

HUMAN RESOURCES SURVEY

Human Resources Executives

Between Crisis-
and Change-
Management

By
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Amrop

Leaders For What's Next

Introduction

“Crisis accelerates opportunities for change.”

Human Resources Executive

Due to the lockdown required in response to the coronavirus, the situation of most companies suddenly changed significantly. After weeks in lockdown, with all of its health, social and economic consequences, we are now on our way towards a new normal.

Since 16th March 2020, human resources have played a very special role, ranging from a "fire brigade" in the event of an unforeseen fire up to a new (?) role as a strategic companion on the journey towards a new way of work.

In acknowledgement of this central role, we at Amrop Jenewein used our corporate network to conduct a survey with human resources executives which highlights both the current and future situation of companies in Austria and the role of human resources. At the same time, the study provides insights into the question which subject areas have captured the focus of companies as a result of the corona crisis and which topics are currently regarded as less crucial.

In this study you will find exciting insights into the following topics:

How is the function of HR defined in the context of the corona crisis?

New Work - just a question of digital tools or a question of the right mindset?

Leadership - how can I create a culture of trust without losing control?

What are the priorities for human resources in the future?

We thank you for your interest and wish you an informative read.

Best regards,

Mag. Andrea Viehauser,
Managing Director

Mag. Günther Tengel,
Managing Partner

Methodology

In June 2020, 66 human resources executives from our network participated in our survey*: "HR - 'fire brigade' or strategic role?".

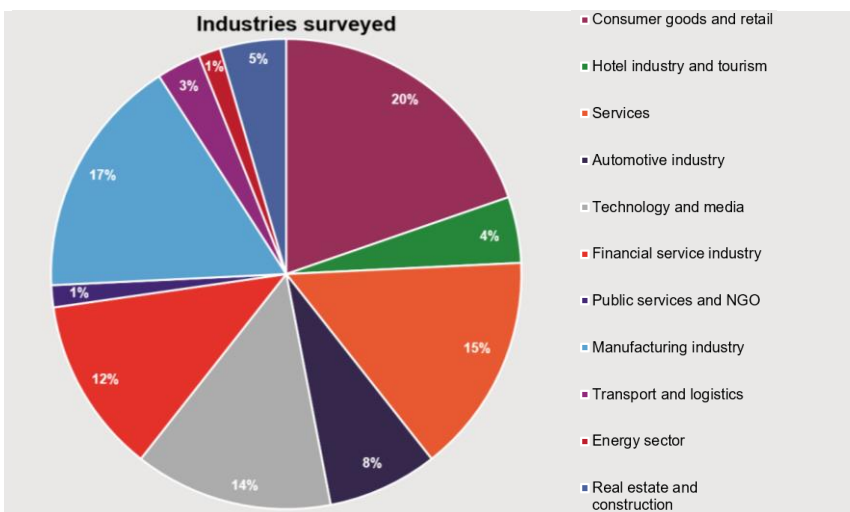
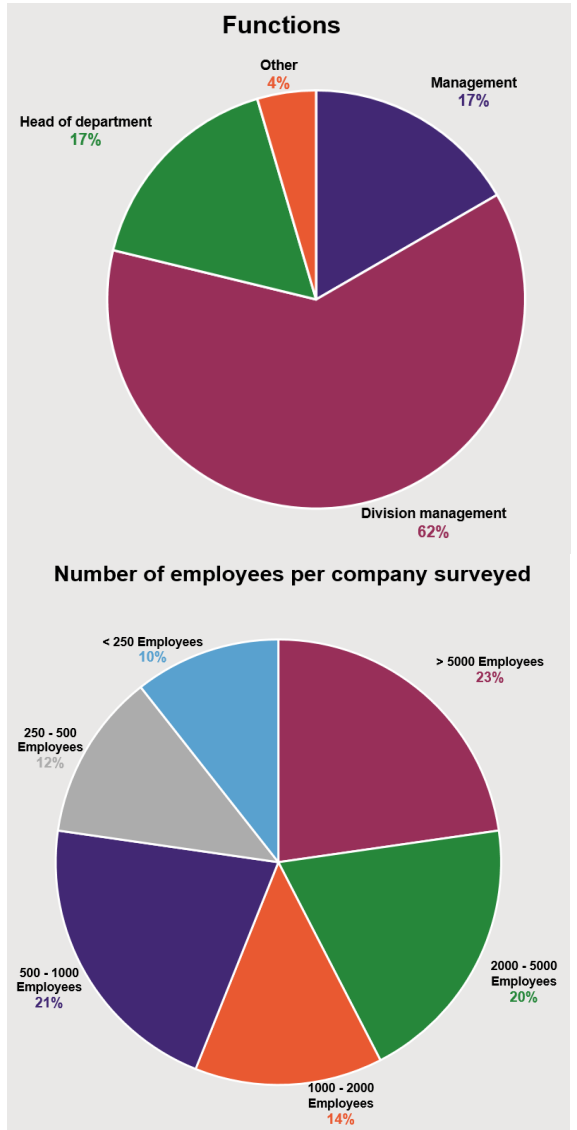
The majority of the survey participants (62%) hold positions in divisional management within their company, followed by management and heads of departments (17% each).

