Creating People Advantage – Revisiting a success story

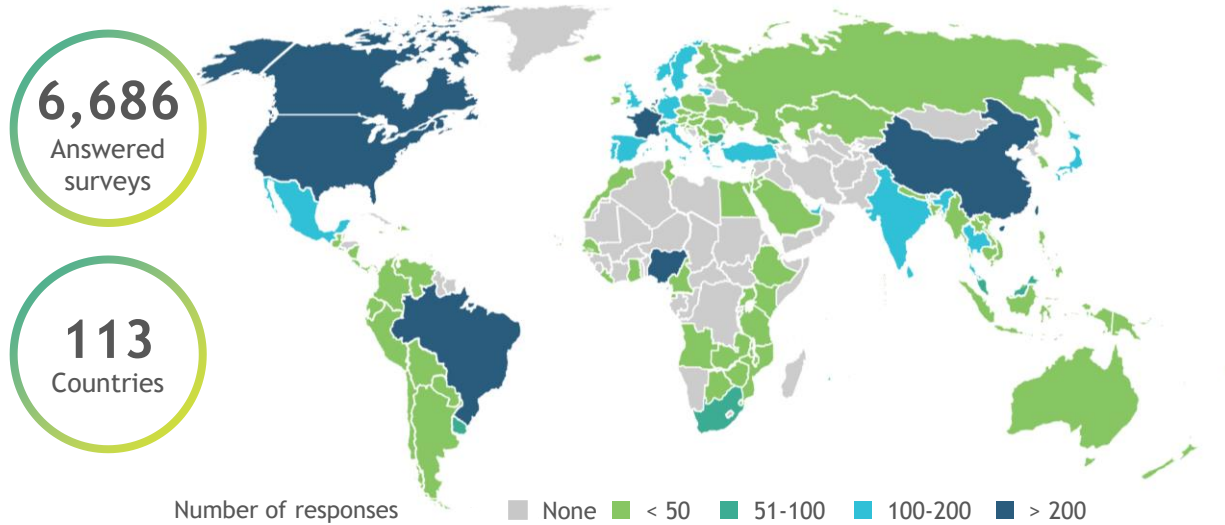Regional results for Europe

JUNE 2021
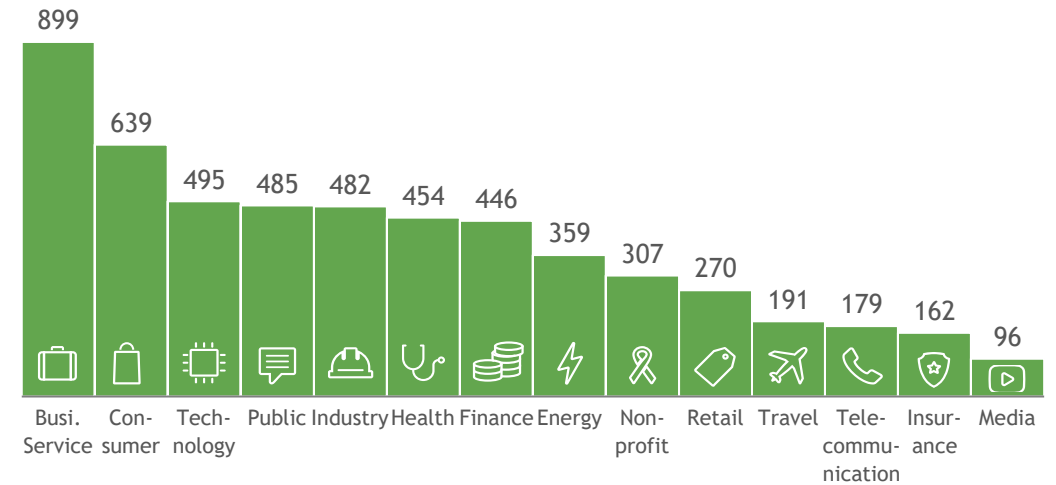
Global overview on results
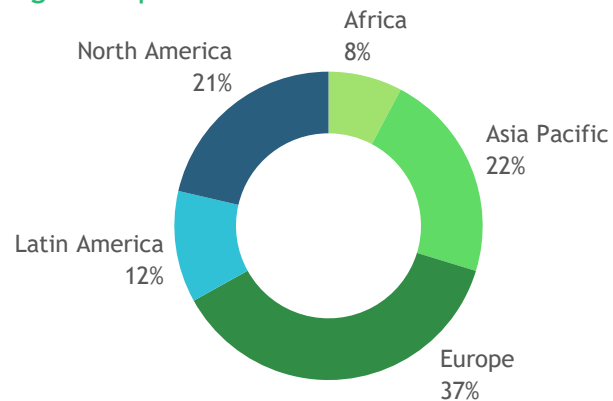
Creating People Advantage—A survey of 6,686 respondents in 113 countries

6,686 Answered surveys

113 Countries

Number of responses

| None | < 50 | 51-100 | 100-200 | > 200 |

Industry split

- Busi. Service: 899
- Con-sumer: 639
- Tech-nology: 495
- Public: 485
- Industry: 482
- Health: 454
- Finance: 446
- Energy: 359
- Non-profit: 307
- Retail: 270
- Travel: 191
- Tele-commu-nication: 179
- Insur-ance: 162
- Media: 96

Regional split

- Africa 8%
- North America 21%
- Asia Pacific 22%
- Latin America 12%
- Europe 37%

Current position

- Non-HR 23%
- HR 77%

Level of Seniority

- **1,191** Individual contributor
- **1,915** Manager
- **592** Manager of manager
- **2,024** Senior manager
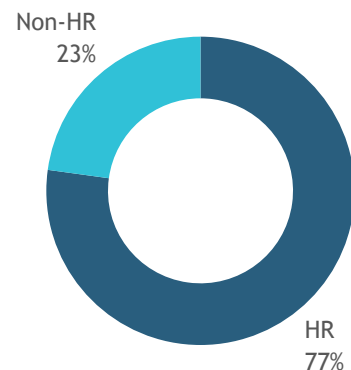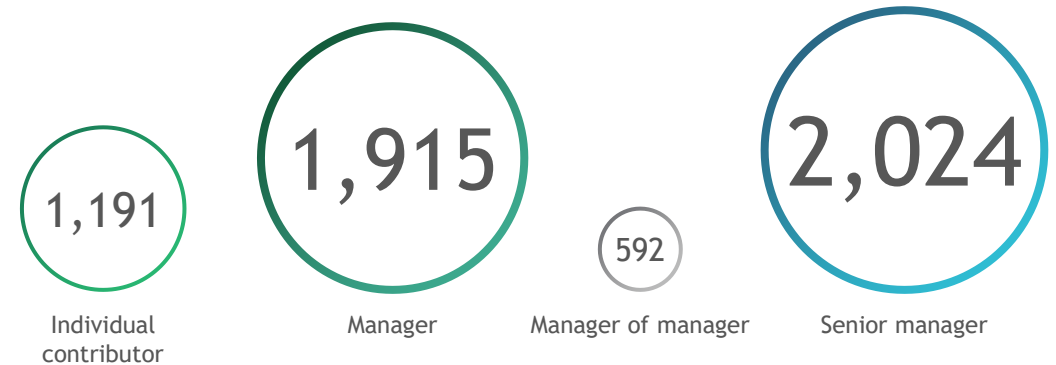
Source: 2021 BCG/WFPMA proprietary web survey and analysis

