Leading the social enterprise: reinvent with a human focus
Irish Insights from the 2019 Global Human Capital Trends Survey
Introduction

What is happening in Ireland?

Amid rapid technological, economic and social change, the most important talent trends facing Irish organisations are learning, leadership and employee experience. This is based on findings from the Deloitte Human Capital Trends 2019 survey.

The survey tracks the top trends shaping the agenda for HR and business leaders globally. Completed by nearly 10,000 respondents in 119 countries, and almost 90 respondents in Ireland, Deloitte’s ninth annual report, Leading the Social Enterprise, is the largest longitudinal survey of its kind.

This document outlines the findings from the survey respondents in Ireland.

In order to be able to create value as a social enterprise in today’s dynamic and demanding environment, organisations must reinvent themselves - with a human focus - on three fronts: the workforce, the organisation, and HR.
The ten trends that emerged from the 2019 Global Human Capital Survey highlight the areas that are of immediate concerns to business and HR executives and are the issues on which leaders are being pushed to act today. The trends are categorised across the three focus areas of workforce, the organisation, and HR and the results shown in this report are from the participants in Ireland.
The Future of the Workforce

This category looks at how organisations should adapt to the forces restructuring job and work design, the open talent economy, and leadership.

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1. The alternative workforce: it’s now mainstream

Managing alternative forms of employment has become critical for organisations that want to grow and access critical skills. However, many organisations are still looking at alternative work arrangements as a transactional solution rather than a strategically important source of talent.

- 50% of respondents felt they are currently not effective in sourcing and managing alternative workforce solutions
- 62% have recruitment strategies with specific plans for addressing talent management of the alternative workforce
- 20% of organisations indicated that they are currently ready to engage the alternative workforce

2. From jobs to superjobs

Through the use of AI, cognitive technologies and robotics, jobs are becoming more machine-powered and data-driven, changing the nature of jobs, the skills required and creating a new style of “superjobs”.

Top 3 areas HR can have the biggest impact on over the next 12-18 months:

1. Developing employee brand/experience
2. Upskilling existing workforce
3. Accessing new capabilities/talent

What are the top 4 issues that will impact HR in the next 3 years?

1. Pace of change
2. Employee experience
3. Employee productivity
4. Digital HR

67% 47% 40% 40%
What can you do?
To start preparing your future workforce, you should consider the following:

- **Reimagine work** in ways that meet the needs of workers in all kinds of jobs - including gig workers as well as those superjobs.
- Use innovative approaches to move beyond “managing” your people to “optimising” and “leveraging” them effectively.
- To create a culture of effective leadership, offer more diverse and developmental assignments; promote people into leadership roles both earlier and later in their careers; empower and support your leaders to rethink, challenge and develop the business they’re in.
- Invest in **strategic workforce planning** to prepare and plan for the capabilities required for the future.
- Build out your **talent strategies** and leadership services to encourage diversity, inclusion and continuous development.

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3. Leadership for 21st century: the intersection of the traditional and the new

The speed of technological, social and economic changes are some of the forces that are driving the shifting expectations of organisations’ leadership teams. However, many organisations are still promoting traditional models and mindsets.

- **Top 2 blockers of leadership effectiveness:**
  
  1. Lack of empowerment from the C-suite
  2. Performance management driven by traditional hierarchy

- **What are the new requirements?**
  
  1. Lead with more complexity/ambiguity
  2. Manage remotely
  3. Lead through influence

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86% of organisations believe that 21st century leaders have unique and new requirements.
The Future of the Organisation

The second category looks at how teams, networks, and new approaches to rewards are driving business performance.

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4. From employee experience to human experience: putting meaning back into work

Organisational strategies and cultures are dramatically shifting and this change is putting pressure on organisations to start looking at the human experience that makes work meaningful; creating more cross-functional teams to improve organisational performance, and the need to refresh rewards programmes based on your understanding of what your people value and want.

Globally, 84% of organisations recognise that they need to rethink their workforce experience to improve productivity.

In Ireland, only 45% feel they are ready to enhance their employee experience and engagement.

The top 3 factors that are key to the employee experience:

1. A positive work environment
2. Trust in leadership
3. Growth opportunities

5. Organisational performance: it’s a team sport

There is a steady shift away from hierarchical models of management to more cross-functional teams. Research shows that adopting team structures can improve organisational performance. While many understand the opportunities this shift presents, there is much more work to do.

