



REPORT

# HR Trends 2022- 2023

## The HR function

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## ATTRIBUTION AND JUSTIFICATION

The content of this report is based, unless explicitly mentioned, on Performa's survey HR Trends 2022-2023, hereafter named HR Trend survey. This annual survey among HR professionals, in the Netherlands is an initiative of Performa Uitgeverij. The survey was conducted by consulting firm Berenschot, supported by Afas Software and several HR professional associations.

The purpose of the HR Trends survey is to investigate developments in HR Strategy and execution, employer branding and employment legislation. The invitations to join the survey were sent in February 2022 by e-mail. We also drew attention to the survey on various internet sites and communities. Participation in the survey was possible in the period February - March 2022. Participation was anonymous and results are not traceable to individual respondents.

1,686 respondents completed the online questionnaire, of which 912 entirely. 87 of the respondents are freelancers. The others are on payroll. More than 30% of the respondents had participated in previous editions of the HR Trend survey.

The results have been validated and exceptions eliminated.

Where we write "average" we address the arithmetic mean. Deeper analysis of course reveals difference between and within different business areas as well as different job families. Where relevant and/or significant, we address these differences. It is important to keep the right peer group in mind when applying the outcomes of our survey.

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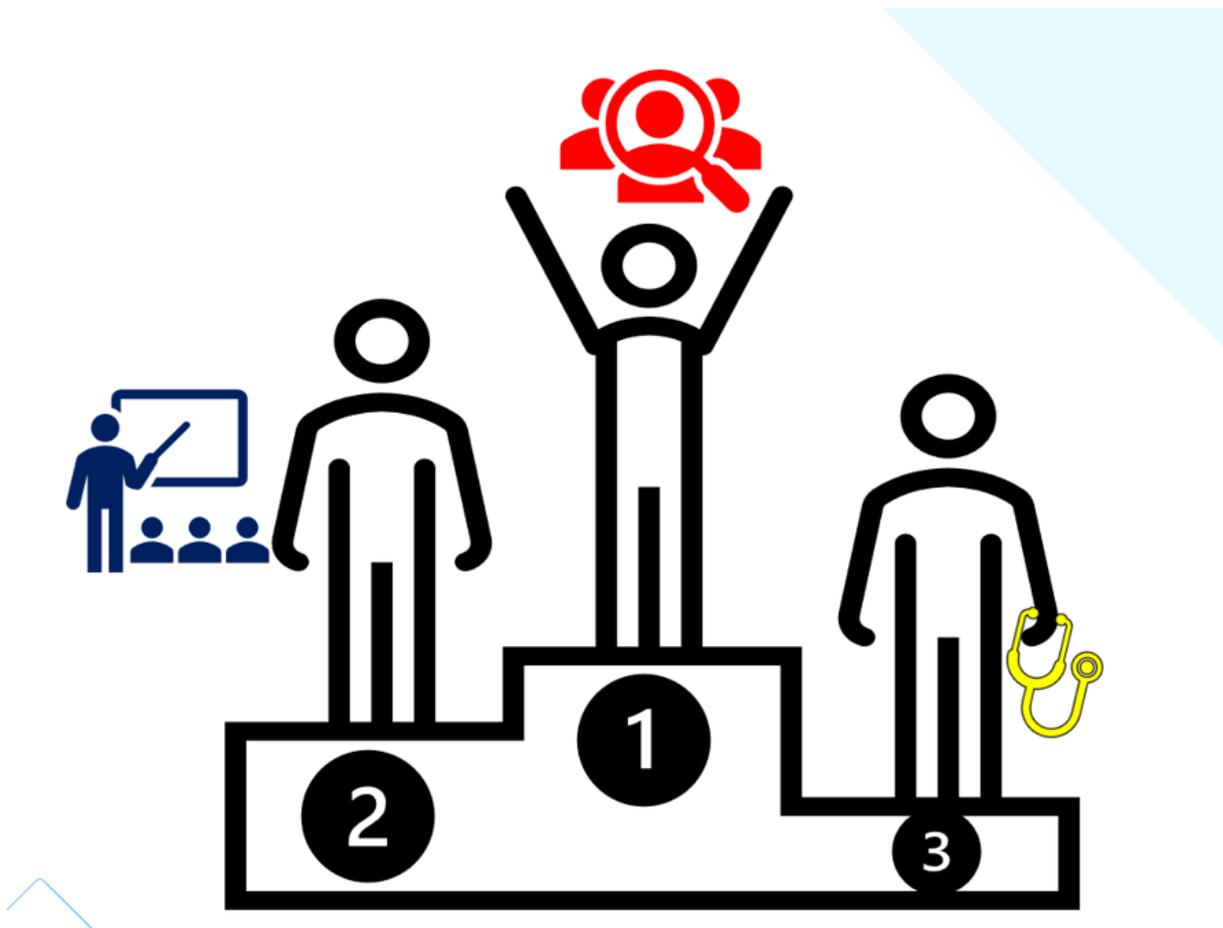
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# HR policy themes

For the 14<sup>th</sup> year in a row we sent our survey to HR professionals. One of the main research questions of this annual HR Trend survey is 'What are the trending HR policy themes which enable HR to align with topical developments like labour shortages, upcoming digitalisation and the post-Covid way of doing business?'

Like every year we asked respondents to indicate the most important HR policy themes for the current year and the expectations for the coming year. This year's "podium-places" are obviously linked to labour shortages. The top three themes are: Recruitment & Selection, Development & Education, and Absenteeism & Health.



## 1.1 Introduction

The respondents who work as internal HR professionals (94% of the respondents) were asked to select up to five HR policy themes from a list of fifteen for this year and what they expect these themes to be in the coming year. The list of fifteen themes clustered subjects within the broad HR scope; for example employer branding / onboarding / recruitment and selection / labour market communication.

