Global Human Capital Trends 2014

Key survey findings for GERMANY

Top HR-Trends in the next 12-18 months
Asking for the upcoming HR trends, 71% of the German managers ranked leadership as most prior. With a fairly big gap, the second most challenging topic is global HR and talent management. Talent acquisition is growing a pending trend as well. In comparison to the EMEA and global votes, retention management and engagement is not seen as a prior challenge in Germany.

Urgency & Importance vs. Readiness Gap in Germany

HR Status Report & Investments
How capable are German HR departments to successfully tackle HR challenges?
Almost half of the German managers attest their HR & talent management just an ‘adequate’ capability to face upcoming HR challenges. In comparison, 30% of the managers from the EMEA region attest their departments a ‘good’ capability.

Business Outlook
Business is not growing as fast as it has been over the last couple of years. There is now time to adapt and focus on business continuity since German managers as well as EMEA and global survey participants expect a moderate to similar growth in 2014 in comparison to 2013.

Still, the outlook also visualizes that the German economy is not as volatile as those of our EMEA or global peers. Whereas only 3% of German survey participants expect a slower growth than in 2013, 11% of the EMEA and respective 10% of all global participants do.


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Three key areas of strategic focus: This year’s 12 critical human capital trends are organized into three areas

**Lead and develop**
- Develop leaders at all levels:
  - Leadership remains the top human capital concern—and the largest “readiness gap” in our survey. The need: develop new leaders faster, globalize leadership programs, and build deeper bench strength.

**Attract and engage**
- Talent acquisition revisited:
  - Talent acquisition and recruiting are undergoing rapid disruption, challenging companies to leverage social networks, aggressively market their employment brand, and re-recruit employees every day.

**Transform and reinvent**
- Reskill the HR team:
  - HR pros need an increasingly wide range of skills, not only in talent areas but also in understanding how the business works, makes money, and competes. How are HR teams staying current and viable?

**Corporate learning redefined**
- It’s a new age for Learning & Development. Online content, MOOCs, collaboration tools, and social media now fuel a training model where employees own their skills and experts share knowledge freely.

**Performance management is broken**
- Companies worldwide are questioning their forced ranking, rigid rating systems, and once a year appraisal process. This is the year a new model of performance management will likely sweep through HR.

**The quest for workforce Capability**
- Organizations now compete globally for scarce technical and professional skills. How can you locate and develop this talent when it takes years to develop expertise?

**Move beyond retention**
- Survey respondents say retention and engagement is the second biggest human capital challenge they face (after leadership gap). What’s the secret to becoming a “talent magnet” in the coming years?

**Shift from diversity to inclusion**
- The world has become highly diverse, but many companies have not—especially when it comes to combining diversity with the inclusive culture needed to truly drive value.

**Rescue the overwhelmed employee**
- Technology and too much access have turned us into “overwhelmed” employees. Nearly every company sees this as a challenge to individual productivity and overall performance, but struggles to handle it.

**Implement talent analytics**
- Analytics is an exciting, and fast-growing area of human resources, but many companies are lagging. How can they address this game-changing area of HR to move quickly and methodically into the future?

**Race to the cloud**
- Cloud-based HR technology promises to integrate people systems, enable learning and talent management, and reengineer recruiting. But massive adoption of new software is harder than it seems.

**Globalize and localize the HR function**
- A new model of “high-impact” HR blends globalized talent practices for consistency and mobility with localized flexibility to attract, retain, and manage people appropriately.