

Predictions for 2021

I have to say, 2020 was quite a year. We went through some of the biggest disruptions in our life, and as a result, our businesses, jobs, and work changed. As I think back about all we've experienced, it's very clear to me that 2021 will be a transformational time. Let me give you some perspectives for the year ahead.

What We Learned in 2020

This year we learned a lot. We learned that we, as individuals, are vulnerable to threats and also very resilient when facing change. Most of us spent a lot of time working at home, which has changed the way we live and helped us become very comfortable with the digital world of work. The biggest word of the year is "resilience." We have learned how to build a resilient company, a resilient team, and a resilient personal life.

DDI's new leadership research shows that employees have more confidence in leaders than they have in 20 years. This new level of confidence comes from a new mindset in business. Company leaders have to listen, take care of people, and build a business and teams that helps everyone be successful, regardless of individual situations.

We also learned to be agile with a lower case "a." For years, companies have been talking about Agile methodology for work practices such as flattening organizations and working in teams. This year, agile happened at scale. HR leaders have told me their companies moved faster than they thought possible. Things like digital transformation and the redesign of performance management happened in months. We learned that a focus on helping employees be productive, safe, and included is really the core of a transformation.

And we also learned how to learn. Most of us didn't know a lot about public health, viruses, workplace hygiene, or social issues such as Black Lives Matter or mask-wearing politics. But this year we learned. This year has shown me that HR professionals are learners at heart. In fact, the L&D market itself has exploded with growth. Most of you have seen more consumption of learning than you ever thought possible, and your employees are as engaged as they've ever been.

And with all this change people are a little tired. We went through a brutal election in the United States, we suffered tremendous loss from racial injustices and pandemic failures, and we all worked a lot of hours and spent a lot of time on video. As we go into 2021 it's important to reflect on what we learned and make sure we take it forward, while taking advantage of our newly found skills in remote work, wellbeing, empathy, and productivity.

There Is a New War for Talent

"War for talent" is a 20-year-old phrase, originally coined by a consulting firm. I predict this year the war will again emerge with a vengeance. New research from EMSI and LinkedIn shows that the number of open jobs is almost as high as it was 12 months ago, and economic productivity is at record levels. What this means is that for key roles and geographies, there is huge demand for people, and you will be competing for talent in every way.

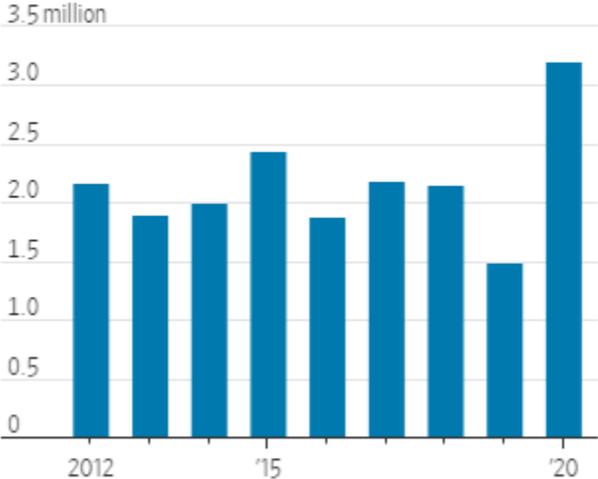
Amazon, Wal-Mart, Target, and other similar businesses have hired many people this year, including retail workers, logistics staff, and delivery drivers. In fact, the number of delivery driver jobs is 140% higher than a year ago. If you're a tech company, you've likely been hiring engineers, data scientists, and designers. Jobs in healthcare and home health are growing at the fastest pace of all.

Interestingly enough, it also appears that the pandemic has changed the workforce itself. Baby boomers are retiring at a record rate,¹ with more than 3.2 million retiring this year alone. Women and non-college educated workers have also left the workforce, making it even harder to find people to fill the service, labor, and contract jobs now in high demand.

Retirement Boom

Baby boomers left the labor force in higher numbers this year.

Annual increase in number of retired baby boomers



Note: Based on average of July, August and September population data
Source: Pew Research Center analysis of Census Bureau data

Jobs for 2021 will be service roles – jobs that require technical skills and experience but are primarily driven by your candidate's ability to learn, collaborate, and relate to your company's purpose. Purpose was a big topic in 2020 (it is one of the highest correlated dimensions in pandemic response²), so you'll want to communicate and clarify your company's purpose when recruiting so you attract people who care.