Of course, HR policy themes differ for specific sectors and could even differ within an individual organisation. In sections 1.2 to 1.5 we focus on the overall picture. The difference between sectors is discussed in section 1.6, with a comparison of the main sectors: Collective / Trade, Transport and Services, Industry and Crafts / Knowledge-intensive Services / Government.

There are sometimes great differences in the ranking of the HR policy themes, not only between sectors, but also between various organisations within a sector. The conclusions made in this report are general ones based on the “average organisation.” This report should therefore not be considered an instruction-manual. It’s a reference document which enables you to validate the HR priorities within your own organisation.

Questions to be asked based on this survey:

- Do we recognise and agree with the ranking of the HR policy themes? Or...
- Did we make our own, well-founded, choices?

## 1.2 HR policy themes 2022

The top three themes in 2022 are *Recruitment & Selection*, *Development & Education*, and *Absenteeism & Health*. The focus is on getting enough staff and keeping employees ready and healthy for their job.

Despite the fact that we have been held hostage by the Covid-pandemic for much of the past two years, after the “release” from the variety of restrictions and measures, the top three themes in 2022 were not radically different to the 2021 ranking.

Employee retention is becoming increasingly important as the labour shortage stays on a high level. *Employee Experience/ Engagement / Retention* was ranked among the top five themes for the first time.

What are the five most important HR-themes for you and/or your organisation?	Ranking 2022	Change	Ranking 2021
Recruitment and selection/ labour market communication / ‘employer branding’/ ‘onboarding’	1	+	3
Development/ Education/ employability/ talent management	2	-	1
Absenteeism/ working conditions/ health policy	3	-	2
‘Employee experience’/ Engagement/ Retention	4	++	7
Digital support of HR processes	5	-	4
Reward policy/ modernisation/ harmonisation	6	-	5
Strategic Workforce Planning	7	-	6
Jobstructure / job- roledesign	8	=	8
Performance management/ evaluation	9	=	9
Availability of HR-keyfigures	10	=	10
Diversity/ inclusion	11	+	12
Privacy and dataprotection	12	-	11
Execution of reorganisation or merger	13	=	13
Impact robotisation and automation on human resources policy	14	=	14
Mobilitycenter/ career counseling/ outplacement	15	=	15

Figure 1. Ranking of HR policy themes 2022 compared to 2021

Legend : - decline, + riser, = stable, -- strong decliner (3 places or more), ++ strong riser (3 places or more)

In comparison with last year’s ranking (the last column), the mutations in the complete list of the fifteen HR policy themes are limited. There is just one strong riser: *Employee Experience/ Engagement / Retention*, which moved up from position 7 in 2021 to position 4 in 2022. The ranking of six out of the fifteen themes stayed the same as last year (Figure 1.)

The impact on HR policy of the Covid-pandemic and the first lockdown relaxations appears to be limited. As we already noticed in the 2020 and 2021 editions, there are no (radical) changes: HR itself seems to be in a “lockdown”. With one exception: a permanently higher ranking for the theme *Digital support of HR processes* in comparison to the pre-Covid years.

### 1.3 Alignment with Boardroom Strategy

The environment of organisations is changing ever-more rapidly, and structural changes are occurring. The extent to which an organisation is successful in adapting to these changes depends strongly on the competences and motivation of its employees. That applies not only to adapting to fluctuating staffing needs, but also to the improvement of existing, products and services, the design and realisation of new products and services, or improving efficiency and flexibility within the organisation. A clear HR policy that intertwines with the goals of the organisation gives direction on management decisions about staff, HR strategy and the design of the HR function. In brief: conditions for upcoming success!

Strategic HR policy contributes to retaining, developing or changing the critical success factors of the organisation. Factors that are essential to successfully roll out the company's strategy. Those critical success factors that include a significant employee component are the ones that should be prioritised in HR policy and actions.

#### The core of HR is and remains...



Figure 2 The core of HR

Figure 2 might suggest that HR just has to follow directions from the boardroom. However, strategy development is not only a matter of external orientation (like political, economic or technological developments), but also requires an internal orientation that addresses typical HR issues like organisational culture and structure, labour force (employed and not-employed) and leadership.

It's crucial to synchronise the HR policy and the organisation's strategy. According to Berenschot's Strategy survey 2022, the boardroom members also consider the labour market as the key to success. Nearly 45% of the companies which took part in the Strategy survey mentioned its major impact on their strategic plans.

A lot of companies are expecting growth but need the right people to realise it. Retaining existing employees as well as attracting new ones remains a crucial condition for growth. Specifically people with higher education and who are technologically skilled. The labour shortage that has arisen due to economic and demographic developments means that companies are now engaged in the "war for talent."

