

# the future of work: 3 big trends shaping business in 2021.

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# introduction.

The changes we experienced in our personal and professional lives in 2020 were seismic. In a matter of days, many businesses and industries underwent dramatic transformations that would normally have rolled out over the course of years. These changes will be with us long after the threat of COVID-19 subsides.

Leaders in business and government continue to navigate an uncertain environment: COVID-19's second wave may lead to a third; vaccinations have been approved yet mass immunization will present one of the greatest logistical challenges of our time; the pandemic has disproportionately impacted racialized people and low income Canadians, and unemployed Canadians may find they lack the skills and training industries will require in a post-pandemic world.

As we look to the future, agility and resilience will be the hallmarks of the organizations who navigate the pandemic successfully and sustainably. Today, we look at the big trends that will influence and change the way we think and work for many years to come.



# beyond the honeymoon phase: dealing with the downsides of remote work.

In a world of uncertainty, there's one prediction you can bet on: remote work is here to stay. There are a number of factors driving this trend. First, few people are eager to return to the office. Typical offices can't accommodate physical distancing, workers don't miss commuting, and many workers have adapted well to remote work. Second - to the surprise of many business leaders - most organizations have maintained or improved productivity levels while working remotely. Of course many organizations want to reduce their corporate "footprint" to reduce expenses. As mindsets shift from where we work to how we work, the talent pool expands as companies can recruit the best candidates without geographic limitations.

The hybrid workplace, where the majority of workers will do the majority of their work remotely (visiting the office as needed, or on a schedule) will become the standard for many organizations. In late 2020, as part of Randstad's monthly Workmonitor reporting, 26 per cent of Canadians indicated a hybrid work model would be their ideal post COVID-19 work environment, while 24 per cent said they'd like to remain remote permanently.

# a combination of working from<br/>home and going into the office26.6%always working in an office,<br/>outside the home18.9%being able to work from home<br/>whenever I want7.4%having flexibility to shift my work<br/>hours20.3%working from home all the time24.9%working remotely from anywhere<br/>as a digital nomad2.0%

### in a post-COVID-19 world, my ideal work environment would be: 1

While these new approaches to work provide major benefits to both employers and employees, they also present significant concerns with respect to cybersecurity and employee engagement.

At the onset of the pandemic, many work-from-home set-ups happened rapidly and haphazardly with an initial focus on internet and remote-access connectivity. Now, as more employees work remotely, the number of areas vulnerable to cyber-attack has increased exponentially. Assessing and containing this risk will be paramount, as well as ensuring privacy and compliance. It's no surprise to see security analysts and architects, IT consultants and support desk specialists are among the most in-demand roles in Canada for 2021<sup>2</sup>.

<sup>&</sup>lt;sup>1</sup> Randstad Workmonitor report, December 2020

<sup>&</sup>lt;sup>2</sup> Randstad Canada, most in-demand jobs in 2021, randstad.ca/best-jobs/

As the novelty of remote work diminishes and pandemic fatigue sets in, both employees and employers are struggling to maintain engagement levels. One factor is the incredible disparity in home work set-ups: while some workers have a dedicated office space, others are working from a tiny corner of the kitchen table, or living room sofa. On top of those differences, organizations and workers alike have struggled to recreate the informal "water cooler" conversations that are conducive to creating connections with colleagues and managers in a deeper, more personal way. Many find the hours of video calls exhausting.



<sup>4</sup>Talent Trends Quarterly Q4 2020, the COVID-19 surveillance report.

 $<sup>^{3}</sup>$  As COVID-19's second wave swept across the country in October and November, Randstad Canada used its social media platforms to poll Canadians aged 25-55 on how they were dealing with the pandemic and its impact on their professional lives. While not scientific, the responses provide a glimpse into the Canadian workforce. The questions received anywhere from 200 – 1,700+ responses.



"Way too much screen time. Also I've lost a good chunk of my private residence - it's now 'work' and not 'home'."

"Although technology is there to keep in touch and enable collaboration, I prefer face-to-face interaction."