¹ <https://www.wsj.com/articles/covid-shrinks-the-labor-market-pushing-out-women-and-baby-boomers-11607022074>

² <https://joshbersin.com/business-resilience-the-global-covid-19-pandemic-response-study/>

To deal with the general labor shortage, I think we'll see wages go up (at last) and companies will do a much better job of job sharing and internal mobility and will spend a lot of energy on end-to-end talent acquisition. Talent acquisition remains one of the most complex parts of HR, and in 2021 I think we'll see a lot of work to make it even better.

I also think it's important you communicate your role in society. Younger workers (74% of the workforce is now under the age of 50) are desperately looking for meaningful work. If you nail this well, you'll hire the right people.

Digital Has Become a Way of Life

Digital transformation is here. There's no more reason to debate whether people are allowed to work at home; they're now working everywhere. In fact, to me, the big trend to me is that work comes to you rather than you going to work.

In HR, this means we have to push forward with the simplification, integration, and design thinking of the digital work experience. Products like Microsoft Teams are sweeping across the world, enabling HR teams to create a single platform experience for employees. I know quite well there are hundreds of HR tech tools to consider. We must accept that digital is the way people work and then collect the fewest and best tools for your needs and make them all work together. Hire a few people who understand data and systems; develop an architecture team that can look at how these things come together; and work very closely with IT.

Employee Experience Is Now a Corporate Strategy

We started the conversation about EX about five years ago. Now, EX initiatives are company-wide projects that include HR, IT, legal, facilities, finance, and workplace safety. Employee experience encompasses issues ranging such as work protocols, management support, workplace design, rewards, development, careers, and culture. Our new EX framework, which we've developed in partnership with dozens of companies, shows you how expansive the topic has become.

In 2021, you will need a cross-functional EX team that looks at employee segments, employee journeys, and the role of service delivery centers responding to employee problems and needs. While EX started as a design thinking exercise, it now goes well beyond HR-related moments that matter. Comprehensive employee experience requires re-thinking about every minute in a workday and includes considering how to handle all types of employee feedback and developing a strategy for "signal to action" as I describe in our new EX research³.

³ <https://joshbersin.com/2020/11/employee-experience-4-0-closing-the-loop-from-signal-to-action/>

The Irresistible Organization: A Complete Employee Experience

 Meaningful Work	 Hands-On Management	 Positive Environment	 Health & Wellbeing	 Growth Opportunity	 Trust in Leadership
Autonomy and agency	Clear goals with stretch opportunity	Tools and systems to get work done	Safety and security in all aspects of work	Open, facilitated job and role mobility	Mission and purpose beyond financial goals
Job and team fit	Regular coaching and feedback	Appreciation, recognition, and rewards	Personal fitness, health, and wellbeing	Career growth in multiple paths	Trust, transparency, and empathy
Small, agile teams	Capable, empowering leadership	Flexible workspace and workplace	Psychological and mental health and support	Formal and informal learning	Continuous investment in people
Time to focus, rest, and recover	Transparent, simple performance management	Inclusive, diverse, and culture of belonging	Family and financial support	Culture of learning at all levels and all times	Focus on society, environment, and community

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Where and how should you start with employee experience? First, make sure your EX team has an expansive mission. Focusing only on HR is not really sufficient anymore. EX touches on work, career, and life journeys. You need to think of EX as a company-wide initiative and leverage as much technology as you can.

One of our clients spent the last two years implementing a series of chatbot services for their employees. As the system got better over time, the HR service delivery team began to get smarter and smarter about employee needs and now can see trends in employee engagement in real time. Another company connected its service delivery applications to Workplace by Facebook so employees can chat and interact with every HR system without ever logging on. This kind of digital thinking has to be part of your paradigm.

Employee experience also includes building the new workplace. While many people will continue to work remotely, there is a massive focus on making the office workplace more hygienic, productive, and enjoyable. I don't think we'll throw away all the cubicles yet, but the days of crowding people right next to each other are over. I used to laugh at well-funded tech companies that had 50 people sitting in a single room so close to each other that everyone wears headphones. HR now must work with facilities to design a better physical experience. Word on the street is that the design of the future is the hybrid workplace, with a variety of spaces to collaborate and to do individual work as needed.