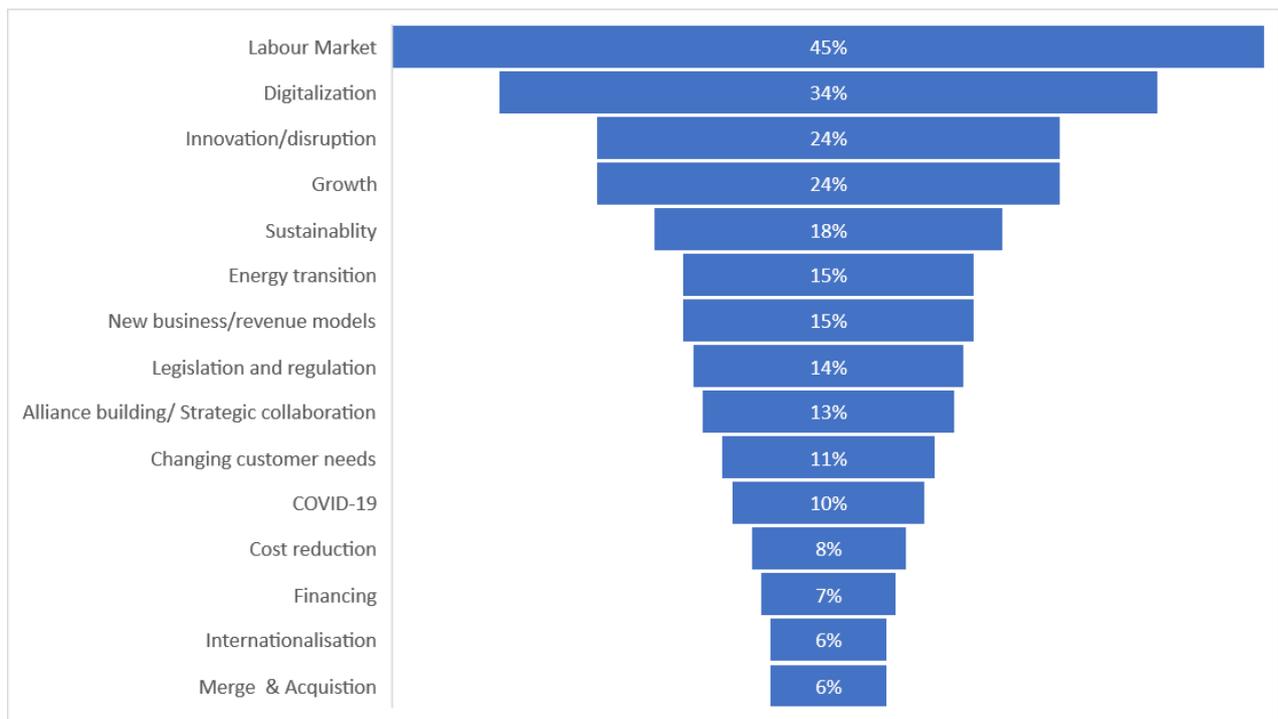


Figure 3. Strategic Boardroom topics (source : Berenschot Strategy Trends 2022)

The pandemic has left a deep mark on several companies and caused changes in the way they work, with the shift to digital working combined with hybrid working methods. Digitalisation, innovation and growth remain important boardroom themes.

### Importance of Labour Market for boardroom

For 2022 the Labour Market is the boardroom top priority. An unprecedented situation.

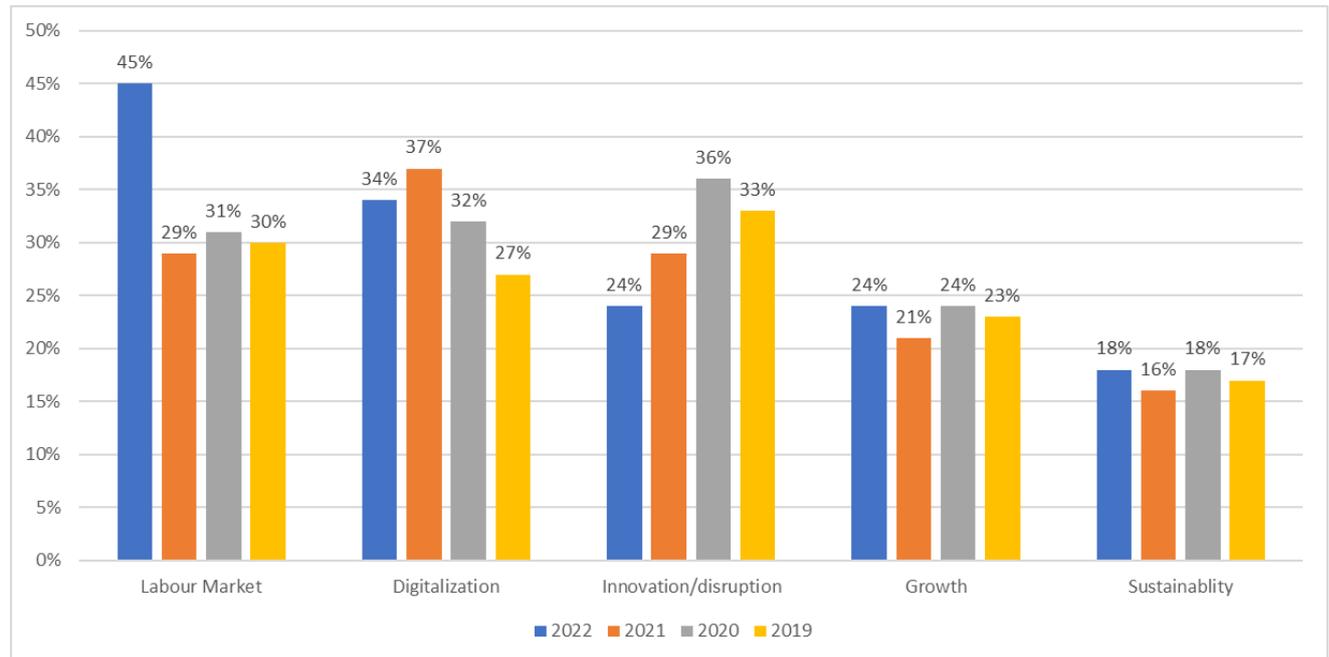


Figure 4. Strategic Boardroom topics 2019-2022 (source : Berenschot Strategy Trends 2022) top 5 2022

### Alignment of HR and Boardroom

While the boardroom survey gives top priority to the labour market, it also gives HR policy themes related to the labour market a high priority. *Recruitment and selection*, but also *Development/Education*, *Employee Experience/Retention* and *Strategic Workforce Planning* are all HR policy themes that are key in many companies.

