525).

 $Question: Are line \ managers \ in \ your \ [client] \ organisation \ responsible \ for \ any \ of \ the \ following? \ (Please \ select \ all \ that \ apply.)$

What is the impact of hybrid working on people practice?

When asked whether hybrid working has made people management easier or more challenging, we found a contrasting picture across the regions.

APAC and MENA respondents (with the exception of Singapore) were significantly more likely to say people practice has become easier due to hybrid working, compared with those in the UK and Ireland (see Figure 4 on page 20).

MENA respondents were most likely to report that managing performance, ensuring good job quality and attracting and recruiting talent is easier to manage in a hybrid setting. There were also positive perceptions on communication and cutting costs:

"[Hybrid working makes it] easier to communicate crossborder, easier to motivate people and easier to manage rental costs." (KSA survey respondent)

APAC country respondents (with the exception of Singapore) felt that supporting employee health and wellbeing and attracting and recruiting talent are easier through hybrid working:

"Hybrid and remote working has made people management within the organisation easier because this style of working helps increase productivity, creates a sense of trust, improves work—life balance and promotes a more efficient use of time." (Malaysian survey respondent)

"Increased flexibility in scheduling and working arrangements can help accommodate employees' needs and preferences." (Malaysian survey respondent)

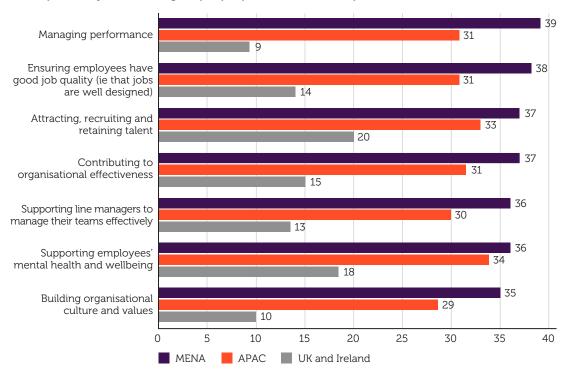
However, some comments from APAC respondents highlighted the difficulties around building culture across a dispersed and remote workforce:

"Driving culture when employees are remote is harder; building a sense of belonging when employees are remote is harder." (Hong Kong survey respondent)

"Building culture in the organisation is harder when there's rarely more than a third of the workforce in the office on any given day." (Australian survey respondent)

Figure 4: Respondents from MENA countries were the most positive about the impact of hybrid working on people practice

The impact of hybrid working on people practice (% who responded "has become easier")



Base: MENA (n=525); APAC (n=812); UK and Ireland (n=1,620).

Question: We are now going to ask you about some aspects of working as an HR/people professional. Please indicate how, if at all, these have changed due to the shift towards, 'working from anywhere', and hybrid working.

In contrast, UK and Ireland respondents – and also those in Singapore – were significantly more likely to say that all areas of people management are more challenging within a hybrid context. The most difficult areas included supporting employee health and wellbeing, building organisational culture, attracting, recruiting and retaining talent, and managing performance. An HR practitioner in the UK noted:

"The shift to hybrid work has impacted our organisational culture in unforeseen ways. The challenge lies in nurturing a cohesive culture that transcends physical boundaries. Efforts to foster a shared sense of purpose and identity among remote and onsite employees require creative approaches and proactive communication." (UK survey respondent)

Given that measuring performance is a key workforce priority area identified earlier in this report, it's interesting to consider the perceived impact of hybrid working on performance:

"The hybrid work setup has necessitated a shift in our performance management strategies. We're collaborating closely with managers to establish clear goals and expectations for employees working in diverse environments. Regular check-ins, transparent feedback mechanisms, and data-driven evaluations are pivotal in ensuring consistent performance across the hybrid model." (UK HR practitioner)

Differences within each region are explored in more detail within the respective accompanying reports.



Spotlight focus: How are people professionals using evidence in practice?