Employee Listening, Hearing, and Communications Go Big

Probably the biggest of lesson of 2020 is the critical importance of communication. All over the world, CEOs and other senior leaders got on Zoom calls with hundreds to thousands of employees and opened

up channels to talk, share, listen, and get feedback. We needed such frequent communications because the entire world was so uncertain.

In our 2020 research, we found that communication, listening, authentic feedback, and taking action on employee issues are perhaps the most important leadership and HR practices of all. We are just finishing a massive study of diversity, equity, and inclusion and believe it or not, the ability to listen, hear, and act on employee concerns is by far the top driver of success. Even employee resource groups, which companies are often unsure about, are incredibly important ways to learn about what’s on employees’ minds.

Many years ago, I wrote an article called “Feedback Is the Killer App⁴” and tried to explain why employees’ “Yelping” about their workplaces was so important. Now it’s well understood that employees are the most valuable source of information a company has. Of course, customers and business partners are important sources too, but employees are the ones who “vote with their lives” when they come to work for you. So, leaders should treat their suggestions, concerns, and feedback as gold.

Over recent years, we’ve moved from annual surveys to pulse surveys to analytics platforms, and now we’re entering a new world of action platforms. I suggest you read my new research, “Shortening the Distance from Signal to Action,”⁵ and make sure employee listening is a focus for 2021.

Employee Engagement Market (EX) Evolves

EX 1.0	EX 2.0	EX 3.0	EX 4.0
Annual engagement survey	Pulse surveys with mobile access	Intelligent dashboards and action plans	Continuous Response action platforms
Once per year. Focus on management. Benchmarked annually. Rigid questions asked year after year.	Agile surveys as needed. Pulse on regular basis. Feedback on mobile or apps. AI-based action plans. Immediate feedback.	Many sources of data. Dashboards recommend action, deliver nudges, suggestions, and learning or action plans for individuals	Tied into internal systems with alerts, feedback, cases and integration with CX systems. Now called EX, not Engagement
Focus on benchmarking.	Focus on feedback.	Focus on behavior change.	Focus on action.
Survey technology.	Mobile, easy to use.	Useful data & learning.	Instrumented actions and alerts

By the way, one of the things that’s really helped advance employee listening is the explosion of growth in platforms like Microsoft Teams, Workplace by Facebook, WebEx, Zoom, ServiceNow, and other collaboration, video conferencing, and EX tools. Once viewed as part of a niche market, these platforms

⁴ <https://www.linkedin.com/pulse/employee-feedback-killer-app-new-market-emerges-josh-bersin/>

⁵ <https://joshbersin.com/2020/11/employee-experience-4-0-closing-the-loop-from-signal-to-action/>

have proven themselves to be important platforms for employee communications and collaboration – capable of reaching employees wherever they are working.

Wellbeing and Safe Workplaces Land in the Board Room

The corporate wellbeing market, over \$45 billion in size, exploded with growth in 2020. Today there are hundreds of vendors selling coaching, fitness, mindfulness, mental health, and psychological counseling tools for employees. And as we've talked with HR leaders all year, we hear the same thing over and over: employee health, wellbeing, and safety are now embedded in corporate cultures.

Just as senior executives have become more focused on empathy and employee support, so have every manager and supervisor. Teaching leaders how to help their people stay healthy, resilient, and productive has emerged as a priority.

The key to health and wellbeing is not just to give employees a portfolio of wellbeing-related benefits. We also need to give employees clear direction, time to focus, and a work environment that is productive, supportive, and inclusive. While wellbeing started as a benefit provided by the compensation and benefits manager, it is now central to your entire company strategy.

Coupled with this is what the safe workplace strategy. In 2021, HR leaders are grappling with questions such as those below:

- What tools and support do we provide for remote work?
- When should you come to the office and when can you stay away?
- What public health protocols do we mandate?
- How will we monitor employee travel, health, vaccine adoption, meetings, and attestation?
- How will we schedule office openings and manage issues such as appropriate distancing, commuting, and public spaces?
- What are our policies for virus outbreak?
- Do we need a chief health officer?
- Is the safety team involved in our EX program?