When we compare the Strategy Trends survey 2022 and HR Trends survey 2022 on factors other than the Labour market, it's noticeable that there's hardly any connection on the themes. *Digitalisation and Innovation* rank number 2 and 3 in the Boardroom survey while *Impact of robotisation and automation on human resource policy* is penultimate in the ranking of HR policy theme, which is surprising given that digitalisation as a trend has a major impact on tomorrow's world). The good news is that this future offers many opportunities to redesign processes and organisations, improve products and services, and to improve job satisfaction. So it's in the interest of HR departments to be well prepared on developments and changes driven by the Future of Work.

Of course other boardroom priorities like sustainability and new business / revenue models will also have an impact on the size and composition of the organisation's workforce.

### Priorities of HR and Boardroom

From the start of the HR Trend survey in 2009, we have noticed a gap between the priorities of the boardroom and those of HR. For the first time, in the 2022-edition we asked a number of additional questions in order to get an impression of HR professionals' views on the cross-over/alignment of HR & Boardroom.

In almost 4 out of 5 (78%) of the organisations surveyed, the HR manager is a member of the management team. The highest scores (80%) were in the 'Government' and 'Collective' sectors. The lowest representation of HR in management teams was found in the 'Industry and Crafts' (71%) sector.

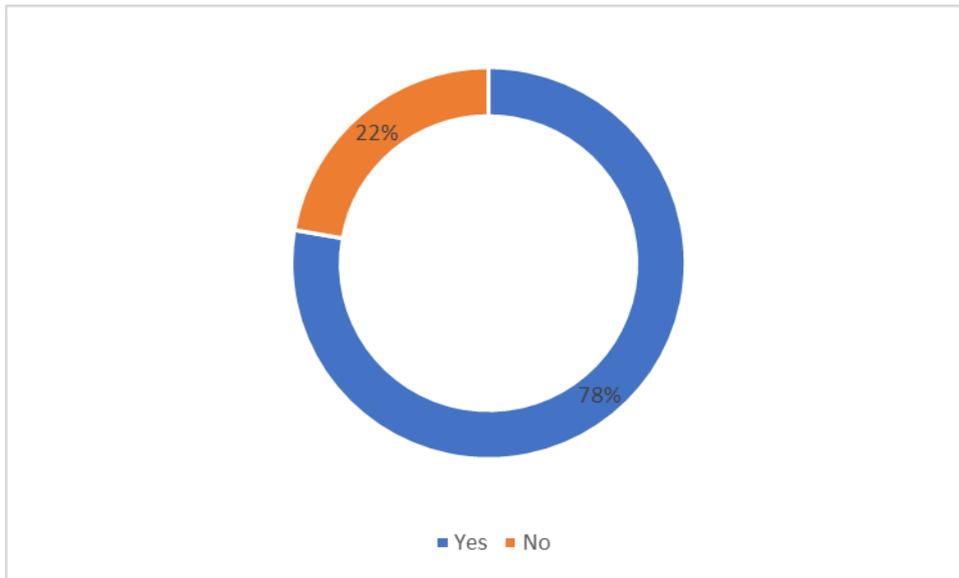


Figure 5. Does the HR manager participate in the Management Team of your organisation?

84% of the respondents (fully) agrees on the statement that HR aligns with the priorities of management and boardroom. (Figure 6)

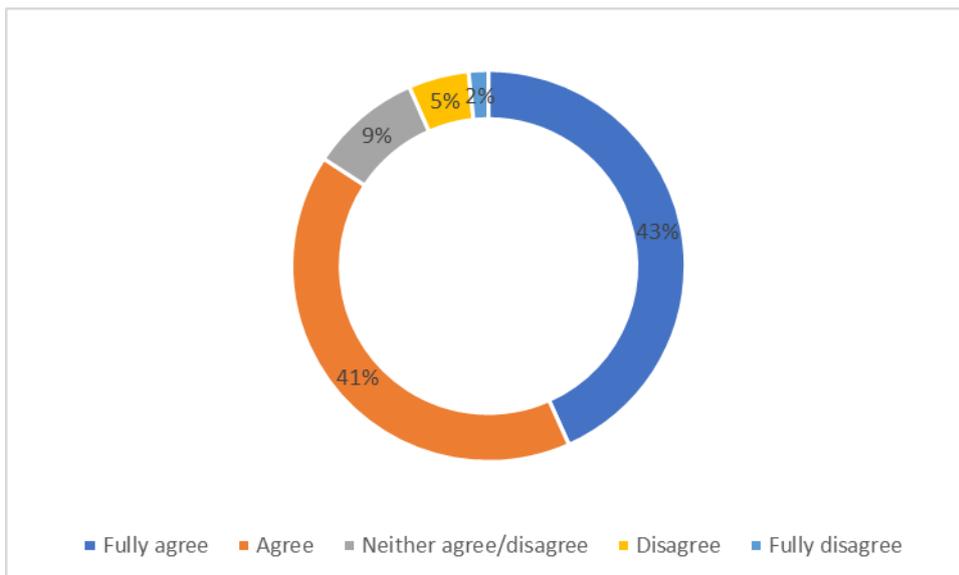
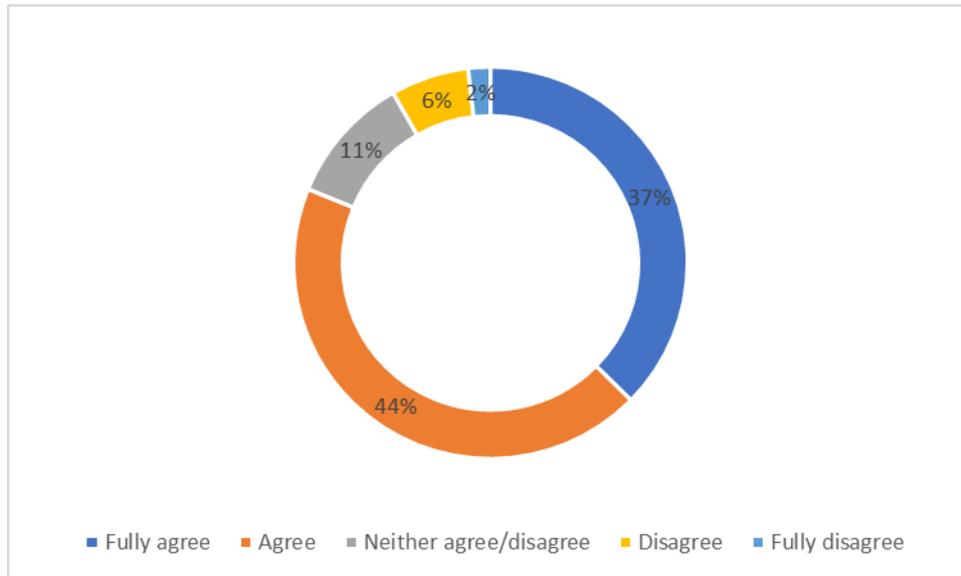