When making decisions, it is important to use as many sources of evidence as possible to inform your thinking. Our article *Building an evidence-based people profession* explores the

importance of evidence-based practice and why practitioners should use the best available evidence in the chosen area, rather than relying on fads, outdated insights or so-called 'best practice'. Taking an evidence-based approach to decision-making not only helps people professionals increase their influence with other business leaders, but also leads to a profession that is more respected and trusted, thanks to its strong body of knowledge.

Unfortunately, evidence-based practice is in its relative infancy in HR and management, especially compared with professions like medicine and education, where it is more established.

Attitudes towards using research to inform practice

Well over half of our survey respondents believe that scientific research is an important way to improve practice across the profession, with proportionately higher agreement in APAC countries (62%). Respondents who agreed that research is important to improve practice are also more likely to actively engage with research summaries (68%) and published research (69%) on a frequent basis (once a week or more) than those who disagreed (9% and 10% respectively). One of the core values in the CIPD <u>Profession Map</u> is to be <u>evidence-based</u>, and we found that CIPD members were more likely to agree that research is an important way to improve practice within the profession than non-members (64%, versus 53%).

Of those who disagreed that research improves practice, 28% engage with research summaries and 30% engage with published research regularly, showing that a sizeable proportion of these still actively use research to support their decision-making. On the whole, this suggests that people professionals recognise the importance of being evidence-based, and of drawing on research to support and improve HR practice.

Barriers to engaging with research

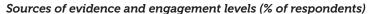
Despite recognising the importance of research to inform practice, on average 40% of respondents felt they are too time-poor to keep abreast of the latest research. This was somewhat less for MENA respondents (31%).

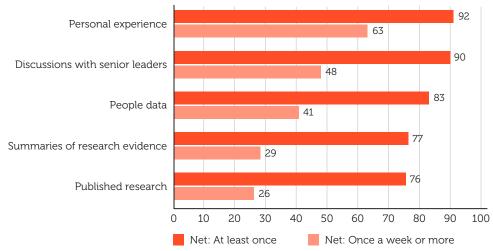
In terms of accessibility, 42% of the global sample believe that published research is too complex and technical, and this is higher for regions where English is not necessarily the respondent's first language (45% in MENA countries and 52% in APAC countries). This has led the CIPD to produce accessible evidence reviews and bitesize research summaries.

Types of evidence used to inform decision-making

There are several types of evidence that can be used to inform decision-making, with some used more frequently than others. Figure 5 shows several evidence sources and how often our respondents use them in practice.

Figure 5: Respondents are far more likely to engage with personal experience as an evidence source than published research





Base: global (n=2,957).

Question: How often do you actively use the following to inform your decisions as an HR/people professional? (Please select one on each row.)

Globally, we find that practitioners are far more likely to rely on personal experience than on published or summarised research. For example, only a quarter of our global sample said they actively engage with published research on a weekly basis, compared with 63% who use personal experience. However, looking beyond the active users, more than three-quarters of respondents said they engage with published research at some point over the year.

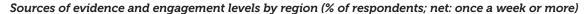
A minority said they have never engaged with published research (16%) and people data (9%) to inform their professional decision-making. Generalist HR professionals were more likely to say they have never engaged with research summaries (17%) or published research (18%) than the majority of the sample.

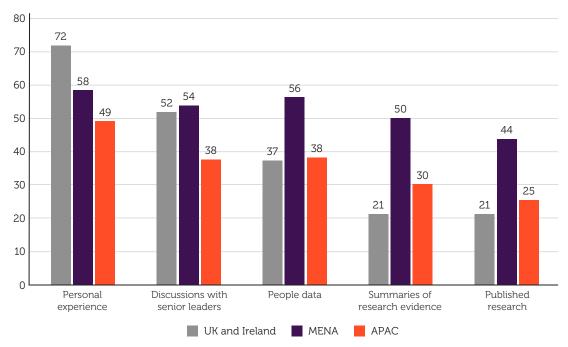
When we consider HR specialisms, recruitment and resourcing professionals and reward and benefit specialists had engaged with research the least, compared with the other specialist roles.