Let me add another important point. In 2021, I do believe citizenship, trust, and social responsibility will be a big focus. Cisco's mission is now "Power the inclusive future for all." Target's mission statement is "Help all families discover the joy of everyday life." Such inclusive, socially-oriented mission statements are part of a new theme in business: we are here to help society and employees, not just shareholders.

I want to remind you that giving to others, volunteering, and taking care of the environment and community is also part of wellbeing. As I described in my article about Workday's wellbeing strategy⁶ – you should think about linking your wellbeing strategy to your ESG or social responsibility strategy because they're strongly connected.

⁶ <https://joshbersin.com/2020/01/create-a-meaningful-employee-experience-workdays-global-impact-employee-life-team/>

(Please read our Big Reset Playbooks⁷ to learn more about the entire topic of pandemic response.)

Maturity Model for Wellbeing Strategy



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Heavy Focus on Skills Leads to Strategic Focus on Capabilities

The reskilling, upskilling, and skilling craze has continued. In 2020 we all realized that we have a lot to learn about public health, hygiene, and safety. There was also renewed emphasis on automation and AI, making every job in business one of “continuous learning.”

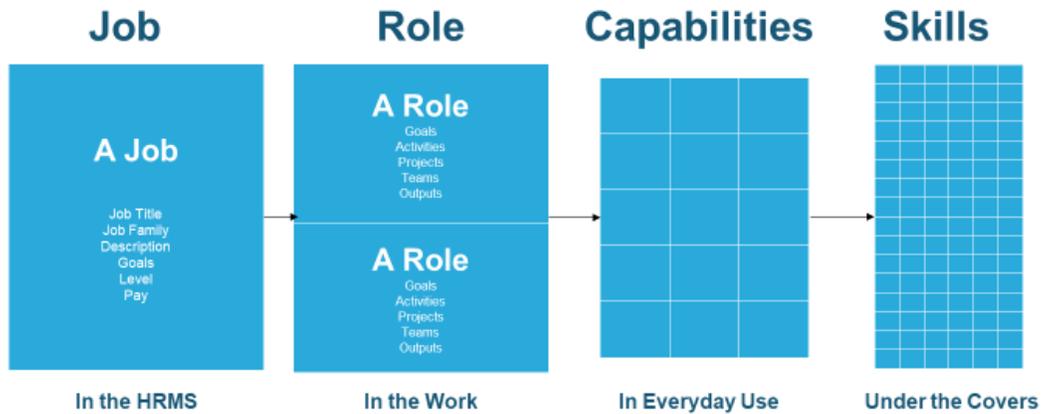
Ongoing learning and development should be a strategic focus for the CEO. If a company does not have a learning culture that encourages and promotes individual learning, business will suffer. When you look at companies like Nokia, Digital Equipment, and others that have lost their markets, a common factor is that leaders “just didn’t learn what was going on.”

We are in the golden age of AI, technology, and data, so naturally everyone wants to develop skills in these areas. But my research shows that most of the jobs of the future are in services: designing, selling, communicating, helping, caring for others. These jobs need other skills, too -- the power skills of listening, communicating, managing time well, prioritizing, and of course, learning to lead, collaborate, and coach many others. Such skills are going to be even hotter in 2021, so you need to put a strategy in place to develop and instill them.

What most companies now need to do is create a capability taxonomy that documents the primary business capabilities needed to drive the business ahead. This is not an exercise of building a skills cloud of 5,000 important skills. Those types of systems are now available from almost every HR vendor. Rather, your new challenge in 2021 is to put some of your personal intellectual horsepower against this and build a capability strategy for your company.