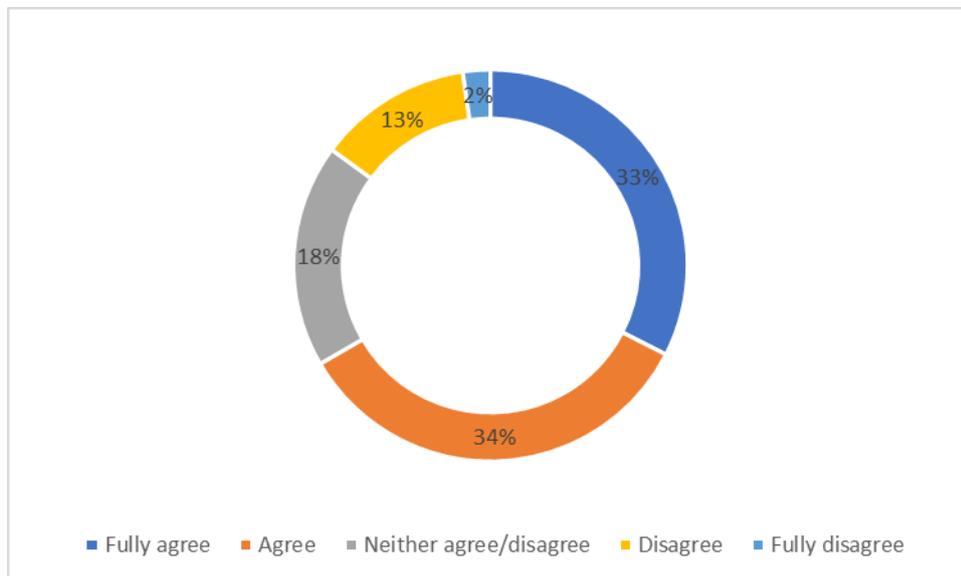
Figure 6. We (HR) are aligned with the priorities of management and board.

Looking the other way around; 81% of respondents support the statement that HR is successful in getting enough attention from management and board for HR topics.



*Figure 7.* We (HR) are succeeding in getting enough attention from Management and Board for our main HR themes

When we focus on the question whether HR is adequately equipped to act as a Strategic Partner for management and board, we notice room for improvement. Just over 2/3 (fully) agrees (Figure 8). About 15% stated that HR isn't well-equipped.



*Figure 8.* HR in our organisation is adequately equipped to act as a Strategic Partner of Management and Board

### Strategy versus Adhocracy

More than  $\frac{3}{4}$  (76%) of the respondents characterise HR activities as a mix of plan-based and ad-hoc initiatives. (Figure 9) Within 15% of the organisations Adhocracy seems to be the dominant factor. A hardcore strategy-driven HR is found in just 9% of the organisations.