Note: Not Included: N/A and other answers. In the regional split overview here, Mexico is included in "Latin America". For the regional analyses on slides 12-15, however, Mexico is included in the North American region to reflect the structure of the WFPMA's continent associations, where Mexico is part of the North American Human Resource Management Association (NAHRMA).

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32 HR and People Management topics in nine clusters were assessed

Clusters

HR and People Management Topics

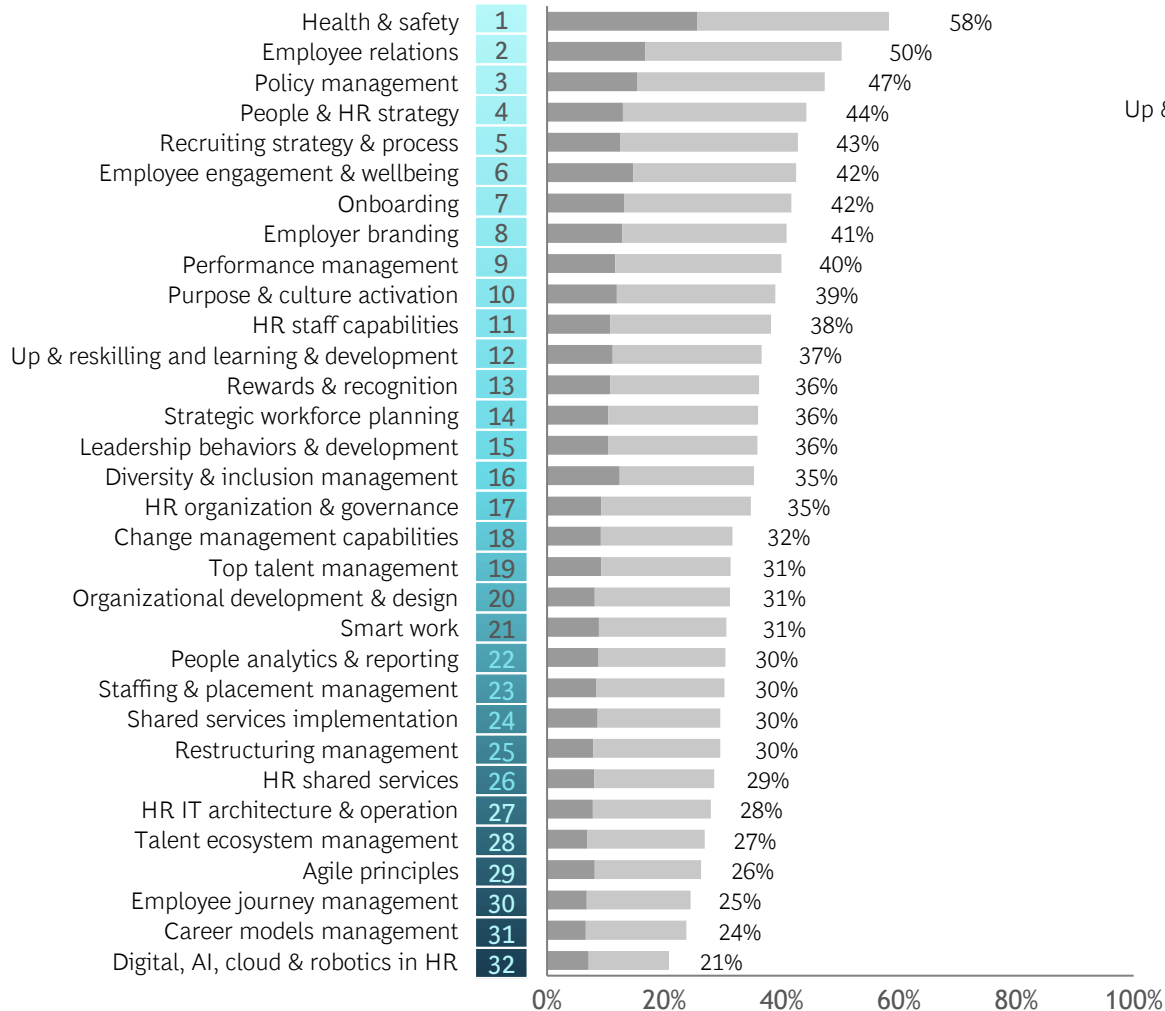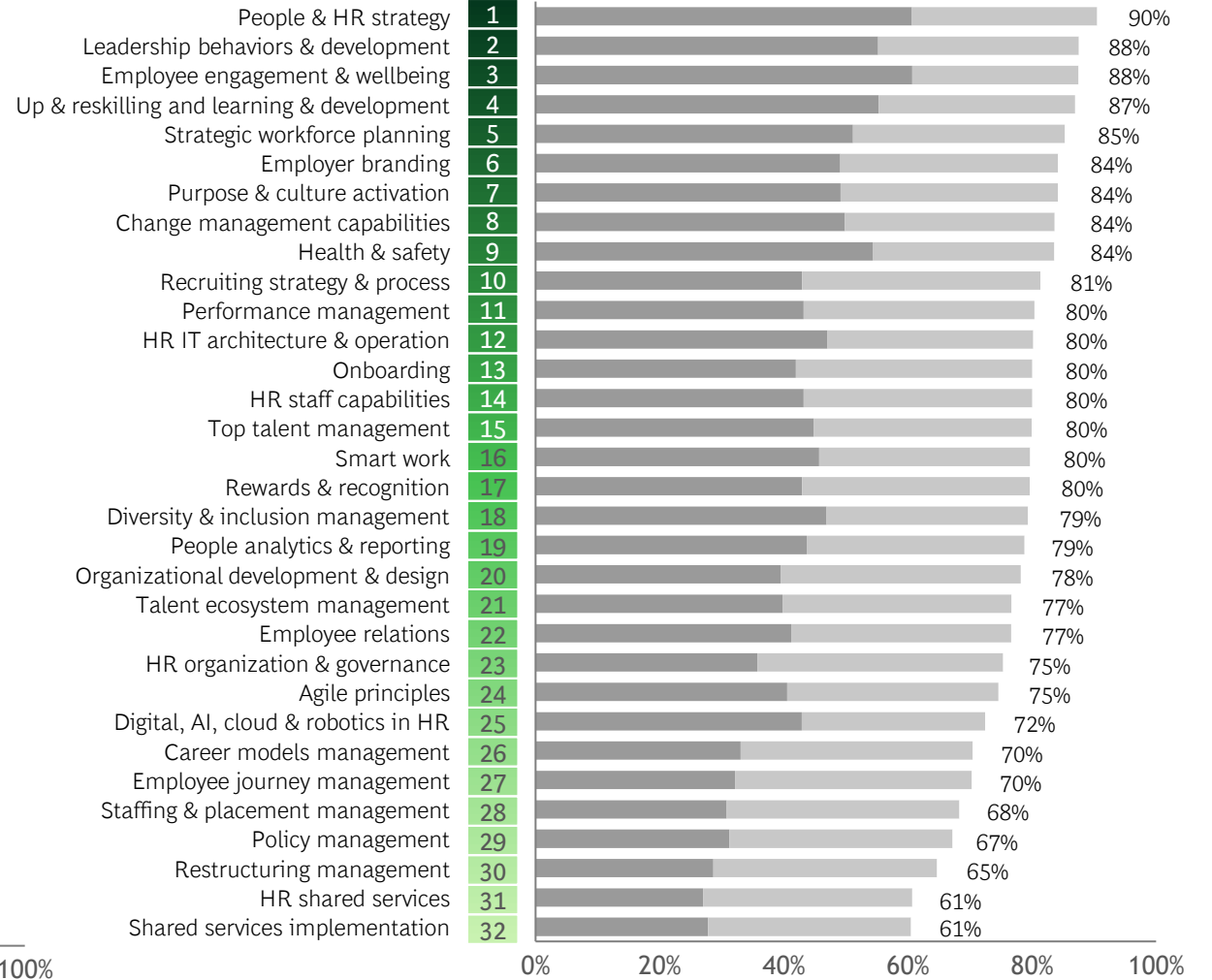| Cluster	Topics			
People and HR strategy, planning and analytics	People and HR strategy	Strategic workforce planning	People analytics and reporting	
Talent acquisition	Employer branding	Talent ecosystem management	Recruiting strategy and process	Onboarding
People development	Up- and reskilling and learning and development	Career models management	Top talent management	Staffing and placement mgmt.
Performance, rewards and engagement	Performance management	Rewards and recognition	Employee engagement and well-being	
Purpose, behavior, leadership and culture change	Purpose and culture activation	Change management capabilities	Leadership behaviors and development	Diversity and inclusion management
Labor and employee relations	Policy management	Employee relations	Health and safety	
Organizational transformation	Agile principles / Org. develop-ment and design	Smart work	Shared services implement.	Restructuring management / Employee journey mgmt.
Digital and IT	HR IT architecture and operation	Digital, AI, cloud, and robotics in HR		
HR operating model	HR organization and governance	HR shared services	HR staff capabilities	