⁷ <https://www.joshbersin.com/bigreset>

Understanding Jobs, Roles, Skills, and Capabilities

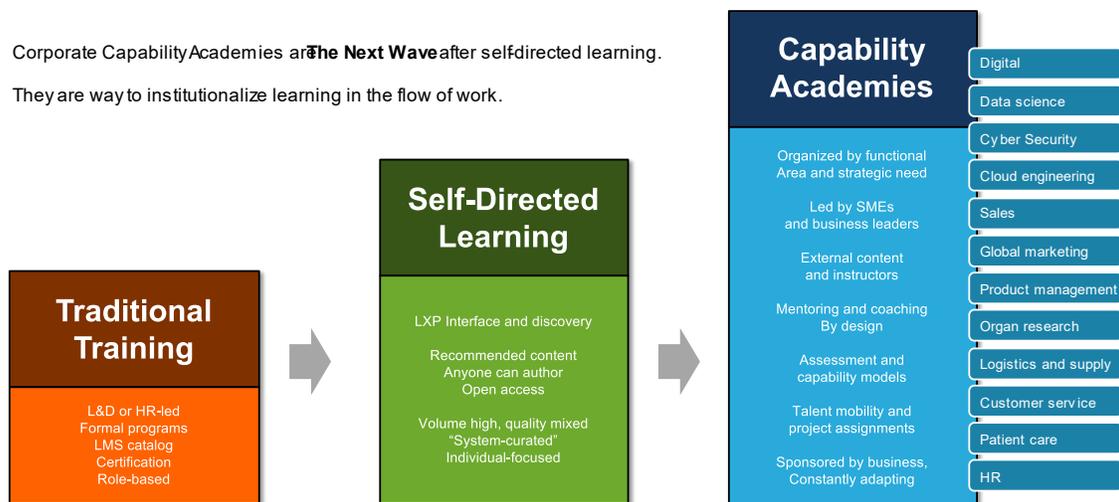


How do you do this? As Lockheed, Intermountain Healthcare, Wal-Mart, P&G, and many others have shown, it takes a real effort to build a team of employees who can help prioritize the business capabilities that drive success. No software tool can do this for you. And year after year, you should revisit the results and keep the list from getting out of control.

The Next Step: Capability Academies

Corporate Capability Academies are **The Next Wave** after self-directed learning.

They are way to institutionalize learning in the flow of work.



We are launching a capability building working group as part of our in Big Reset 2021 initiative, so if you're a senior L&D or HR leader interested in doing this or have experience to share, please join us.

A focus on capabilities will help you create deeper skills, bring people together, create mentoring, and leverage the expertise within your company. In 2021, we need to move beyond buying an LXP and expecting Workday or another tool to find and recommend all the skills everyone needs. It's time to take this bull by the horns and make capability development a strategic business strategy for the future.

L&D Will Be Disrupted

I do love the L&D market; it's the market I first studied when I started as an analyst. Twenty years later, I'm seeing an incredible amount of disruption ahead for this market ahead:

- Essentially skills matching systems, talent marketplace products are taking off. The more people start moving around and taking on different roles, the more content and training they want. An essential business decision you need to make is where the business rules for learning go. In the LMS? LXP? Marketplace?
- Microsoft Teams will include a learning app. The MS Teams learning app will come out in 2021, and it will let you deliver "learning in the flow of work" at scale. Of course, you'll have to figure out how to use it within your environment. We would be happy to help.
- LXPs will grow up into LMSs. LXP vendors are suddenly realizing they need business rules, e-commerce, resource management, and even talent marketplace features. So that "layer" of software you bought to sit on top of your LMS is now starting to become a pretty big deal, making it important to rationalize what data goes where.
- LRS platforms will become real. The real data engine of learning is not the LMS or the LXP; it's the learning record store, where all the detailed learning data resides. These tools are going to become much more important in 2021, so start getting familiar with this market segment.
- The demand for content will continue to explode. The Josh Bersin Academy more than tripled in size this year (we are over 25,000 members) and nearly every other content company is seeing similar growth. You're going to be flooded with new content offerings, so it's very important to keep content providers and resources under control. By the way, Skillsoft has transformed itself and is going public. Between Skillsoft, LinkedIn, Pluralsight, Udemy, Coursera, and hundreds of other companies, the content market has never been so big, healthy, and confusing.
- Workday, Oracle, and SAP are getting serious about learning. Workday Learning now has more than 800 customers; Oracle has built a serious learning platform in Oracle HCM; and SAP is investing heavily in a new end-to-end enterprise learning platform as well. Cornerstone-Saba hasn't gone away either, so the enterprise platform market is becoming even more interesting.

I do predict the learning market will be a hot space in 2021, and I encourage you to take some time and create a project to build a solid three- to five-year roadmap for your L&D infrastructure, content, and organization strategy.

Talent Mobility Is Finally a Highly Strategic Focus

As an analyst, I've studied a lot of HR practices. Back in 2007, we did a big study of succession management and came to the conclusion that succession management, one of the core practices in talent management, was totally out of date. In 2021, for the first time in decades, the area of strategic and facilitated internal mobility is moving into focus.