At a regional level, we find that active engagement levels (ie engaging once a week or more frequently) vary significantly across regions. MENA respondents were considerably more consistent with how they engage with the various sources, although they were still least likely to engage with published research (out of the five sources).

Usage among UK and Ireland respondents varied considerably. While 72% said they regularly use personal experience to inform their decision-making, only a fifth said they regularly engage with research summaries and published research on a weekly basis (see Figure 6).

Figure 6: MENA respondents are fairly consistent with their engagement across the five sources of evidence, compared with UK and Ireland respondents





Base: UK and Ireland (n=1,620); MENA (n=525); APAC (n=812).

Question: How often do you actively use the following to inform your decisions as an HR/people professional? (Please select one on each row.)

To start your journey towards making better decisions using evidence-based HR practice, see the CIPD's practical <u>guide</u>. CIPD members also have access to over 200 HR, L&D, business and management journals through <u>EBSCO</u>, and CIPD <u>evidence reviews</u> are freely available.



Spotlight focus: What is HR's role in the sustainability agenda?

According to a United Nations report, humans have been the main driver of climate change since 1800,9 which has resulted in serious calls to action for all countries to help combat climate

change and slow its negative impact on our planet. The shared responsibility of taking action to reduce greenhouse gas emissions has led to 130 countries committing to net zero. As well as this intergovernmental and legally binding pledge, there is growing momentum for organisations to tackle climate action,

reflected in the increasing number of environmental, social and governance (ESG) committees in large UK organisations (<u>CIPD</u>, <u>2023</u>) and the rise in <u>chief</u> sustainability officer roles.

The transition to net zero is a defining trend that people professionals need to influence and lead on, especially given the importance of educating and upskilling the labour market. The CIPD report <u>Putting people professionals on the road to net zero</u> gives recommendations to policy-makers in the UK and people professionals everywhere on how to start their environmental sustainability journey.

The prevalence of environmental sustainability strategies

Across the global sample, an average of 59% said their organisation has a strategy for sustainability and environmental issues, with Australia (71%), Hong Kong (65%) and UAE (64%) most likely to say this. Singapore and Ireland respondents were least likely to have a sustainability strategy in place (see Figure 7).

Across the global sample, we found that large businesses (with 250+ employees) were more likely to have a strategy for sustainability and environmental issues (69%, compared with 52% of SMEs). We also found that public sector organisations were slightly more likely to have a strategy in place (63%), compared with private (58%) and voluntary (60%) sector businesses.

Figure 7: Australian respondents are most likely to say their business has a sustainability strategy to tackle environmental issues

100 12 13 15 13 15 16 17 20 90 33 80 19 24 22 28 29 23 30 70 35 37 60 50 40 65 64 61 30 56 48 44 20 10 Ω UAE Global Australia Hong Malaysia Egypt KSA Singapore Ireland Kong Don't know Yes No

Sustainability strategy responses across the sample (% of respondents)

Base: global (n=2,957); Australia (n=202); Hong Kong (n=155); UAE (n=213); Malaysia (n=251); Egypt (n=154); UK (n=1,456); KSA (n=158); Singapore (n=204); Ireland (n=164).

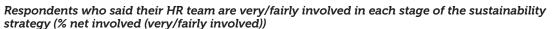
Question: As far as you are aware, does your [client] organisation have a strategy to tackle sustainability and environmental issues (eg adapting to net zero or focusing on green jobs/skills)?