Ranking of 32 topics for Current Capabilities and Future Importance

Ranking Current Capabilities

	Rank	%
Health & safety	1	58%
Employee relations	2	50%
Policy management	3	47%
People & HR strategy	4	44%
Recruiting strategy & process	5	43%
Employee engagement & wellbeing	6	42%
Onboarding	7	42%
Employer branding	8	41%
Performance management	9	40%
Purpose & culture activation	10	39%
HR staff capabilities	11	38%
Up & reskilling and learning & development	12	37%
Rewards & recognition	13	36%
Strategic workforce planning	14	36%
Leadership behaviors & development	15	36%
Diversity & inclusion management	16	35%
HR organization & governance	17	35%
Change management capabilities	18	32%
Top talent management	19	31%
Organizational development & design	20	31%
Smart work	21	31%
People analytics & reporting	22	30%
Staffing & placement management	23	30%
Shared services implementation	24	30%
Restructuring management	25	30%
HR shared services	26	29%
HR IT architecture & operation	27	28%
Talent ecosystem management	28	27%
Agile principles	29	26%
Employee journey management	30	25%
Career models management	31	24%
Digital, AI, cloud & robotics in HR	32	21%

Ranking Future Importance

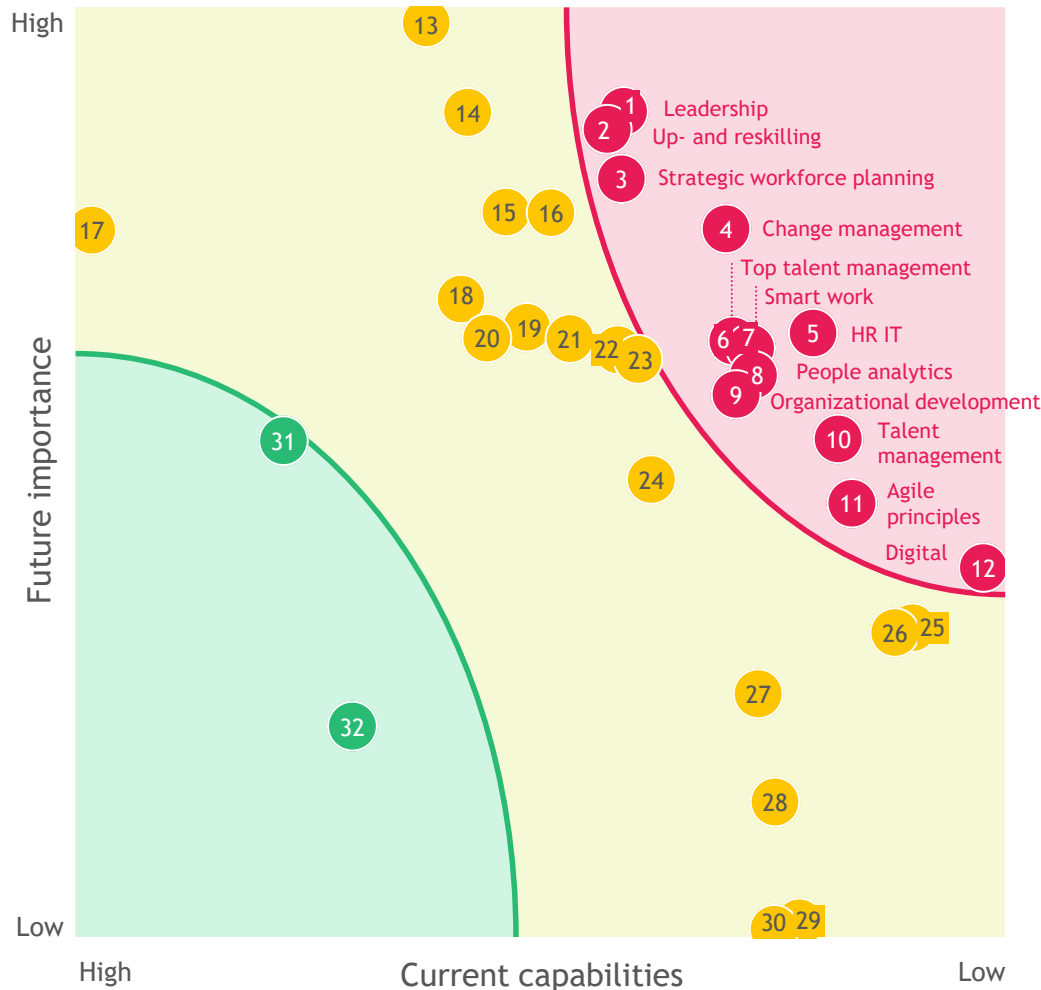|	Rank	%
People & HR strategy	1	90%
Leadership behaviors & development	2	88%
Employee engagement & wellbeing	3	88%
Up & reskilling and learning & development	4	87%
Strategic workforce planning	5	85%
Employer branding	6	84%
Purpose & culture activation	7	84%
Change management capabilities	8	84%
Health & safety	9	84%
Recruiting strategy & process	10	81%
Performance management	11	80%
HR IT architecture & operation	12	80%
Onboarding	13	80%
HR staff capabilities	14	80%
Top talent management	15	80%
Smart work	16	80%
Rewards & recognition	17	80%
Diversity & inclusion management	18	79%
People analytics & reporting	19	79%
Organizational development & design	20	78%
Talent ecosystem management	21	77%
Employee relations	22	77%
HR organization & governance	23	75%
Agile principles	24	75%
Digital, AI, cloud & robotics in HR	25	72%
Career models management	26	70%
Employee journey management	27	70%
Staffing & placement management	28	68%
Policy management	29	67%
Restructuring management	30	65%
HR shared services	31	61%
Shared services implementation	32	61%

Note: Ranked by highest number of responses in "high" and "somewhat high"
Source: 2021 BCG/WFPMA proprietary web survey and analysis (n = 6,686)

■ High   ■ Somewhat high

Segmenting HR topics by Current Capabilities and Future Importance identifies People Management priorities

● Strong need to act   ● Medium need to act   ● Low need to act

Strong need to act	Medium need to act	Low need to act
1 Leadership behaviors and development	13 People and HR strategy	31 Employee relations
2 Up and reskilling and learning and development	14 Employee engagement and well-being	32 Policy management
