



# 2019

## HR INDUSTRY PULSE: BARRIERS TO SUCCESS

The war to attract and retain top talent rages on, and HR leaders are facing new obstacles and opportunities in 2019. A study of 200 HR leaders reveals new insights that can unlock how to attract candidates, build engaged workforces and shape a great employee experience for their people.



## SHARED OBSTACLES, SILOED SOLUTIONS

**HR leaders are facing obstacles on multiple fronts, and the solutions exist in silos.**

To better understand the motivations and concerns of HR leaders, Limeade conducted a survey of 200 HR professionals across organizations, industries and countries. We tested a hypothesis: HR leaders are struggling to turn programs and technologies into a better employee experience. We're seeing an industry out of alignment. We've observed that the recruiting, retention and employee engagement problems facing HR leaders are too often addressed in a vacuum.

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### THE STRATEGY

Meaningful solutions require a deep understanding of the issues. We asked HR professionals a series of questions to help us arrive at a clearer picture of their people goals and strategies.

### SUMMARY

HR leaders are fighting a talent war and working to improve employee engagement in their organizations. They're facing barriers to reaching their goals and in achieving general success as an HR team within their organization.

Succeeding in the war for talent, from recruiting, to engagement and retention, is limited by tangible issues such as budget, resources and program participation. But the barriers that follow are more complex: company culture, lack of leadership support and employees not feeling valued. It's easy to focus on the former – but what will truly address the cause of these challenges?

Overall, HR leaders report that the success of their team is obstructed by unwanted turnover, lack of qualified candidates and weak managers.

The study also uncovered missed opportunities. While more than 86 percent of respondents are in some way responsible for diversity and inclusion, they aren't prioritizing the issue. And while responsibility for employee experience ranges across HR functions, there's disagreement about what it actually means.

Despite all of the challenges, HR professionals report that they feel generally supported by top executives and that their organizations are investing in culture. They're aspirational and want to drive change and improve the employee experience. But when it comes to the employee experience, HR professionals are still trying to figure out what it is and what it means to make it a priority.

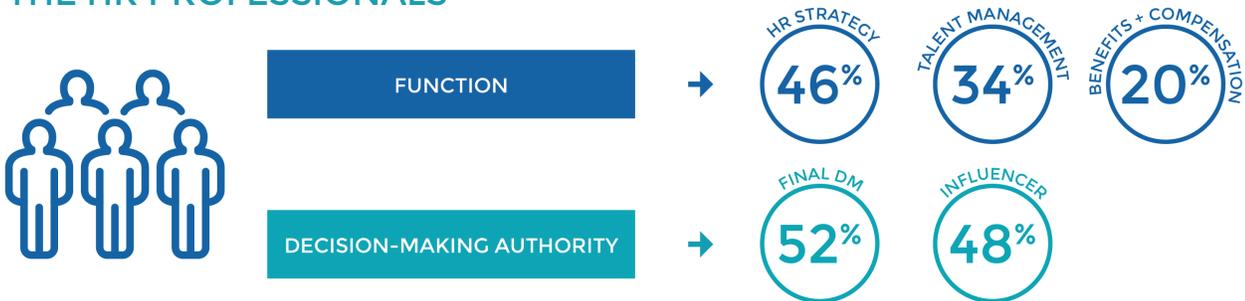


## AN OVERVIEW OF OUR HR AUDIENCE

Our survey covered a variety of topics ranging from barriers to success to personal motivations. Our respondents represented a diverse group of HR professionals.

Here's a breakdown of survey respondents — their functional responsibilities, the industries they're working in and more.

### THE HR PROFESSIONALS



### THEIR ORGANIZATIONS



### HR LEADERS ARE ALTRUISTIC AND FOCUSED ON ORGANIZATIONAL SUCCESS:

The majority of respondents (89 percent) agreed that improving the employee experience was an important motivator. Driving change was a close second (with 86 percent agreeing), while only 47 percent said they were primarily motivated by the desire for a promotion.