Historically, most companies built succession models based on replacement planning. Believe it or not, the history of nine-box grids and succession go back to World War I, when the army had replacement charts to show squad leaders who could take a soldier's place if he should be shot in the trenches. This idea was copied in business; companies would replacement charts for senior execs so they knew who was ready to take over if a senior leader had to leave or retire.

This then turned into the "secret locked room" where all the succession plans were stored, and companies like GE started to turn this approach to succession planning into an institution. We started copying all these tools (nine-box grids, talent calibration, etc.) and went crazy with HR technology to create various forms of succession and career planning for lower levels of the organization.

At the same time this was going on, career planners and recruiters were pushing for career models. Most companies (including IBM when I was there) had very well-developed career paths and most of us could lock into to one of these and ride our way up over time. This approach worked extremely well for a while.

Somewhere in the early 2000s the internet upset this appcart. Suddenly we had tools such as HotJobs, LinkedIn, and Indeed, and employees could much more easily find a job in another company if they wanted to move up. So rather than wait for a promotion to move up the hierarchy, employees quit and snag a better job in another company.

I remember being quite frightened about being laid off in the 1980s because I knew how hard it would be to find another job. We had to type out our resumes, fax or mail them, and wait weeks to hear back from a recruiter. All that is now quaint history.

As the job market became transparent, companies got frenzied and started piling on benefits, career development opportunities, and better and better learning programs to help keep high performers around. We went from career models to facilitated mobility. Companies such as Cisco essentially decided that moving employees around in the company should be part of their strategy. Emerging out of this time came the concept of creating well rounded general managers, the idea of a T-shaped career, and the focus on creating one's own network.

However, obstacles often stood in the way. Many managers were not incented to let employees move to other jobs. Hiring managers often preferred to hire external candidates rather than hiring from within. Employees were not aware of the internal positions available. If an employee who wasn't identified as a HIPO did jump to another role, he or she could be taking a career risk. If an employee burned out in a new job, there was no way to go back to a previous role.

Anyway, this culminated in some research we did in 2016 for which we surveyed more than 10,000 people and found that 65% of respondents said, "It's easier to find a new job outside the company than it is to find a new job inside the company." Kind of insane, but it was true.

I was visiting at a huge conglomerate in India who was complaining about their leadership pipeline and I asked several leaders, "How much mobility do you have between the oil and gas business and the telecommunications business?" They said, "Absolutely none; it just doesn't happen here." I paused and waited. And then the HR leader said, "But it's pretty easy to quit from one of our companies and get hired by one of the others. That happens all the time."

And I know many of you spent many years building internal mobility tools, career models, and setting up career coaches. One of our favorite clients (a big insurance company) spend two years building a massive internal mobility system that included comprehensive job assessments for every job in the company so anyone could identify and apply for any internal job. It was very well intentioned and highly strategic, but the overhead of maintaining it was too much – so they shut it down after a few years.

And Voila! Along comes the Talent Marketplace. Vendors like Gloat, Fuel50, Workday, and new vendors like Eightfold, Hitch, PhenomPeople, Tandemploy, 360Talents, and now Oracle, PeopleFluent, SAP, and many others are offering platforms to make this all work. I won't bother you with the details here (read my 2021 HR Technology Market⁸ report), but let me just say that in 2021 you must take this strategy seriously.

Vendors Fit Different Models of Talent Mobility

Career Development	Planned	Facilitated	Agile	Sourcing & Recruiting
	<ul style="list-style-type: none"> • Skills and experience • Tenure and reputation • Assessments, gated paths 	<ul style="list-style-type: none"> • Needs of the business • Developmental needs • May be stretch assignment 	<ul style="list-style-type: none"> • Changeable at any time • Based on interest and skills • Skills models may help 	
	Development Planning		Gig Work Management	



The proof is now out: companies like Unilever, Schneider Electric, PepsiCo, Society Generale, and SAP are thriving on internal mobility. And these new platforms are making it easier than ever. Talk to us if you want more information – but believe me, this is a transformational new strategy. And it goes far beyond HR: I think making your company an internal opportunity marketplace is really the management model for the future.