3 Strategic workforce planning	15 Employer branding	
4 Change management capabilities	16 Purpose and culture activation	
5 HR IT architecture and operation	17 Health and safety	
6 Top talent management	18 Recruiting strategy and process	
7 Smart work	19 Performance management	
8 People analytics and reporting	20 Onboarding	
9 Organizational development and design	21 HR staff capabilities	
10 Talent ecosystem management	22 Rewards and recognition	
11 Agile principles	23 Diversity and inclusion management	
12 Digital, AI, cloud and robotics in HR	24 HR organization and governance	
	25 Career models management	
	26 Employee journey management	
	27 Staffing and placement management	
	28 Restructuring management	
	29 HR shared services	
	30 Shared services implementation	

Note: Based on answers "high" and "somewhat high"
Source: 2021 BCG/WFPMA proprietary web survey and analysis (n = 6,686)

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Regional results for Europe (EAPM)

The following slides comprise the results of the following economies

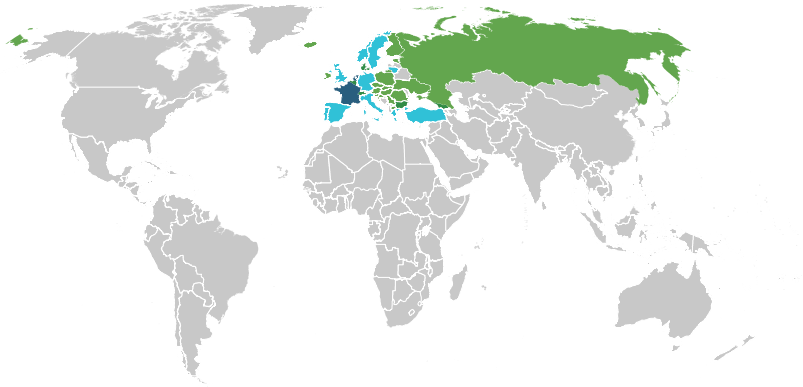## Which economy does your work focus on primarily?

Andorra	**1**	**Denmark**	**59**	**Ireland**	**4**	Netherlands	209	Sri Lanka	191
Angola	5	Dominican Republic	48	**Israel**	**42**	New Zealand	12	Swaziland	1
Argentina	6	Ecuador	46	**Italy**	**141**	Nicaragua	5	**Sweden**	**132**
Australia	12	Egypt	1	Jamaica	1	Nigeria	290	**Switzerland**	**63**
Austria	**43**	El Salvador	2	Japan	196	**Norway**	**153**	Taiwan (China)	21
Bahrain	1	Equatorial Guinea	1	Jordan	1	Panama	21	Tanzania	1
Bangladesh	35	**Estonia**	**27**	Kazakhstan	5	Papua New Guinea	1	Thailand	148
Belgium	**62**	Ethiopia	1	Kenya	4	Paraguay	11	Tunisia	12
Bolivia	5	Fiji	26	Korea, South	10	Peru	38	**Turkey**	**110**
Botswana	7	**Finland**	**44**	Laos	1	Philippines	3	Uganda	2
Brazil	222	**France**	**204**	Lebanon	3	**Poland**	**3**	**Ukraine**	**1**
Brunei	1	Gambia	1	Liberia	1	**Portugal**	**117**	United Arab Emirates	106
Bulgaria	**66**	**Georgia**	**71**	**Lithuania**	**153**	Qatar	3	**United Kingdom**	**121**
Cambodia	1	**Germany**	**158**	**Luxembourg**	**1**	**Romania**	**29**	United States	1,162
Cameroon	1	Ghana	4	**Macedonia**	**46**	**Russia**	**14**	Uruguay	53
Canada	245	**Greece**	**131**	Malawi	16	Saudi Arabia	9	Venezuela	39
Cape Verde	2	Grenada	1	Malaysia	55	Senegal	2	Vietnam	42
Chile	3	Guatemala	36	Maldives	5	**Serbia**	**3**	Zambia	1
China (Mainland)	230	Haiti	2	Mauritius	63	Seychelles	3	Zimbabwe	5
Colombia	27	Hong Kong (China)	143	Mexico	173	Singapore	7		
Costa Rica	35	**Hungary**	**5**	Morocco	17	**Slovakia**	**1**		
Croatia	**26**	**Iceland**	**28**	Mozambique	2	**Slovenia**	**1**		
Cyprus	**71**	India	145	Myanmar	1	South Africa	74		
Czech Republic	**11**	Indonesia	5	Nepal	1	**Spain**	**103**		