**89%** SAY THEIR COMPANY IS INVESTING IN CULTURE

**93%** FEEL SUPPORTED BY EXECUTIVE LEADERSHIP



## THE TALENT WAR IS RAGING

Retention and recruiting are keeping HR leaders up at night. Together, they're the most pressing and immediate obstacles facing HR professionals.

In assessing top priorities over the next six months, 47 percent of HR professionals emphasized "retaining talent," while 44 percent identified "recruiting talent." From their priorities to the barriers to achieving success, here's what we heard from HR leaders when we asked about the specifics behind recruiting and retention.

### TOP BARRIERS TO RECRUITING TALENT INCLUDE:

- 1 Limited budget
- 2 Lack of resources
- 3 Low employee participation in programs
- 4 Company culture and norms

### TOP BARRIERS TO RETAINING TALENT INCLUDE:

- 1 Limited budget
- 2 Company culture and norms
- 3 Lack of leadership support
- 4 Low employee participation in programs

### BARRIERS TO OVERALL HR SUCCESS

Furthering this sentiment, when asked to identify the greatest *overall* barriers to success for their teams in 2019, "unwanted turnover" and "trouble hiring qualified candidates" rose to the top.



## THE ROOTS OF DISENGAGEMENT

HR leaders agree disengagement is a real problem. That's likely why 47 percent identified "improving employee engagement" as a top priority over the next six months. And their responses uncovered a theme: The perceived reasons for disengagement point to deep cultural issues that can't be fixed with a single survey or program.

### WHEN ASKED WHAT THEY BELIEVE TO BE THE MOST COMMON REASONS FOR EMPLOYEE DISENGAGEMENT (LACK OF ENERGY & COMMITMENT) WITHIN THEIR ORGANIZATIONS, HR LEADERS SAID:

- 1 Not feeling valued
- 2 Lack of career advancement
- 3 Limited flexibility/scheduling
- 4 Unsupportive managers

The goal is clear, but the barriers to success in this area are deep and require a company to invest in showing they care about their employees.

### EMPLOYEE ENGAGEMENT PROGRAMS AROUND, SO WHY IS ENGAGEMENT FLAT YEAR AFTER YEAR? HERE ARE THE REASONS RESPONDENTS THINK THEIR PROGRAMS AREN'T WORKING:

- 1 Low employee participation in programs
- 2 Lack of leadership support
- 3 Company culture and norms
- 4 Poor communication

From the perspective of HR program owners, the perceived number one barrier to employee engagement programs was low participation, suggesting an overreliance on technology versus an authentic company investment in showing employees they care.

### WHO'S RESPONSIBLE FOR EMPLOYEE ENGAGEMENT?

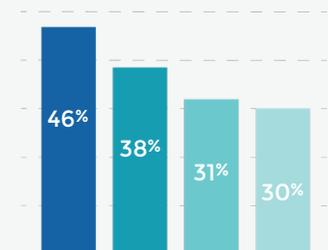
Ownership varies from company to company.

Talent Management: **46%**

Internal Communications: **31%**

Learning & Development: **38%**

Compensation & Benefits: **30%**





## GREAT MANAGERS MAKE ALL THE DIFFERENCE

As today's organizations become more complex, HR leaders are focused on the role of managers as the shortest path to employees.

A truly elevated culture requires effort and investment at every level — including direct managers and supervisors — and the survey shows there's significant room for improvement. Following turnover and trouble hiring, respondents identified "weak managers" as the number three barrier to overall success for their teams in 2019.

### THERE'S MORE:

23%

IDENTIFIED UNSUPPORTIVE MANAGERS AS ONE OF THE TOP REASONS FOR DISENGAGEMENT AMONG THEIR EMPLOYEES.

22%

IDENTIFIED MANAGERS AND SUPERVISORS WHO EMPOWER THEIR TEAMS TO PARTICIPATE IN MY PROGRAMS AS A KEY TO PROGRAM SUCCESS IN 2019.

Managers represent an important driver of success (as well as a barrier) for HR teams and the programs they own. They're not only critical to engagement and participation, they're one of the most important factors in an employee's experience at work. A great manager makes all the difference.



## “WHAT IS THE EMPLOYEE EXPERIENCE?”

There’s not consistent alignment about what the employee experience is — but HR leaders know it’s an important **FEELING**.