"My office culture is based on proximity. Remove proximity and it

"After 5 months on layoff, I'm back, a new job, new bosses and a new team. Not easy from a distance."

Keeping teams engaged and productive in a remote work context requires organizations to examine and readjust how they communicate with employees, how they manage performance, and how they recognize and reward employee contributions. Many organizations have implemented new initiatives to foster engagement and well-being: remote management skill-building, weekly "pulse check" online surveys, "recharge days" with no scheduled meetings, and ergonomic allowances, to name a few. The organizations that have successfully navigated the shift to remote work typically share one common trait: a strong workplace culture. The pandemic has demonstrated that culture isn't about the physical workplace, it's about how people work together, and how their work contributes to organizational purpose. Together, these elements produce a highly engaged workforce and they provide a sense of continuity amid the disruption. Similarly, employer branding will take on increasing importance; the organizations with a clearly articulated vision, mission and purpose will be more successful at attracting and retaining top talent.

# show me don't tell me: moving from conversation to meaningful action on diversity and inclusion.

Around the world, we've seen calls for action in response to institutional racism, systemic oppression, anti-Black racism and social justice. The importance of diversity and inclusion has long been recognized, but organizations are now responding in a deeper way. Diversity alone isn't adequate if the diverse members of your workplace don't feel they belong. The issue has moved from one of representation – which remains important – to acknowledging, identifying, and removing barriers.

This can come to life in many different ways. In July 2020, Statistics Canada's Labour Force Survey for the first time included information on how racialized people in Canada were impacted by labour market conditions. Canadians learned that people from racialized groups were disproportionately unemployed as a result of pandemic closures.

Moving forward, this information will provide important insight into employment levels in Canada for racialized groups and the employment disparities they face. Moreover, it will support government and industry as they work together to address this issue.



Professionally, women have been disproportionately impacted by COVID-19. More women than men are receiving dismissals and temporary layoffs as a result of the pandemic compared to previous economic crises. Indeed, the sectors most affected by pandemic restrictions (food service, social services and retail) are traditionally female-dominated. In Canada, 20 per cent of women have lost their jobs versus 13 per cent of men. A study from McMaster University found the hours women spent on caregiving jumped from an average of 68 hours a week before the pandemic hit to 95 hours a week after <sup>5</sup>.

And grim numbers related to women in leadership roles show that this conversation is far from over. According to a study from the Globe and Mail, the private-sector data show that as of November, 2020, of a total of 1,049 named executive officers at companies listed on Canada's benchmark index, just 136 of them were women, i.e. only 13 per cent. Black women, Indigenous women and women of colour hold just a few executive roles <sup>6</sup>.

Canadian workers want to see the companies they work for taking action to foster greater inclusivity. In terms of importance, 38 per cent deemed employee training to be the most important action; building a diverse workforce came in second, at 36 per cent; while 30 per cent stated diversity in leadership roles as most important<sup>7</sup>.

The message is clear: organizations need to walk the talk. Visibility, commitment and transparency will be key for organizations who want their efforts to be taken seriously. For the first time, the 2021 Fortune 500 list will include diversity and inclusion data. Watch for organizations to provide more public reporting, accountability and goal-setting with respect to their diversity and inclusion efforts.

"Organizations that truly "get" diversity and inclusion see it as part of their DNA, extending to every aspect of the business. Establishing meaningful KPIs to measure progress and sharing these details with both internal and external stakeholders will take on increasing importance in the next few years."



Carolyn Levy, Chief Diversity Officer, Randstad Canada

<sup>5</sup> The Detrimental Impact of Covid-19 on Gender and Racial Equality: Quick Take Catalyst, December 08, 2020

<sup>6</sup> Corporate Canada is still a boys' club data analysis show - and COVID-19 could make it more so, by Tavia Grant, Globe and Mail, January 22 2021 <sup>7</sup> Randstad Workmonitor report, December 2020

# it's time for the reskill revolution: building the workforce for a post-COVID world.

As COVID has generated massive job losses in the country this year, redeploying talent has become a priority for many organizations in both the private and public sectors. At the same time, technology has accelerated, as it often does during economic downturns. Organizations are reviewing how they can limit or eliminate human interactions to mitigate virus transmission, and identifying the digital platforms and solutions that will allow remote workers to remain connected, productive and competitive. This will be true around the world and we'll see new platforms and concepts emerge to enhance the remote work experience; these new developments will be the invisible engine that fuels these new ways of working.