Note: Responses from 115 economies and 113 countries as Taiwan and Hong Kong are grouped as The People's Republic of China. 110 respondents didn't fill out their focus economy and are not included in this overview. Source: 2021 BCG/WFPMA proprietary web survey and analysis (n = 6,686)

Our survey drew responses from 2,458 Europe participants

Geography

Current position

Non-HR
28%

2,458
Answered
surveys

HR
72%

Level of Seniority

Individual contributor — 452

Manager — 609

Manager of manager — 241

Senior manager — 784

Industry split

Legal & Professional services	Consumer products and services	Technology	Public sector	Industrial goods	Health care	Financial institutions	Energy	Non-profit	Retail	Travel & tourism	Tele-communications	Insurance	Media
370	186	201	217	230	123	139	142	100	95	57	88	41	36
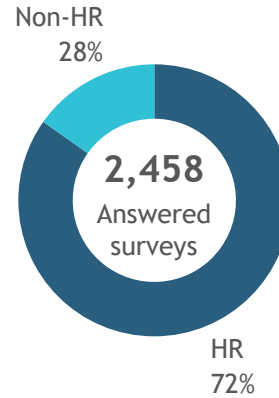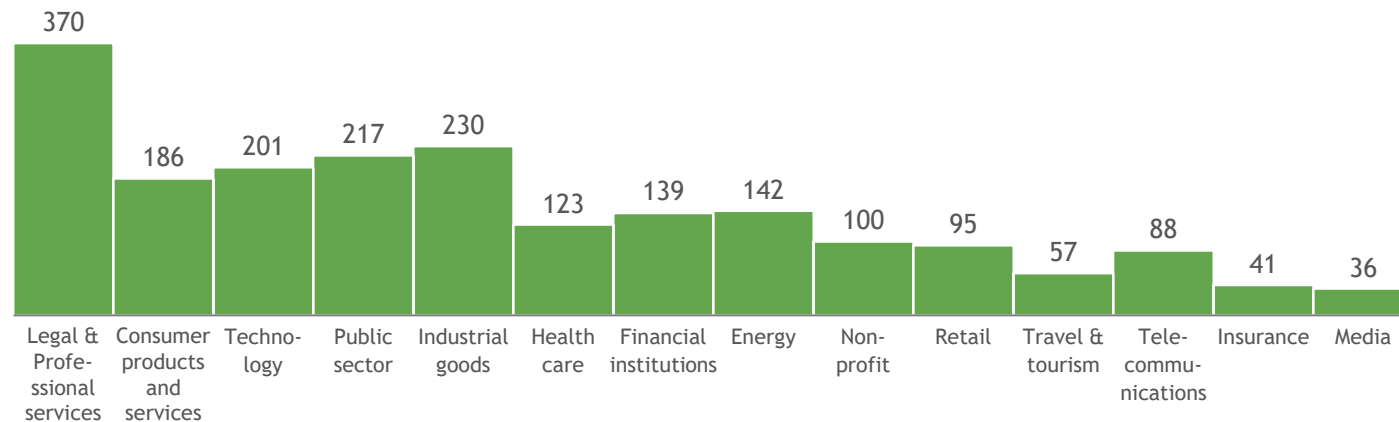
Not Included: N/A and other answers (Industry split: 420 respondents in other industries)
Source: 2021 BCG/WFPMA proprietary web survey and analysis (Global n = 6,686, Europe n = 2,458)

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Ranking of 32 topics for Current Capabilities
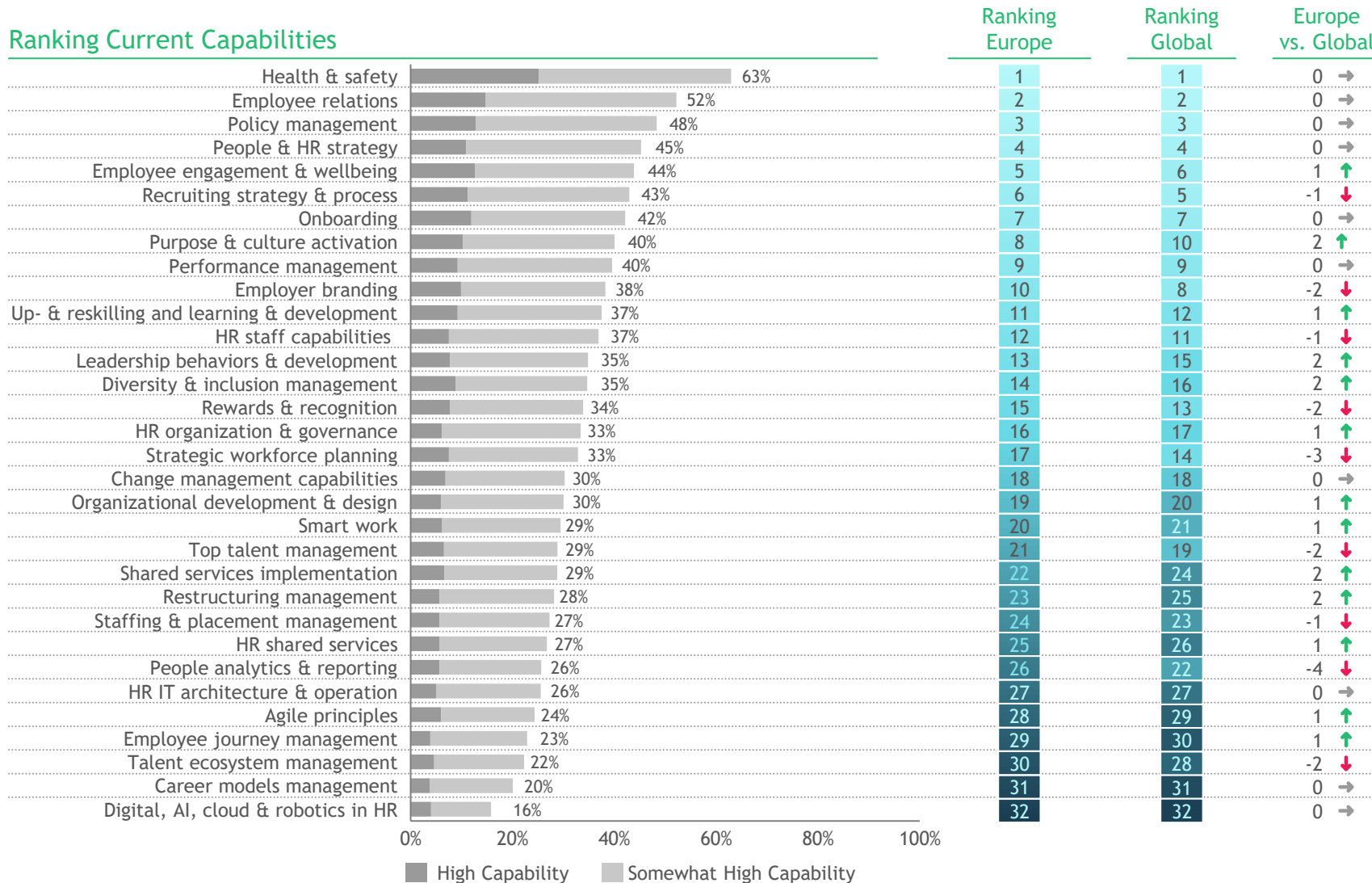
Ranking Current Capabilities