More than half of the participants are working in companies with over 1000 employees.

The size of the participating companies, as well as the variety of industry sectors they are operating in, are representative of the Austrian economy.

Most of the companies participating in the study are active in the retail and consumer goods sectors, followed by the manufacturing and financial service industry.

*The survey design comprised multiple choice, ranking, and open questions.



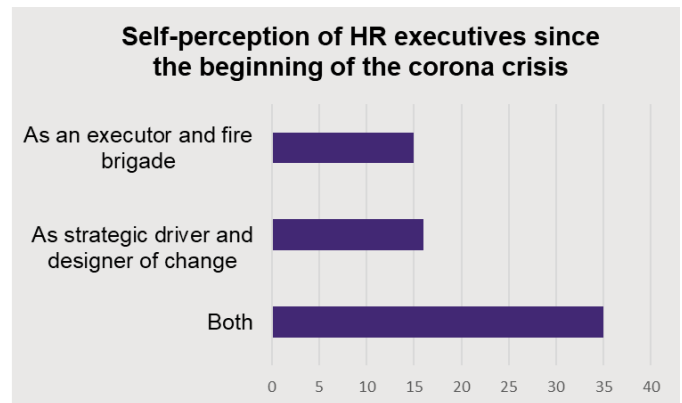
“Every type of communication helps to make decisions strategically.”

Human Resources Executive

Key Findings

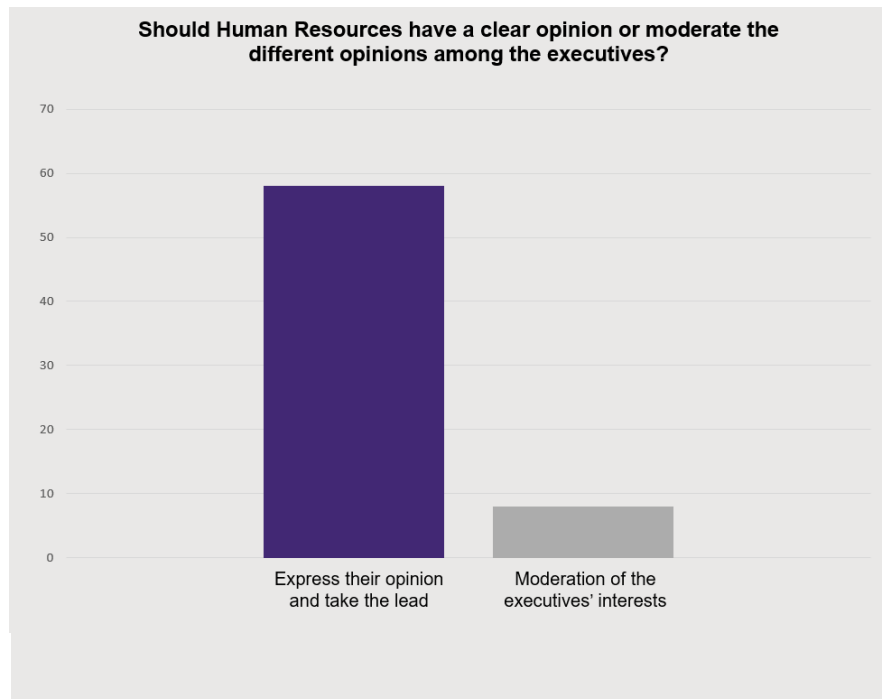
Duality of the HR function - "only" due to the crisis or sustainable?