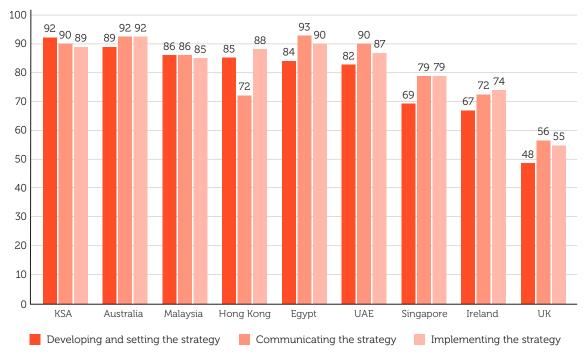
The role of people professionals in sustainability strategies

We found that in KSA, Australia and Malaysia, the HR function is consistently involved in the sustainability agenda, from developing the sustainability strategy to communicating and implementing it (see Figure 8). In Egypt, UAE, Singapore, Ireland and the UK, HR is less likely to be involved in developing the strategy compared with their involvement in communicating and implementing the strategy in practice. Overall, the UK was significantly less likely to have HR teams involved at all stages of sustainability strategy planning compared with the wider sample, despite more than a third of UK businesses having a chief sustainability officer in post. Comparatively, the UK and Ireland appear to be lagging behind when it comes to HR representation in the sustainability agenda.

Across the global sample, we found that people teams from SMEs are significantly more likely to be very/fairly involved in the development (76%), communication (80%) and implementation (77%) of strategies compared with larger organisations (57%, 65% and 65% respectively). Looking across sectors, people professionals from public sector organisations were significantly less likely to be involved in this strategic agenda.

Figure 8: Respondents from the UK are consistently the least likely to say their people teams are involved in their organisation's sustainability strategy





Base: KSA (n=88); Australia (n=144); Malaysia (n=159); Hong Kong (n=100); Egypt (n=94); UAE (n=137); Singapore (n=98); Ireland (n=72); UK (n=1,456).

Question: How involved, if at all, are HR in each of the following stages of this strategy?

For more detailed regional analysis on these trends and others, plus recommendations on how people professionals can manage the challenges they are facing, see our accompanying <u>Asia-Pacific</u>, <u>Middle East and North Africa</u>, <u>UK and Ireland</u>, and <u>Canada</u> reports.

Conclusion

This international report compares how various regions are being impacted by current workplace trends and how the people profession is responding and adapting people practice in line with local workforce priorities.

Here are some key reflections for people professionals:

1. Practitioners need to prioritise their learning and development to stay ahead of the curve.

The world of work is evolving at a rapid pace and the impact of technology and digital transformation on organisations, people teams and people professionals themselves will require practitioners to commit to continuous learning to build their skills and capabilities effectively. Our data suggests that the role of people professionals is being influenced not only by technology, but also by other external disruptors, diversifying workforce expectations and ongoing internal change. However, efforts to upskill vary considerably across the sample and we can't afford for skills growth to stall. At a team level, it is critical that people professionals build their capability to work cross-functionally and increase their visibility by partnering with other business areas, so that they closely align people strategy with business objectives.

2. Understanding the impact of hybrid working is critical for people management.

Perceptions in some regions are that hybrid working has made people practice easier to deliver, but for others, it has surfaced challenges, particularly around supporting employee wellbeing, building culture, and attracting and retaining talent. Our data suggests that the impact of hybrid working is complex, particularly for organisations who operate across regions. Given that the demand for hybrid working is likely to remain higher than pre-pandemic levels, it's important that we take stock, understand the potential risks by collecting data and consulting with employees, and adapt strategies and practice accordingly to minimise business and people risks.

3. Practitioners should aspire to be more evidence-based in their decision-making.

Our data suggests that many professionals recognise the importance of using research to inform practice. However, there is still some way to go. While many practitioners use professional experience to help inform decision-making, they shouldn't rely on this alone. But our findings suggest

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that there are barriers, such as lack of time and the complexity of using other sources of evidence. Professionals need to hone their critical thinking skills and be more confident when appraising research and data to drive their evidence-based decision-making forward.