Ranking Current Capabilities	%	Ranking Europe	Ranking Global	Europe vs. Global	
Health & safety	63%	1	1	0	→
Employee relations	52%	2	2	0	→
Policy management	48%	3	3	0	→
People & HR strategy	45%	4	4	0	→
Employee engagement & wellbeing	44%	5	6	1	↑
Recruiting strategy & process	43%	6	5	-1	↓
Onboarding	42%	7	7	0	→
Purpose & culture activation	40%	8	10	2	↑
Performance management	40%	9	9	0	→
Employer branding	38%	10	8	-2	↓
Up- & reskilling and learning & development	37%	11	12	1	↑
HR staff capabilities	37%	12	11	-1	↓
Leadership behaviors & development	35%	13	15	2	↑
Diversity & inclusion management	35%	14	16	2	↑
Rewards & recognition	34%	15	13	-2	↓
HR organization & governance	33%	16	17	1	↑
Strategic workforce planning	33%	17	14	-3	↓
Change management capabilities	30%	18	18	0	→
Organizational development & design	30%	19	20	1	↑
Smart work	29%	20	21	1	↑
Top talent management	29%	21	19	-2	↓
Shared services implementation	29%	22	24	2	↑
Restructuring management	28%	23	25	2	↑
Staffing & placement management	27%	24	23	-1	↓
HR shared services	27%	25	26	1	↑
People analytics & reporting	26%	26	22	-4	↓
HR IT architecture & operation	26%	27	27	0	→
Agile principles	24%	28	29	1	↑
Employee journey management	23%	29	30	1	↑
Talent ecosystem management	22%	30	28	-2	↓
Career models management	20%	31	31	0	→
Digital, AI, cloud & robotics in HR	16%	32	32	0	→

■ High Capability ■ Somewhat High Capability

0%   20%   40%   60%   80%   100%

Key highlights

- Overall, **high consistency of European ranking** with global responses

- Current **People analytics & reporting** capabilities ranked <u>lower</u> by European respondents vs. global average *(-4 positions)*

Ranking of 32 topics for Future Importance

Ranking Future Importance		Ranking Europe	Ranking Global	Europe vs. Global
People & HR strategy	91%	1	1	0 →
Employee engagement & wellbeing	90%	2	3	1 ↑
Up- & reskilling and learning & development	90%	3	4	1 ↑
Leadership behaviors & development	89%	4	2	-2 ↓
Purpose & culture activation	87%	5	7	2 ↑
Employer branding	86%	6	6	0 →
Change management capabilities	85%	7	8	1 ↑
Strategic workforce planning	84%	8	5	-3 ↓
Health & safety	83%	9	9	0 →
Onboarding	83%	10	13	3 ↑
Smart work	82%	11	16	5 ↑
HR IT architecture & operation	82%	12	12	0 →
Recruiting strategy & process	81%	13	10	-3 ↓
Organizational development & design	79%	14	20	6 ↑
HR staff capabilities	79%	15	14	-1 ↓
Agile principles	78%	16	24	8 ↑
People analytics & reporting	78%	17	19	2 ↑
Diversity & inclusion management	78%	18	18	0 →
Top talent management	78%	19	15	-4 ↓
Talent ecosystem management	78%	20	21	1 ↑
Rewards & recognition	78%	21	17	-4 ↓
Performance management	77%	22	11	-11 ↓
Employee relations	74%	23	22	-1 ↓
Digital, AI, cloud & robotics in HR	73%	24	25	1 ↑
HR organization & governance	72%	25	23	-2 ↓
Employee journey management	71%	26	27	1 ↑
Career models management	67%	27	26	-1 ↓
Staffing & placement management	64%	28	28	0 →
Restructuring management	60%	29	30	1 ↓
Policy management	57%	30	29	-1 ↓
Shared services implementation	54%	31	32	1 ↑
HR shared services	53%	32	31	-1 ↓

0% 20% 40% 60% 80% 100%

■ High Importance   ■ Somewhat High Importance

Key highlights

- Future importance of **Agile principles** ranked much higher by European respondents vs. global average *(+8 positions)*

- Future importance of **Performance management** ranked much lower by European respondents vs. global average *(-11 positions)*

Source: 2021 BCG/WFPMA proprietary web survey and analysis (Global n = 6,686, Europe n = 2,458)