50% of organisations are still mostly hierarchical.

Top 3 challenges when moving to a team-based model:

1. Leaders don’t know how to cooperate
2. Performance management does not support team-based working
3. Compensation does not fully support team-based working
6. Rewards: closing the gap

Rewards programmes are falling behind with a clear disconnect between what workers value versus what the organisation thinks they value and need.

The 2 most important reward elements to engage the alternative workforce:
- Flexibility: 79%
- Compensation: 74%

The top 3 barriers experienced by companies when changing their reward strategies are:
- A lack of understanding of what employees value: 26%
- A perceived lack of fairness: 26%
- Union restriction/legislative requirements: 26%

What can you do?
- In a world of evolving worker expectations, high-performing organisations are changing to drive business performance:
  - Define a positive employee experience with a focus on the employee journey. Invest in new employee engagement technologies, platforms, processes and systems that encourage recognition of employees and make them feel valued. To stay current in this world of disruption, HR needs to apply design thinking to their processes, digital technology to their applications and deliver services through the lens of the employee experience.
  - Refresh your rewards programme by taking time to understand your employees values and needs to deliver rewards that support teaming and motivate performance.
  - Develop a culture of collaboration by building an adaptable organisation that aligns incentives with team performance, and creates a more flexible organisation.
  - Leverage technology to evaluate how people interact and operate in order to improve performance and drive more team collaboration.
The Future of HR

The final category looks at how the HR function is stepping up to the challenge of redesigning its capabilities, technologies, and focus to lead transformation in HR and across the enterprise.

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7. Accessing talent: it’s more than acquisition

In the war for talent, organisations are battling with each other to have the best employment brand, recruitment marketing campaigns, and recruitment services. A new approach is required to enable “talent access” in varying ways.

The top 3 challenges being faced as part of the talent acquisition process:

1. Finding qualified experienced hires
2. Identifying full-time talent with the right skills
3. Finding qualified entry level hires

100% of respondents agree that the role of technology across sourcing, application, screening and interviewing will change in the next 3 years.

8. Learning in the flow of life

The demand for continuous lifelong development continues to grow rapidly with people rating the “opportunity to learn” as one of the top reasons for taking a job. There is a need for organisations to create a learning environment at work.

91% see learning as the most important talent trend for 2019

49% indicated a readiness for this trend.

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91% of Irish organisations indicated a need to improve their learning processes, experiences and speed.

61% of respondents felt that learning, in order to drive employee experience, is very important.

9. Talent mobility: winning the war on the home front

Due to skills and talent shortages, organisations are having to look to their current workforce to identify and deploy people with the required skills, capabilities, and knowledge to deliver growth for their enterprise.

Over the last 3 years, 74% of Irish respondents say that changes in opportunities for internal mobility have increased.

78% believe this trend is set to continue over the next 3 years.

Top 3 barriers to internal talent mobility:

1. Employee interest/willingness to move
2. Availability of internal resources to fill roles
3. Current managers resistance to internal moves
10. HR cloud: a launch pad, not a destination

Significant progress is being made in HR’s move to cloud. However, more emphasis is needed on complementary transformational activities such as redesigning their operating model, data architecture, and user experience in order to deliver their full potential.

75% expect the level of investment in HR technology to increase in the next 3 years.

50% see their current HR technology as inadequate in meeting the needs of the alternative workers.

Beyond cloud, 12% of respondents would prioritise an employee experience platform over any other HR technology.

67% of Irish respondents see their current suite of HR technologies as inadequate to meet the needs of the business.

What can you do?
Reinvention with a human focus offers a path forward through the challenges and uncertainties facing organisational and HR leaders. Points to consider for the future of HR in your organisation:

• Develop new ways to access talent by looking at internal mobility, the alternative workforce, and new technologies that will facilitate this.
• Relook at your approach to learning, reskilling, and capability development by delivering learning in a more personal way, integrate work and learning more tightly together, and extend ownership beyond the HR organisation.
• Redesign and implement a high-impact HR operating model to enable strategic HR across the organisation prioritising the human aspect of the business.
• Explore cloud platforms with cognitive technologies, AI and robotics to improve workers’ digital experience with a single consistent interface for all HR services and information.
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