4. People teams can play a pivotal role in driving environmental sustainability strategies.

With inter-governmental efforts to reach net zero targets being a defining trend over the next decade, there is an opportunity for practitioners to lead this people-focused agenda, by upskilling, educating and encouraging sustainable behaviours within the workplace. Currently, our research suggests that the involvement of people teams varies across the international sample, but it provides a baseline as we progress towards implementing more sustainable practices within the workplace. People professionals should assess whether they can do more to help their organisations develop, communicate and implement their sustainability strategies.

Our accompanying <u>Asia-Pacific</u>, <u>Middle East and North Africa</u>, <u>UK and Ireland</u>, and <u>Canada</u> reports take a deeper dive into how these trends – and others – are affecting individual regions and provide recommendations on how people professionals can manage the challenges they are facing.

Methodology

The *People Profession survey* is a long-standing research programme that showcases the current views of people professionals' working lives and careers. This survey has developed into an international snapshot of the profession and provides the latest insights on people practices across the globe. Our sample included CIPD members and non-members, and is a mix of in-house and independent professionals from a range of specialisms (including HR, learning and development (L&D), organisational development (OD) and others). Full demographic details of our sample can be found at the end of each of our acccompanying regional reports.

Survey instrument and method

Since 2018, the survey has been tested and refined, and what was originally a UK-based survey has become an international survey instrument that has now been piloted in over 14 countries through CIPD-led research, and in 20 countries alongside our research partners: the <u>WFPMA</u>, <u>SHRM</u> and <u>AHRI</u>.

This year, our data collection spans nine countries: Australia, Egypt, Hong Kong, Ireland, the Kingdom of Saudi Arabia, Malaysia, Singapore, the United Arab Emirates and the United Kingdom, with additional data from Canada, collected by the Chartered Professionals in Human Resources Canada (CPHR Canada). The findings are presented here in an international report that explores the collective sample, making comparisons across regions. This is accompanied by four regional reports (Asia-Pacific (APAC), the Middle East and North Africa (MENA), the UK and Ireland, and Canada), which draw on in-region comparisons.

Commissioned by the CIPD, the data was collected by YouGov between 18 April and 27 May 2023 via an online survey. The survey was translated into the official language of each country to ensure the questions were accessible and correctly interpreted within each region. The data analysis was conducted by the CIPD. We surveyed a total of 2,957 people professionals; the sample sizes for each region are shown in Table 3. The data is unweighted and therefore the sample of respondents is not representative of the total HR population within those regions. However, this data represents the perspectives of the 2,957 people professionals who participated in this survey.

Table 3: Sample sizes of the countries surveyed in this report

Country	Sample size
Australia	202
Egypt	154
Hong Kong	155
Ireland	164
Kingdom of Saudi Arabia	158
Malaysia	251
Singapore	204
United Arab Emirates	213
United Kingdom	1,456

The details of the CPHR Canada survey are included in the <u>Canada</u> report. CPHR Canada analysed this data and wrote the report.

Survey questions

Each year, the survey instrument is reviewed and refined where changes are appropriate, or where there are new research questions to be explored. For the 2023 survey, we added new questions that explore attitudes and behaviours around applying evidence and research in practice and people teams' involvement in their organisation's sustainability agenda.

Where sample sizes are large enough, the data was cross-tabulated by business size and sector. We also explore other demographic variables such as age and experience within the profession throughout the reports, where significant differences are noted. Given the larger UK sample in comparison with other regions, the global average percentages will be skewed towards the UK findings.

Supplementary data

We have included qualitative data collected throughout the survey and through the CIPD's research panel to provide some further context on the quantitative data. We would like to thank those participants who contributed their views and experience in relation to the key findings from the survey.

If you are interested in being part of the CIPD's research panel, please email customerresearch@cipd.co.uk

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- ³ O, Neill, A. (2023) Global inflation rate from 2000 to 2028. Statista. 29 August.
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