HR Transformation Is on the Front Burner

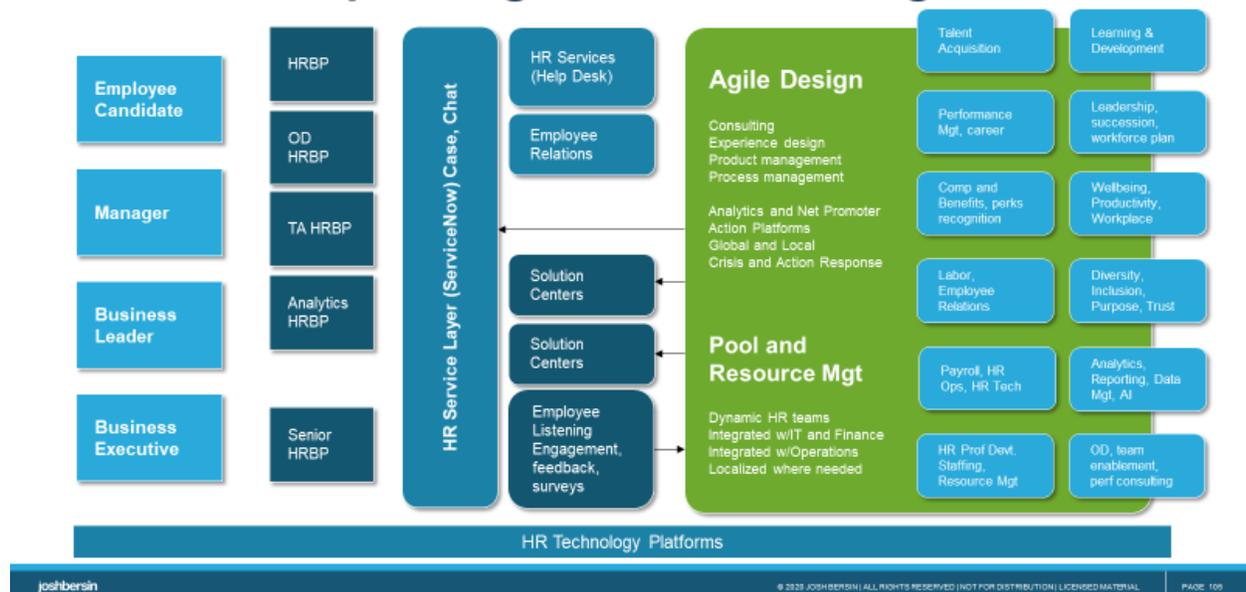
I've been doing work on HR operating models for many years, and we've now reached a point where almost 90% of the companies we talk with need a refresh or new operating model for HR. Why? Because today HR has become a center of innovation. We need to reorganize HR so it can develop and deliver in an agile way, become very data driven, and focus laser-like on employee experiences. And we have to

⁸ <https://www.joshbersin.com/hrtech2021>

do this with an efficient model that uses AI and self-service, well-defined service centers, and strategic outsourcing where needed.

Many organizations are “halfway there” with transforming their HR operating models. In 2021, we will likely see a growing economy at some point so the stress of not operating well will hurt. I see 2021 as the year to complete the move to the new op model for HR. This is much more than implementing a cloud-based HRS. It also requires clarifying who does what. Here is a high-level view of where you want to go.

A New HR Operating Model Has Emerged



How do you manage this transformation? Well, each company comes from a different place, and the typical problem most organizations have is lots of HR staff floating around doing business partner work, COE work, and working in service centers all the time. The big work for 2021 is to rationalize the roles, cross train teams, and set up a focused team to crawl through all the employee experience issues one by one.

Given the enormous changes we have in work and the workplace, another 2021 goal should be to transform HR from the inside out. In other words, focus on training and reskilling your HR team.

One more thing. People analytics is now becoming a mandate. Big companies like IBM and Cisco have entire data science teams dedicated to HR. They are able to look at employee mobility, sentiment, pay, performance, and all other work-related data and come up with highly innovative new ways to manage and improve performance. People analytics is now one of the most in-demand capabilities, followed closely by DEI skills and experience.

The 2021 imperative for 2021 is to go broad and wide. Your HR team should work with IT to industrialize your data set and make sure it can encompass more sources of data in the year ahead. And your team

should feel more like a consulting team and less like a data science team, because we need to use all this data to advise and improve, not just to analyze what's going on.