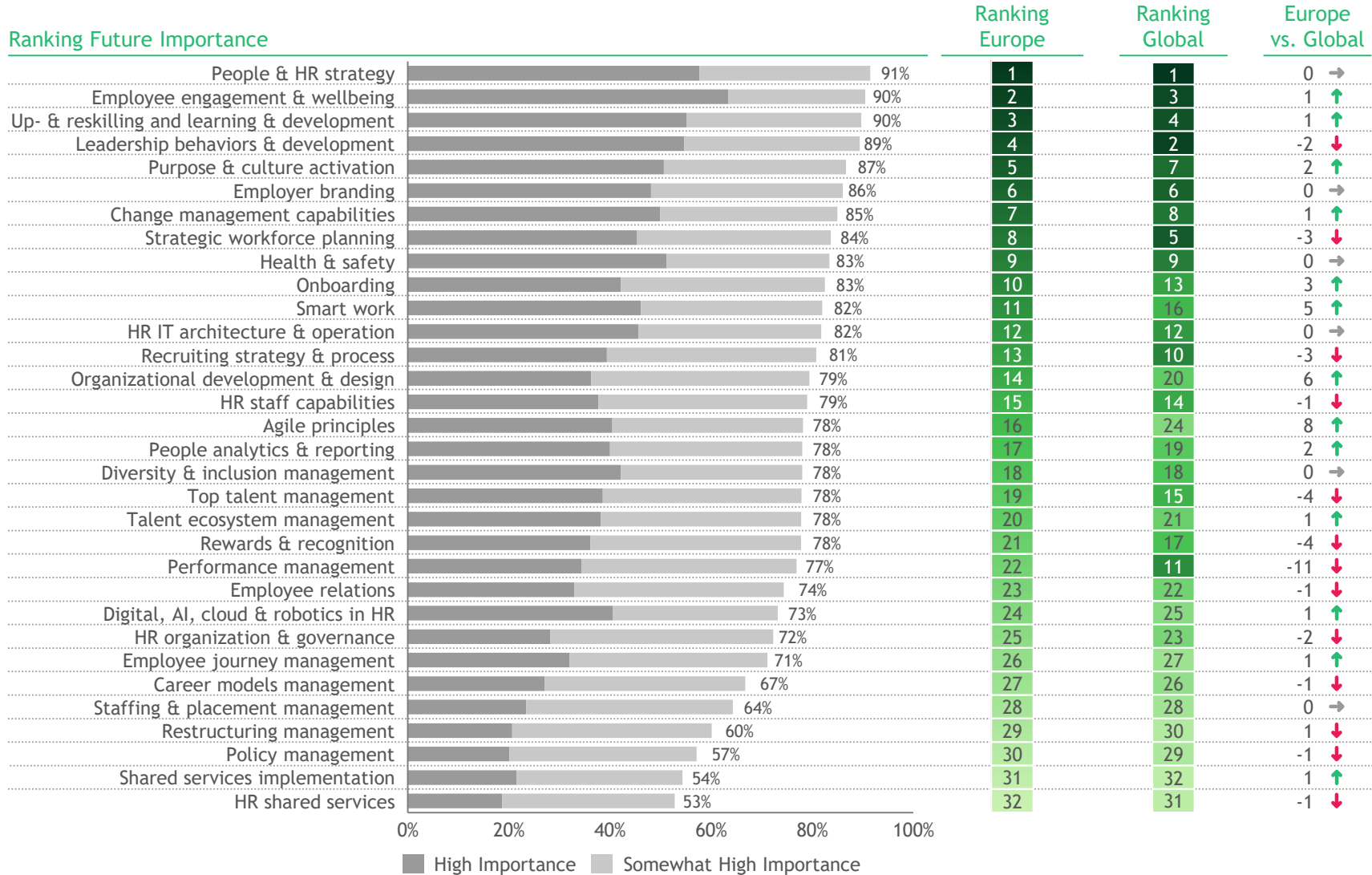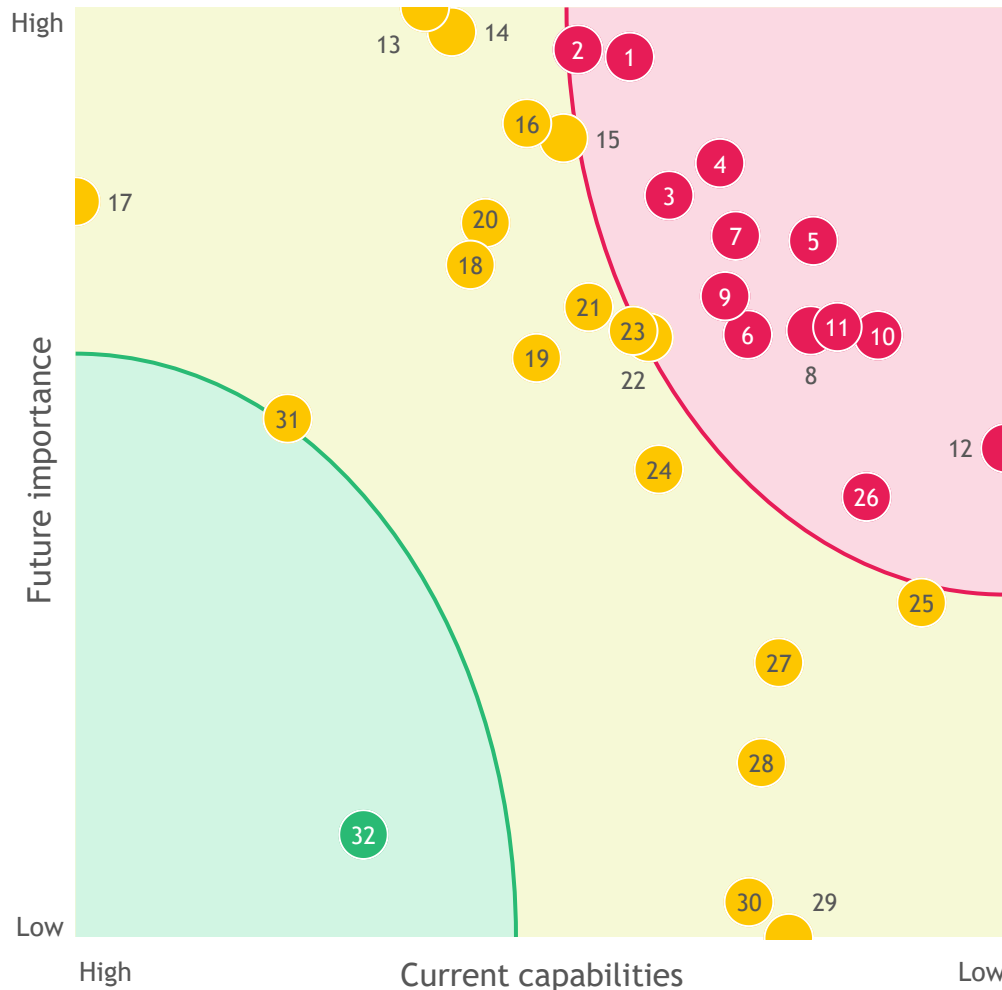# Segmenting HR topics by Current Capabilities and Future Importance identifies People Management priorities

Strong need to act

1. Leadership behaviors & development
2. Up- & reskilling and learning & development
3. Strategic workforce planning
4. Change management capabilities
5. HR IT architecture & operation
6. Top talent management
7. Smart work
8. People analytics & reporting
9. Organizational development & design
10. Talent ecosystem management
11. Agile principles
12. Digital, AI, cloud & robotics in HR
26. Employee journey management