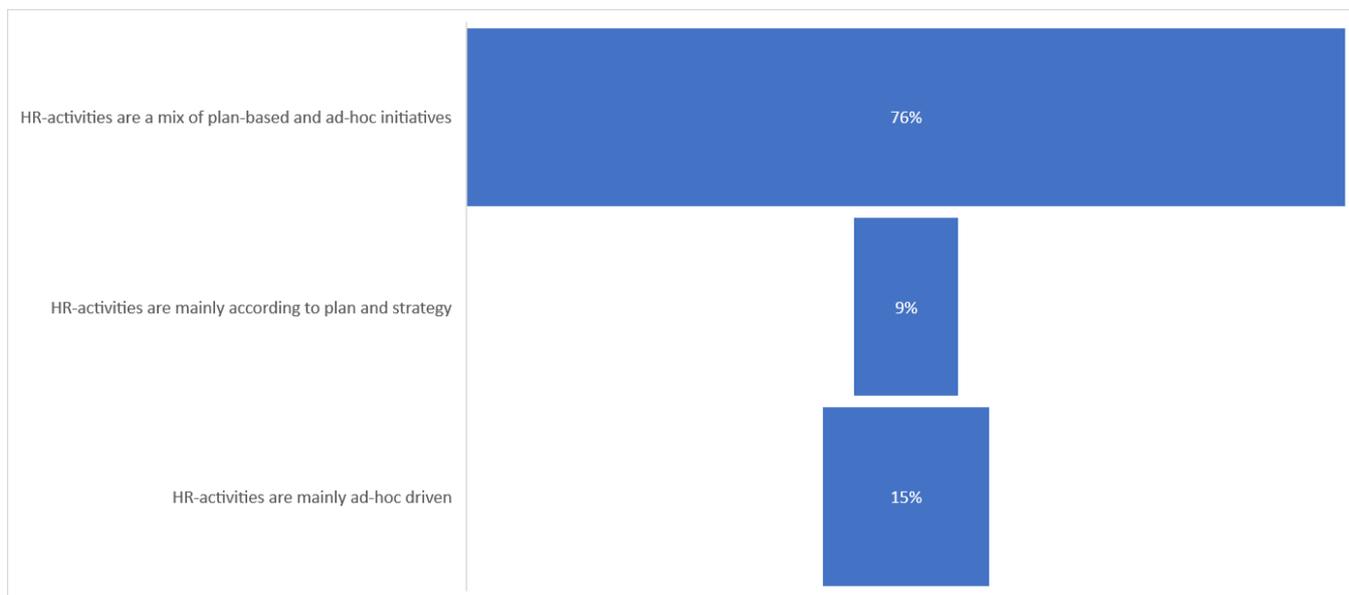


Figure 9. How would you characterise the HR activities within your organisation?

*Altogether a rather positive impression of HR's alignment with the boardroom. It remains remarkable that the mismatch between the priorities doesn't support this sentiment.*

## 1.4 Expectations 2023

When we look ahead on the HR policy themes which are expected to be dominant in 2023, we again notice a change within the top 3. Like previous years *Development/ Education/ employability/ talent management* is expected to be the leading theme. *Strategic Workforce Planning*, the strongest riser, enters the top 3, at the expense of *Absenteeism/ working conditions/ health policy*.

Where *Strategic Workforce Planning* is expected to become the only strongest riser, *Job structure/ Job-role design* is the single strong descender theme. *Employee experience/ Engagement/ Retention* is stable on rank 4. There is little shift in the other 12 themes compared to 2022.

What are the five most important HR-theme's for you and/or your organisation?	Ranking 2022	Expected Change	Expected Ranking 2023
Recruitment and selection/ labour market communication / 'employer branding'/ 'onboarding'	1	-	2
Development/ Education/ employability/ talent management	2	+	1
Absenteeism/ working conditions/ health policy	3	-	5
'Employee experience'/ Engagement/ Retention	4	=	4
Digital support of HR processes	5	-	7
Reward policy/ modernisation/ harmonisation	6	=	6
Strategic Workforce Planning	7	++	3
Jobstructure / job- roledesign	8	--	11
Performance management/ evaluation	9	-	10
Availability of HR-keyfigures	10	+	8
Diversity/ inclusion	11	+	9
Privacy and dataprotection	12	-	13
Execution of reorganisation or merger	13	-	15
Impact robotisation and automation on human resources policy	14	+	12
Mobilitycenter/ career counseling/ outplacement	15	+	14

Figure 10. HR policy themes 2022 compared to forecast 2023

Legend : - decline, + riser, = stable, -- strong decline (3 places or more), ++ strong riser (3 places or more)

## 1.5 2021's Expectations for 2022

How reliable are the expectations addressed in the previous subsection? It is relatively difficult to state a correct expectation of next year's priorities. When we compare last year's expectations for 2022 with the outcome of this year's ranking, we find only four of the HR themes on the corresponding ranking. (Figure 10)

What are the five most important HR-theme's for you and/or your organisation?	Ranking 2022	Change towards expectation	Expected (2021) Ranking 2022
Recruitment and selection/ labour market communication / 'employer branding'/ 'onboarding'	1	++	4
Development/ Education/ employability/ talent management	2	-	1
Absenteeism/ working conditions/ health policy	3	=	3
'Employee experience'/ Engagement/ Retention	4	+	5
Digital support of HR processes	5	+	6
Reward policy/ modernisation/ harmonisation	6	+	7
Strategic Workforce Planning	7	--	2
Jobstructure / job- roledesign	8	+	10
Performance management/ evaluation	9	=	9
Availability of HR-keyfigures	10	-	8
Diversity/ inclusion	11	=	11
Privacy and dataprotection	12	=	12
Execution of reorganisation or merger	13	+	15
Impact robotisation and automation on human resources policy	14	-	13
Mobilitycenter/ career counseling/ outplacement	15	-	14

Figure 11. HR policy themes 2022 compared to 2021's forecast for 2022

Legenda : - decline, + riser, = stabile, -- strong decline (3 places or more), ++ strong riser (3 places or more)

*Recruitment and selection/ labour market communication/ employer branding/ onboarding* are ranked number 1 in 2022, three positions higher than expected. *Strategic Workforce Planning* comes in five positions lower than expected.

We find five HR policy themes just a little higher on the ranking than expected, including *Employee experience/ Engagement/ Retention*, *Digital support of HR processes* and *Reward policy/ modernisation/ harmonisation*.

Four themes a given slightly lower priority than expected in 2021; e.g. *Development/ Education/ employability/ talent management* and *Availability of HR key figures*.

## 1.6 HR policy themes per sector<sup>1</sup>

When we compare the overall ranking with the sector-specific ranking it appears that the top 3 ranking is not common to all the sectors. Priorities 1 and 2 are almost common, but from 3 to 15 there are differences, sometimes huge. (Figure 12)

Priorities differ by sector:

- *Absenteeism/ working conditions/ health policy* –ranked higher within the ‘Government’ and ‘Collective’ sectors than in the other sectors.
- *Employee experience/ Engagement/ Retention* – the overall number 4 but given a significantly lower priority in ‘Industry and Crafts’, ‘Government’ and the ‘Collective’ sectors compared to ‘Trade, Transport & Services’ and ‘Knowledge-intensive services’.
- More or less the same can be said for the theme *Reward policy/ modernisation/ harmonisation*.
- The opposite difference is noticeable for the themes *Strategic Workforce Planning* and *Job structure/ Job-role design*; while ranked 7 and 8 overall, both are ranked higher in the ‘Government’ and ‘Collective’ sectors.
- *Diversity/ Inclusion* is given a much higher priority (8) in the ‘Government’ sector.
- *Privacy and data protection* was given least attention in ‘Trade, Transport & Services’ and ‘Industry & Crafts’.