Citizenship, Environment, and Sustainability Will Grow

Now that we're working our way through the pandemic, people are thinking about their role in society as well. I've just finished reading a book called *The Upswing* by Robert Putnam⁹ (author of *Bowling Alone*) and he believes, as do I, that our self-centered culture has peaked and we're going to move to a more collective culture around the world. Problems like income inequality, health, global climate change, and racial justice loom large on the minds of younger people. New Deloitte research shows that more than 70% of professionals under the age of 50 want to spend significantly more time giving back in their lives.

I look at issues such as income inequality, health access, diversity, and environmental changes as part of citizenship and should have us thinking about our companies as societies within larger societies. People have to be good citizens within your company – taking care of each other, protecting company assets, acting in an ethical way -- and also good citizens in the communities you serve. People are hungry for this kind of focus right now, so it's time to bring together your DEI, sustainability, and environmental programs and think about them as an integrated strategy.

In some way, you may not have much choice. Both the NASDAQ¹⁰ and the SEC¹¹ are issuing rules about diversity on boards and pay equity disclosures; the urgency to drive inclusion, fairness, and transparency will get stronger. All evidence is that the Biden administration is heavily focused on these issues; just look at the makeup of the new White House cabinet.

DEI Will Continue to be a Major Imperative

We've finished a massive study of DEI practices in business, and the results are pretty shocking. Not only is DEI an enormous topic on the minds of CEOs, but companies are hiring heads of DEI like never before. But are they moving the needle? Not as much as you'd think.

The problem is not one of training or employee resource groups, but rather that of truly creating an inclusive culture within a company. As Ray Narine, one of our DEI gurus puts it, DEI is about "creating space for differences that people bring with them to work."

Our study shows that the most effective practices include: listening to and acting on employee needs, giving employees an opportunity to speak up, holding HR teams accountable for DEI metrics and programs, and driving transparency and accountability into business leadership.

And let me point out some very important changes that are happening. The SEC and Nasdaq getting involved in diversity issues. Companies like Cisco, Target, Unilever, IBM, Accenture, Lego, J&J, Merck,

⁹ https://www.amazon.com/dp/B07TFB4CTQ/ref=dp-kindle-redirect?_encoding=UTF8&btkr=1

¹⁰ <https://www.nasdaq.com/press-release/nasdaq-to-advance-diversity-through-new-proposed-listing-requirements-2020-12-01>

¹¹ <https://corpgov.law.harvard.edu/2020/09/12/a-view-on-the-sec-rule-regarding-human-capital-disclosures/>

Capital One, Astra Zeneca, Sodexo, Hilton, and ADP are making significant headway in bringing about change. As you'll see in our research, these companies are all focusing on DEI as a business strategy, not an HR initiative.

My other point on DEI is that our own education is lacking. While some of us have been digging into the topic in great detail (we have about 40 chief diversity officers currently advising us), most HR professionals feel uncomfortable with the topic. Our capability assessment shows that DEI skills and expertise rank low across HR professionals around the world. I don't think this is a result of a lack of interest: DEI issues are expansive, confusing, and intimidating. I encourage you to take time to research and get yourself educated.

For more perspective, read my article about why the chief diversity officer may be one of the toughest jobs in business¹².

HR Will Be a Center of Innovation

My final prediction is something I've seen coming for years. You, as an HR leader, are now working in a center of innovation. Every single people-related practice – from hiring to leading to performance management, succession, career models, job architecture – is an opportunity to innovate.

Every company must innovate its HR and leadership practices because the way we manage people is changing faster than ever. Most of us are dealing with factors such as broad employee demographics, multi-cultural teams, constant automation and digital change, and increasingly global markets. You, as an HR professional, have to figure out what to do about all these things – and also be a good economist, anthropologist, and politician as well.

One of the reasons I love HR is that we get to worry about people issues, economics, society, technology, and culture all at once. In 2021, you will have the freedom to invent and experiment as we all deal with working in a whole new way. The pandemic won't be over for a while, but I know for a fact that the old way of work is gone. Let's invent the future the future together. 2021 will be an exciting and positive year. Please join us on the journey.

¹² <https://joshbersin.com/2020/07/chief-diversity-officer-the-toughest-job-in-business/>