In recent years, Canada has sought to establish itself a technology hub. One can look to Toronto-based BlueDot, whose proprietary artificial intelligence (AI) identified the coronavirus a week before the World Health Organization and the Centre for Disease Control issued statements, and the Vector Institute's leading AI research as examples. While hiring slowed or disappeared in some sectors due to the pandemic, the high demand for IT roles has remained constant, and will likely continue to increase.

These developments are not limited to the tech sector and include manufacturing and agriculture, as well. New approaches and technologies abound, however their implementation may be stalled by a lack of talent. The December 2020 Management issues survey from Canadian Manufacturers and Exporters reported 60 per cent of respondents were concerned about immediate labour and skills shortages.

In 2021, as organizations respond to both the pandemic and rapid advancements in technology, business leaders must focus on developing robust upskilling and reskilling strategies for workers whose roles will become redundant.

While upskilling is new for many organizations, it is taking on increasing importance. Upskilling teaches workers new skills that will allow them to be more efficient and productive in their roles, while adapting to changing technology and skills requirements. Reskilling refers to retraining high-potential employees whose areas of expertise are becoming less relevant to the organization.

Randstad Sourceright surveyed more than 800 human capital and C-suite leaders across 17 markets to identify the trends that will help companies thrive as we move towards a post COVID-19 world. They reported problem-solving, empathy and communication as the key skills their organizations required, but they also identified the need for an agile workforce to ensure their organizations could respond and adapt to change <sup>8</sup>.

<sup>8</sup> Randstad Sourceright, talent trends, COVID-19 & the future of work. how human capital leaders are leading corporate response, Q4 2019.

Today, Canadian organizations are falling behind when it comes to upskilling. For every dollar invested by America organizations on learning and development, their Canadian counterparts spend only 81 cents<sup>9</sup>. In fact, the majority of organizational leaders (64 per cent) surveyed in Randstad Sourceright Talent Trends report recognize that they need more competencies to support their rapid adoption of digitalization<sup>10</sup>.

On the bright side, in June 2020, Future Skills Centre (FSC) announced the approval of 30 projects as part of a \$37-million investment to support Canadians transitioning to new jobs or industries<sup>11</sup>.

This is welcome news. Upskilling and reskilling will ensure Canada's workforce will have the skills to remain productive and competitive. In fact, 37 per cent Canadians expect employers to offer training and skills development in the post-pandemic workplace, indicating workers want a job that will help them remain relevant in the labour market. Moreover, they are willing to invest time and energy on training, as long as the employer is contributing.

When asked whose responsibility it is to keep employees' skills and competencies up to date <sup>12</sup>:



To balance both immediate and long-term needs, business leaders will need to hire for today, while upskilling and reskilling for tomorrow. This investment in people will not only help businesses prosper through uncertain times ahead, it will play an important role in talent retention and attraction.

Randstad Canada is a trusted partner to many Canadian organizations, helping them navigate talent trends and realizing their true potential. For more information on how Randstad can support your business and the future of work, visit

<sup>&</sup>lt;sup>9</sup> Outlook: Skilled Canadians will lead the country on the road to recovery, by Arvind Gupta, Business in Vancouver, January 6, 2021

<sup>&</sup>lt;sup>10</sup> Randstad Sourceright, Talent Trends Quarterly Q4 2020 the COVID-19 surveillance report.

<sup>&</sup>lt;sup>11</sup> Future Skills Centre news release, June 08, 2020

<sup>&</sup>lt;sup>12</sup> Randstad Workmonitor report, December 2020

## about randstad

Randstad is the global leader in the HR services industry. We support people and organizations in realizing their true potential by combining the power of today's technology with our passion for people. We call it Human Forward.



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