	Overall	Collective Sector	Trade, Transport and Services	Industry and Crafts	Knowledge-intensive services	Government
Recruitment and selection/ labour market communication / ‘employer branding’ / ‘onboarding’	1	1	1	1	1	1
Development/ Education/ employability/ talent management	2	3	2	2	2	2
Absenteeism/ working conditions/ health policy	3	2	4	5	6	3
‘Employee experience’/ Engagement/ Retention	4	7	3	6	3	10
Digital support of HR processes	5	4	6	3	5	5
Reward policy/ modernisation/ harmonisation	6	8	5	4	4	7
Strategic Workforce Planning	7	5	7	7	7	4
Jobstructure / job- roledesign	8	6	8	9	9	6
Performance management/ evaluation	9	11	9	8	8	12
Availability of HR-keyfigures	10	9	10	11	11	9
Diversity/ inclusion	11	10	11	10	10	8
Privacy and dataprotection	12	12	14	15	12	11
Execution of reorganisation or merger	13	13	12	14	13	13
Impact robotisation and automation on human resources policy	14	15	13	12	14	14
Mobilitycenter/ career counseling/ outplacement	15	14	15	13	15	15
Position	1	2	3	4	5	

Figure 12. HR policy themes 2022 per sectors

<sup>1</sup> See appendix A.1 for more information about the sectors

It's also interesting to have a look at differences per sector in terms of the changing priorities in 2022 compared with 2021 (Figure 13).

	Overall	Collective Sector	Trade, Transport and Services	Industry and Crafts	Knowledge-intensive services	Government
Recruitment and selection/ labour market communication / 'employer branding' / 'onboarding'	+	+	+	+	+	+
Development/ Education/ employability/ talent management	-	=	-	-	-	-
Absenteeism/ working conditions/ health policy	-	-	-	--	=	=
'Employee experience' / Engagement/ Retention	++	+	++	+	+	++
Digital support of HR processes	-	=	-	+	-	=
Reward policy/ modernisation/ harmonisation	-	-	=	+	=	-
Strategic Workforce Planning	-	=	+	-	+	=
Jobstructure / job- roledesign	=	=	+	-	-	++
Performance management/ evaluation	=	-	=	+	-	-
Availability of HR-keyfigures	=	=	=	-	=	-
Diversity/ inclusion	+	+	+	+	=	+
Privacy and dataprotection	-	-	--	--	=	--
Execution of reorganisation or merger	=	=	+	=	+	-
Impact robotisation and automation on human resources policy	=	-	+	+	-	-
Mobilitycenter/ career counseling/ outplacement	=	+	=	+	=	-

Figure 13. HR policy themes changes 2021-2022 per sector

Compared to 2021 the HR policy theme *Employee experience/ Engagement/ Retention* shows a strong priority rise in the sectors 'Trade, Transport & Services' and 'Government'. The same effect can be seen for *Job structure/ Job-role design* in the 'Government' sector.

There's a strong decline in the priority given to *Absenteeism/ working conditions/ health policy* and *Privacy and data protection* in the 'Industry & Crafts' sector.

There is a little more variation in the expectations for 2023 when we compare the Overall ranking with the sector-specific ranking (Figure 14). The top two priorities are universal, respectively *Development/ Education/ employability/ talent management* and *Development/ Education/ employability/ talent management*. There are slight variations per sector with regard to *Strategic Workforce Planning*, which ranks number 3 overall.

Other differences:

- *Employee experience/ Engagement/ Retention* has an overall ranking of 4 but is given lower than expected priority in the 'Government' and 'Collective' sectors.
- *Availability of HR key figures* is ranked higher (5) in the 'Government' sector (5) than in other sectors.
- *Diversity/ Inclusion* is given an above-average ranking in the 'Knowledge-intensive services' and 'Government' sectors.
- Rank 15 for *Impact robotisation and automation on human resource policy* in the 'Government' sector is lower than in all the other sectors.

	Overall	Collective Sector	Trade, Transport and Services	Industry and Crafts	Knowledge-intensive services	Government
Development/ Education/ employability/ talent management	1	1	1	1	1	1
Recruitment and selection/ labour market communication / 'employer branding' / 'onboarding'	2	2	2	2	2	2
Strategic Workforce Planning	3	4	4	3	4	3
'Employee experience'/ Engagement/ Retention	4	6	3	4	3	8
Absenteeism/ working conditions/ health policy	5	3	5	5	6	4
Reward policy/ modernisation/ harmonisation	6	7	6	6	5	9
Digital support of HR processes	7	5	7	7	10	7
Availability of HR-keyfigures	8	8	8	8	11	5
Diversity/ inclusion	9	10	10	10	7	6
Performance management/ evaluation	10	12	9	9	8	11
Jobstructure / job- roledesign	11	9	11	11	9	10
Impact robotisation and automation on human resources policy	12	13	12	12	12	15
Privacy and dataprotection	13	14	13	13	14	12
Mobilitycenter/ career counseling/ outplacement	14	11	15	14	15	13
Execution of reorganisation or merger	15	15	14	15	13	14
Position	1	2	3	4	5	