As a result of the corona crisis, in their own perception, the role of HR has increasingly developed into a dual function: HR executives are active as executors and "fire brigades" - in other words in the area of corporate stabilization - while acting as a strategic driver and designer of changes within the company in parallel. Accordingly, their work requires a constant balance between maintaining the operational status quo on the one hand and developing and realizing future visions on the other hand.



Now, the question is if it will actually be the case that the strategic role of HR as a driver and designer of change - a role that they have been aspiring to for years - has been realized in the long-term by the crisis or if this change is only temporary.

The absolute majority of HR executives do not regard themselves as a mere moderator, articulating the management's agenda vis-à-vis employees, but envision themselves clearly at the strategic level, representing their own opinions and taking on managerial responsibility themselves.



Key Findings

New Work – a question of digital tools or a question of mindset?

Numerous recent studies are currently highlighting how the crisis has "forced" many companies to increase digitalization and flexible forms of work in their companies. Our survey also confirms this. For example, 76% of companies state that their reaction to the problem of not being able to accompany personnel decisions with personal interviews will be to significantly upgrade equipment for video interviews and video onboarding within the upcoming weeks and months. This statement alone is hardly surprising - if visiting the office is not permitted due to the lockdown measures, the home office is obviously the most logical option.

The forecasts regarding a "digitalization boost", sustained by the crisis, should be treated with caution. From the perspective of HR executives, the majority of employees in their companies prefer a hybrid workplace infrastructure (= a mix of home office and office presence). Accordingly, the vast majority of the companies surveyed states that they would like to establish and practice such a hybrid workplace infrastructure within the next months. Half of the respondents completely rule out that their company will employ executives / employees working 100% from home ("A personal conversation can only be replaced with a video conference to a limited extent.").

Another result of the study is that the majority of HR executives see the greatest need for action - both in recent weeks and in the future - at the interpersonal level: internal communication and collaboration, leadership qualities, as well as corporate culture, employee motivation and satisfaction are at the centre of their agendas. More traditional tools, e.g. the application and optimization of process manuals, are moving into the background. A recurring thought in the statements of HR executives is that a leadership and trust culture which adapts to the new forms of work must be developed and maintained ("A new work culture requires new tools and a new mindset.").

The executives regard both, management and employees, as responsible.

With their type of work attitude, the latter make a significant contribution to successfully adapting the management style to the changing working conditions. The focus lies on ensuring team spirit, a sense of belonging, and counteracting alienation. This starts with providing accessibility to allow a continuous flow of information and extends to the cultural mindset; in particular a strong identification with the company and the willingness to work independently and efficiently.

"A new work culture requires new tools and a new mindset;

...the home office enables maintenance to be kept to a minimum;

...real change and change management or complex projects require a hybrid organization for efficient and effective processing."

Human Resources Executive

Key Findings

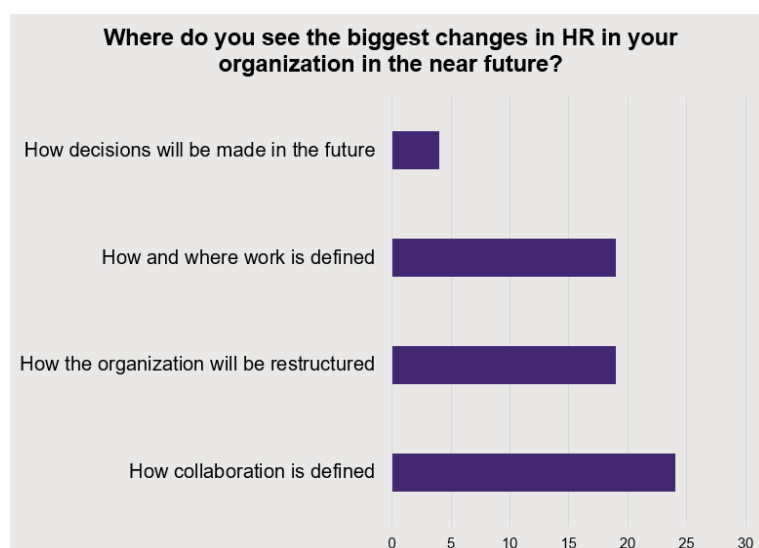
Leadership - How can I create a culture of trust without losing control?

