



# Under Pressure

HR concerns in the recession



## Executive summary

Business is always tough. It's about showing what you're worth, doing the job you're meant to do and proving to your employer that you're valuable to the business.

Of course in a recession these everyday 'truths' are compounded. If you were resting on your laurels before, now's the time that you're really under the microscope. Quantifiable results are demanded, works piling on and all in all everyone's just that little bit more fractious. And as an HR professional, with all these queries about job security mounting up, arguably you're under even more pressure than most to perform. Depressing isn't it?

Well, not necessarily. We conducted this research report among 260 HR professionals, to take a better look at exactly why HR people are feeling under pressure and what they feel the outlook is for the next 12 months. So we could see for ourselves whether we're really in for a rough ride, or if the recession is more media hype than reality.

Admittedly many of our results give a bleak and decidedly uncomfortable picture of where we're headed. Many of you are currently in the middle of processing, and expect yet more, redundancies. There are also concerns about the level of service you're able to offer employees and whether you can support their development needs.

But it's not all as awful as you might expect. With over 98% of you feeling confident that you can actually fulfill your responsibilities to employees over the next 12 months and 96% of you feeling confident that you'll do the same for the board. A surprising but certainly encouraging response.

What this says to me, is that yes, we're all under just as much as strain as we thought we were. Yes, the next year or so are going to test us. But many of us are up to the challenge. We'll work a bit harder and a bit longer and we intend to perform. No-one can ask more, or expect more of us, than that.

## Top line results

- Unsurprisingly, 92% of you said that there's now more pressure on you to deliver measurable value, with 43% saying you feel under much more pressure.
- Almost half of you (46%) said that an increase in pressure is as a result of processing more redundancies
- 59% of you said that you're spending more time answering queries relating to job security
- 41% of you are spending more time supporting line managers with appraisal and assessment management
- Yet, over half of you feel that employee training and development has been compromised as a result of the recession
- 29% of you feel that you're now spending time on issues that shouldn't be expected of HR
- A quarter of you felt that you couldn't offer employees the support they need
- A worrying 60% of you expect to make more redundancies over the next 12 months
- Yet, 98% of you feel confident that they can fulfill your responsibilities to employees over the next 12 months

## The pressure's mounting

So, 92% of you are under more pressure in the current climate. Little wonder when 46% of you are processing more redundancies and 60% of you anticipate more redundancies in the next 12 months.

This won't come as much of a surprise to many of us, with so much talk of job losses in the press. It's also telling that 59% of you are experiencing pressure as a result of concerns from your people about the future of their jobs. It's hard to allay fears when in all honesty, they have a firm grounding in reality.

What this shouldn't mean is that your role in HR is to fire fight anxiety, cowering behind your office door in case one more employee comes knocking about pending redundancy. On the contrary, being up front with employees and addressing their fears can do much to help stem the flow of enquiries. And that doesn't all have to come from you.

Speak to your senior managers about how they can be more visible and more transparent with employees. There's nothing worse than being caught up in a rumour mill, which often impedes productivity. Does your general manager or C.E.O deliver regular business briefings that address financial performance? For more back office functions, where targets and figures aren't a daily concern, it's easy to fall out of the loop and be unaware of how business success affects you.

If not already in place, try encouraging open door policies – even if this is only one day a week – when employees can speak to directly to senior management about their concerns.

You may want to instigate and manage this process, but it doesn't all have to come from you.

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## Size doesn't come into it

Unexpectedly, organisation size doesn't seem to affect redundancy fears.

It's roughly an even split, with 57% of larger organisations (501+) expecting to process redundancies over the next 12 months and 52% of smaller organisations (under 500) thinking they'll be doing the same.

What this shows us is that HR teams everywhere are affected by the redundancy issue and will need to take measures to help them cope with this. If you're a large business you're more likely to have access to legal teams in-house, but for smaller businesses you may want to seek outside assistance, to make sure that everything is handled appropriately and as required by law. Consider the use of legal advice centres and helplines that can offer help, but at a less expensive rate. There's no denying the difficulty of managing this process, but you needn't feel unsupported while you do it.

Consider ways in which you can empower your line managers and even employees to have more control of employee development.

## Industry outlook

37% of educational establishments and 36% of healthcare organisations think it's likely that they'll be processing redundancies over the next 12 months. Whereas 78% of construction and 71% of retail businesses think it likely they'll be processing redundancies.

With better government support for the public sector, this is unlikely to come as much of a surprise. Certainly there has been much emphasis on the downturn in the construction industry and the impact on retailers such as Woolworths, MFI and Zavvi.

However, do consider that these are only expectations, they are by no means certainties. What we should be asking ourselves is, is there any way that we can prevent further redundancies? Are line managers accurately communicating to employees what is expected of them to reduce the risk of losing their jobs? They can't offer guarantees, but helping them achieve more will go some way to securing their future.

Ask yourself some less comfortable questions, like should we be offering larger redundancy packages that people can volunteer for, instead of waiting for decisions to be made that require compulsory redundancy? Putting your cards on the table in this way is another means of preventing rumours and can take much of the pain out of compulsory redundancies.

But don't lose your focus on the smaller things. When it comes to productivity, people are most likely to perform well if they're working in a positive environment. For example, are your people still getting involved in charity events, even if it's just a dress down day on a Friday? If you have an internal comms team this may already be taken care of, but for smaller organisations, you may want to consider appointing people (on a voluntary basis) who put a bit of time aside each month to organise events. So it's not a drain on your time, but it's still taken care of.

## Performance management

With so much emphasis on performance, no wonder 41% of you are spending more time supporting line managers with appraisal and assessment management. Yet over half of you also feel that training and development has been compromised.

In all likelihood, training budgets for many of you will have been a casualty to business-wide cost cutting. This doesn't make it easier when trying to maintain a skilled and motivated workforce. Especially when your line managers are asking you for more support with performance management.

Consider ways in which you can empower your line managers and even employees to have more control of employee development. Do you give them easy access to the records they need? How simple is it for them to update and return information and do you have a means of reminding people about their obligations?

If you have self-service technology in place then make sure you use it to its full potential. Speak to your supplier about how you can make more of online performance management, so that daily intervention isn't required by you.

In terms of the actual training that's delivered, if budgets are tight, consider how elearning could help. That includes WebEx demos and podcasts that many training providers now offer, as a cost effective alternative to classroom training.

## Employee support

A quarter of you feel that the service you're delivering to employees is currently compromised. Perhaps to be expected with so many more pressures on your time.

Responding to employee queries can be very time-consuming, but is often a very necessary part of working in HR. Again, think about how others could help you with employee queries. Are they all specific to HR, or could line managers offer similar support? Training your line managers on answering some of your frequently asked questions could remove this pressure on your time, while improving the service that employees receive.

### But remember...

98% of you are confident that you can fulfill your responsibilities to employees and 96% are confident you'll fulfill your responsibilities to the board, which means we're certainly more capable of surviving the recession than we think.

There's plenty of work ahead and it's never easy to know that you're facing hard times. But in the words of Baruch Spinoza: "Fear cannot be without some hope nor hope without some fear."

So take heart.



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