Medium need to act

13. People & HR strategy
14. Employee engagement & wellbeing
15. Employer branding
16. Purpose & culture activation
17. Health & safety
18. Recruiting strategy & process
19. Performance management
20. Onboarding
21. HR staff capabilities
22. Rewards & recognition
23. Diversity & inclusion management
24. HR organization & governance
25. Career models management
27. Staffing & placement management
28. Restructuring management
29. HR shared services
30. Shared services implementation
31. Employee relations

Low need to act

32. Policy management

Note: Based on answers "high" and "somewhat high"
Source: 2021 BCG/WFPMA proprietary web survey and analysis (Europe n = 2,458)

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Cluster ranking across regions by Current Capabilities

Current Capabilities

Order by global ranking	Global	North America	Mid/South America	Europe	Africa	Asia Pacific
Labor & Employee relations	1	1	1	1	1	1
Performance rewards & engagement	2	2	3	2	5	2
Talent acquisition	3	3	4	3	2	3
People & HR strategy, planning & analytics	4	4	2	5	3	4
Purpose, behavior, leadership & culture change	5	5	5	4	7	5
HR Operating Model	6	6	7	6	4	7
People development	7	8	6	7	6	6
Organizational transformation	8	7	8	8	8	8
Digital and Information Technology	9	9	9	9	9	9
Number of responses	6,686	1,580	601	2,458	517	1,420

Low Capability ⟶ High Capability

Source: 2021 BCG/WFPMA proprietary web survey and analysis (Global n = 6,686)

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Topic ranking across regions by Current Capabilities

Top & bottom five topics: Current Capabilities

Order by global ranking	Global	North America	Mid/South America	Europe	Africa	Asia Pacific
21. Health & safety	1	1	1	1	1	1
20. Employee relations	2	2	2	2	2	2
19. Policy management	3	3	7	3	3	3
1. People & HR strategy	4	4	3	4	11	7
6. Recruiting strategy & process	5	8	5	6	4	5
5. Talent ecosystem management	28	29	21	30	26	24
22. Agile principles	29	28	27	28	31	30
27. Employee journey management	30	30	26	29	30	31
9. Career models management	31	32	28	31	29	26
29. Digital, AI, cloud & robotics in HR	32	31	32	32	32	32
Number of responses	6,686	1,580	601	2,458	517	1,420

Low Capability ———— High Capability

Cluster ranking across regions by Future Importance

Future Importance

Order by global ranking	Global	North America	Mid/South America	Europe	Africa	Asia Pacific
People & HR strategy, planning & analytics	1	1	3	2	1	1
Purpose, behavior, leadership & culture change	2	2	2	1	6	4
Performance rewards & engagement	3	3	1	4	3	2
Talent acquisition	4	4	7	3	5	6
People development	5	6	6	6	7	3
Digital and Information Technology	6	7	4	5	9	5
Labor & Employee relations	7	5	5	7	2	7
HR Operating Model	8	8	8	9	4	8
Organizational transformation	9	9	9	8	8	9
Number of responses	6,686	1,580	601	2,458	517	1,420

Low Importance ▢▢▢▢▢ High Importance

Topic ranking across regions by Future Importance

Order by global ranking	Global	North America	Mid/South America	Europe	Africa	Asia Pacific
1. People & HR strategy	1	1	1	1	1	1
17. Leadership behaviors & dev't	2	3	2	4	8	4
14. Employee engagement & wellb.	3	2	5	2	22	6
8. Up- & reskilling and learning & dev't	4	12	4	3	2	2
2. Strategic workforce planning	5	4	9	8	5	3
11. Staffing & placement mgmt.	28	29	31	28	23	22
19. Policy management	29	24	29	30	14	26
26. Restructuring management	30	30	30	29	26	27
31. HR shared services	31	31	28	32	31	31
25. Shared services implementation	32	32	32	31	29	32
Number of responses	6,686	1,580	601	2,458	517	1,420

Low Importance ▸ High Importance

Future of HR—Gap between European and Global responses

HR leaders demonstrate business acumen, making decisions based on long-term considerations and the strategic needs of the organization

HR is a competent, innovative and important actor in my organization that exerts considerable influence on strategic-decision making

HR has dedicated teams focusing on deep expertise topics (e.g., recruiting, learning & development)

Dedicated HR teams take end-to-end ownership for their respective topics (e.g., for the whole recruiting process)

HR actively focuses on aligning employees' personal objectives with the wider purpose of the organization and with the interests of society and the environment

We have specialized HR business partners who work closely as strategic partners with senior managers to develop the HR agenda

Diversity and inclusion objectives are directly integrated into core HR processes

HR has an active role in implementing agile ways of working in my organization

HR continuously analyzes people data to make transparent, objective and data-based decisions about our employees

HR actively forecasts future skill and capability needs and ensures a strong talent pipeline for critical positions and areas of expertise

A high percentage of HR tasks is covered via a shared service center and convenient self-service options

Global
Europe

10   20%   30   40%   50   60%   70

Agreement

Note: Percentage agreement by answers "agree" or "tend to agree" to the listed hypotheses
Source: 2021 BCG/WFPMA proprietary web survey and analysis (Global n = 5,705, Europe n = 2,047)

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Personalized experiences—Gap between European and Global responses

My organization has defined clear principles on the ethical use of data provided by and gathered about its employees

HR has a good understanding of employees' individual skills, strengths and weaknesses, taking them into account in both short and long-term career planning processes

Business leaders are aware of the top priorities of employees (e.g., appreciation for work, sustainable work-life-balance) and actively work towards enabling them

We have effective ways of measuring and monitoring employee satisfaction and wellbeing, especially in light of increased remote work

HR has developed a clear concept for how to best organize remote work, actively incorporating and addressing the needs and aspirations of employees

Business leaders demonstrate genuine appreciation for employees and actively engage with them (e.g., through personalized thank you notes for work achievements or personalized emails on anniversaries)

My organization strives to design processes from an employee perspective, aiming to create experiences that are as personalized as possible

HR has implemented concrete and personalized measures to support employees in achieving their career goals, e.g., via individualized career paths or tailored training programs

The digital tools implemented by my organization offer a seamless, personalized experience and make every-day tasks easier

My organization offers personalized rewards and recognition packages to employees, taking their individual preferences into account

We have a strong HR IT system that helps to bundle and analyze employee data, thus forming a valuable basis for designing and offering personalized experiences to employees

Global
Europe

20%   40%   60%   80%

Agreement

Note: Percentage agreement by answers "agree" or "tend to agree" to the listed hypotheses
Source: 2021 BCG/WFPMA proprietary web survey and analysis (Global n = 5,537, Europe n = 1,988)

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