When asked the open-ended question, “what does employee experience mean to you?”, the answers ranged from “loyalty” to “employee productivity” to “the way employees feel working at a company.”

THOUGH THE RESPONSES  
WERE WIDE-RANGING, A FEW  
KEY WORDS EMERGED:

**FEEL**  
**EXPERIENCE**  
**EVERYTHING**  
**GROWTH**  
**CULTURE**  
**BENEFITS**  
**ENGAGEMENT**  
**LIFECYCLE**  
**ENVIRONMENT**  
**VALUED**  
**SATISFACTION**

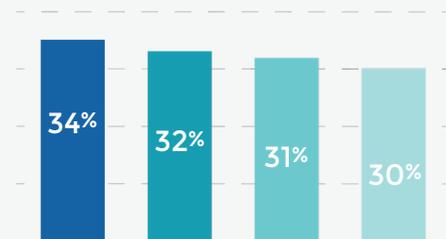
### WHO’S RESPONSIBLE FOR EMPLOYEE EXPERIENCE?

Talent Management: **34%**

Learning & Development: **32%**

Compensation & Benefits: **31%**

Internal Communications: **30%**



In other words, it’s unclear who the true owner is, or if it’s something to be tackled collectively.

Number one on the list? “Feel.” More than anything else, HR leaders seem to agree that an employee experience is something you feel. It’s the intangibles and tangibles that add up to a great job. But how do you operationalize and measure a feeling? This is perhaps the biggest conundrum HR leaders face in 2019.



## WORKPLACE INCLUSION IS IMPORTANT, BUT ITS POTENTIAL ISN'T FULLY RECOGNIZED

Limeade Institute research from 2018 shows that inclusive workplaces have higher engagement and higher intent to stay. But in this survey, inclusion was low on priority lists. Could inclusion be the solution that's falling through the cracks?

**86%**

of those surveyed said they own Diversity & Inclusion Initiatives

But Diversity & Inclusion was ranked only

**8/10**

in a list of priorities for 2019

Only

**11%**

of respondents cite lack of inclusion a barrier to their team's success

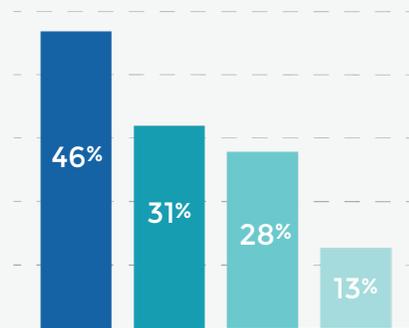
### WHO'S RESPONSIBLE FOR INCLUSION?

Diversity: **46%**

Talent Management: **31%**

Internal Communications: **28%**

Outside HR: **13%**



Inclusion is a high-profile issue and should be a high priority effort in today's world, as more employees look for workplaces that are welcoming, open-minded and transparent.

Inclusion could be the solution HR leaders are looking for, but it's not yet agreed upon as an approach to addressing the top issues of recruiting, retention and employee engagement.



## HR NEEDS BRIDGES, NOT SILOS

HR is at a crossroads. The good news is that its leaders genuinely want to drive change and build better companies. These professionals are aspirational and prioritize positive change over advancing their own careers. But their focus on participation levels and budgets, and their misunderstanding of evolving concepts like inclusion and employee experience, suggest they aren't keeping up with the demands of top talent.

The results of this HR Industry Pulse Report show that HR leaders and professionals face many of the same barriers to success, for their teams and organizations. The findings also revealed that the factors impacting recruiting, retention and employee engagement pose a threat to more than HR leaders, but entire organizations.

When low participation in programs is perceived as the number one barrier to improving employee engagement, when responsibility for employee experience is siloed across departments and functions, when unwanted turnover is a real threat and when weak managers are a systemic issue.

### IT'S TIME FOR ORGANIZATIONAL CHANGE.

HR leaders know this. Their responses identified the need for more alignment, participation and cultural buy-in. Awareness of the larger issues will serve as the blueprint for potential solutions — and positive change is already underway.