Figure 14. HR policy themes 2023 per sector

## APPENDIX

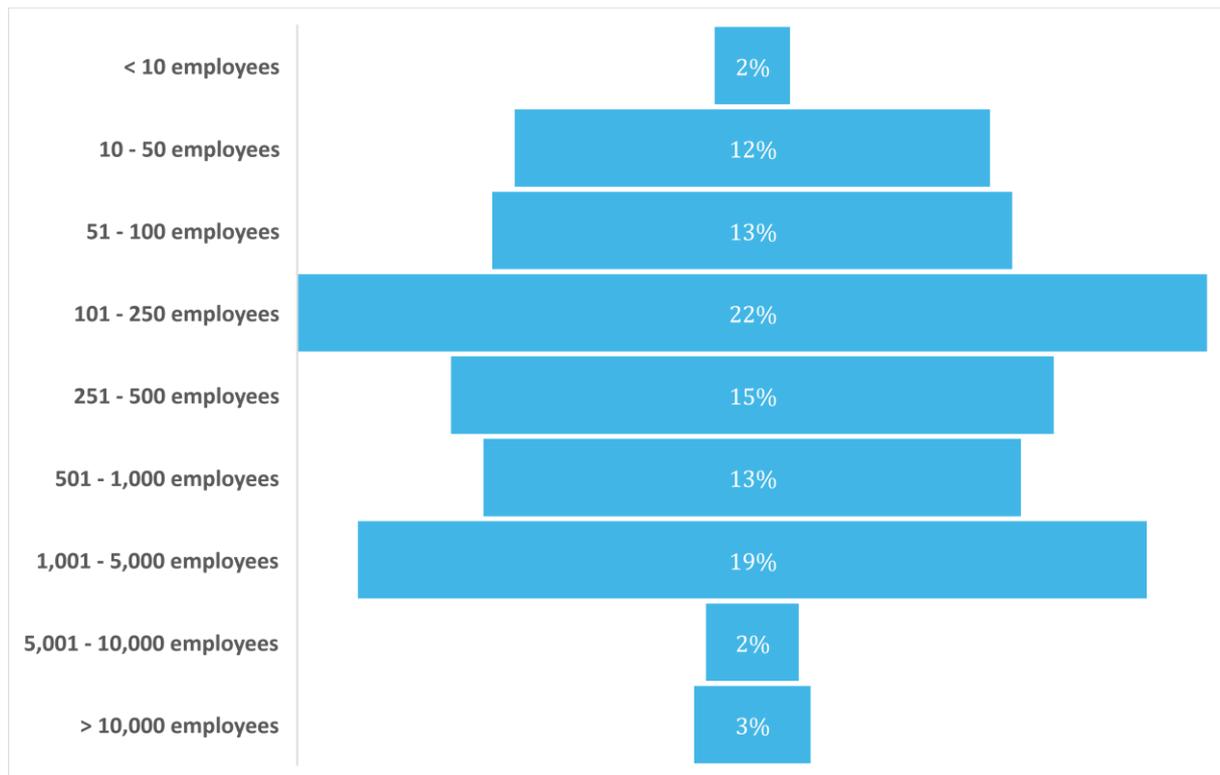
### A.1 Sectors

Most of the participants in the 2022HR Trend survey work in the Trade, Transport & Services cluster (35%), followed by 'Collective' (30%), Industry & Crafts (16%) and Knowledge-intensive services (15%). Public Administration / Government represent 5%.

Cluster	Sector (SBI)
Collective sector	Electricity, gas, steam and air conditioning supply (35)
Collective sector	Residential care and guidance (87)
Collective sector	Human health activities (86)
Collective sector	Education (85)
Collective sector	Culture, sports and recreation (90-93)
Collective sector	Social work activities without accommodation (88)
Collective sector	Water supply; sewerage, waste management and remediation activities (36-39)
Trade, Transport and services	Other service activities (94-96)
Trade, Transport and services	Accommodation and food service activities (55-56)
Trade, Transport and services	Renting and leasing of tangible goods and other business support services (77-82)
Trade, Transport and services	Wholesale and retail trade (45-47)
Trade, Transport and services	Transportation and storage (49-53)
Industry and Crafts	Construction (41-43)
Industry and Crafts	Manufacturing (10-33)
Industry and Crafts	Agriculture, forestry and fishing (01-03)
Industry and Crafts	Renting, buying and selling of real estate (68)
Industry and Crafts	Mining and quarrying (06-09)
Knowledge-intensive services	Consultancy, research and other specialised business services (69-75)
Knowledge-intensive services	Information and communication (58-63)
Knowledge-intensive services	Financial institutions (64-66)
Government	Public administration, public services and compulsory social security (84)

### A.2 Size organisation

62% of the participants are employed in an organisation with less than 500 employees



**Author**

**Hans van der Spek MMC RI (1961)** studied Business Administration at the University of Applied Sciences in Zwolle(HEAO), after which he worked for several years in the areas of Finance, IT and HR. Besides that he obtained a degree in business informatics and a Master in Management Consultancy at the Vrije Universiteit Amsterdam.

Since 2009 Hans has worked as a consultant at Berenschot. He specialises HR Analytics and in optimizing the contribution of HR to the realisation of business strategy. He is involved in projects like HR benchmarking, HR effect studies, HR audits, and the selection or implementation of HR software.

Hans manages the Kenniscentrum M&O and is involved in and responsible for the HR Trends survey and related labour market studies.

Last but not least, he is attached to the Utrecht Business School and Avans+ as freelance lecturer.



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## 'WE ARE BERENSCHOT, ALWAYS FOCUSED ON PROGRESS'

We see that the Netherlands is constantly evolving. A lot is changing, both in society and in the nature of organisations. We have closely followed these developments for more than 80 years while working towards a progressive society. And in that context we have become known for providing consultancy for the long term and support for its implementation. Always focused on progress and making a real difference to people, organisations and society.

Everything we do is carefully researched, substantiated and examined from many different angles. Our advice is tough on content while always taking the human dimension into account. Our consultants do their utmost to turn complex issues into practical solutions that you can work with.

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