Not only the mindset of the employees but also the mindset of management is crucial. According to the HR executives surveyed, the key question in this context is if - or how well -leadership can be adapted in alignment with the changed working conditions. From a management perspective, this topic can be summed up by the question: "How do I manage to establish a culture of trust as a manager without losing control?"

A distinction must be made between short-term stabilization and the long-term establishment of a different corporate and working culture. As one of the executives interviewed notes: "Rapid crisis management is accepted; the longer the crisis lasts, the more dissatisfaction with the measures starts to grow." Overall, the majority of the companies surveyed see the task of their executives on the one hand in providing stability and security, and on the other hand in establishing a culture of trust. This manifests itself in thoughts like "letting go" or "trust is better than control". The challenge for managers now and in the future will be to master the balance between these two requirements.

HR executives anticipate the greatest future changes in the HR area of organizations in the definition of collaboration, but also in the restructuring and redefinition of work itself. According to HR executives, the previously mentioned adaptations of leadership culture in accordance with the requirements of the new working conditions should not be limited to corporate culture and communications, but should be reflected in practical measures, too. For example, among other things, HR executives expressed their interest in extra budgets dedicated to training courses on remote employee management or on dealing with digital tools.

Many HR executives also identify potential for additional support in the area of digitization, especially with regards to hard- and software, as well as user proficiency. Another crucial challenge lies in ensuring internal communication even if, for example, not all employees are able to be present in the office. This is especially important with regards to communication between employees and managers, as well as in terms of performance management and knowledge transfer. In this field, a redefinition and restructuring of cooperation, work and organisation is required.



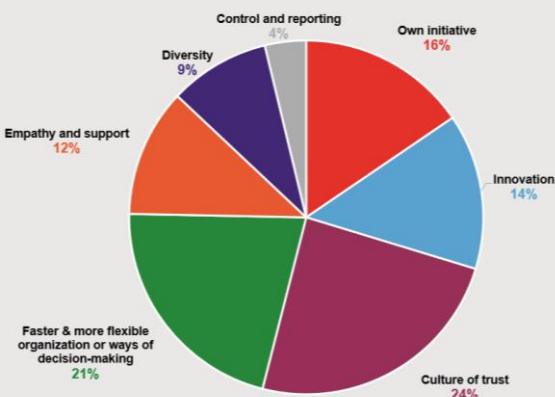
Key Findings

HR key topics - what will be the priorities in the future?

While it was to be expected that companies would focus on the "vital" issues in the context of the immediate crisis, it is all the more interesting to see which topics HR executives regard as crucial for the future. In this context it should be emphasized that, for example, the "trend topic" diversity was only mentioned by 9% of those surveyed. Traditional monitoring procedures such as control and reporting were also perceived as less important. In addition to the aspects described above, in the context of creating a culture of trust and communications reflecting the changing working conditions, the HR executives surveyed identified the key priorities for the coming weeks and months primarily in the areas of stability and guidance. The focus lies on stabilizing the organization and dealing with issues caused by Covid-19. In particular short-time work management, reorganizational measures ("cost cutting"), ensuring cash flow, monitoring of costs, and employee retention. Furthermore, the focus lies on facilitating a return to a "new" normality in accordance with the Covid-19-related precautions. Among other things, this includes ensuring the health of employees and the associated organization of the work (place) structure. As mentioned previously, according to HR executives, the majority of employees prefer a hybrid workplace infrastructure (i.e. a mix of home office and office presence). Accordingly, the vast majority of the companies surveyed stated that they would like to establish and practice such a hybrid workplace infrastructure in the upcoming months.

Regardless of these Corona-induced challenges, HR executives stress that "despite the many operational To-Dos, strategy must not be lost." It is important to "not lose sight of long-term goals" and "to keep an overall view". For the majority of those surveyed, the strategic focus here lies once again on driving a new work culture with increased process optimization and digitization; often on the basis of planning reviews and change management. Corporate strategy (including the areas of HR strategy and HR operating model) as well as the development of new business models, however, will also play a central role for many companies in the months ahead.

Which corporate culture features will play an important role in the future?



Which of the following topics will be a key priority for your company after Corona?



Outlook

Which *key learnings* will shape the upcoming months?

1. Change (especially towards new work) is often possible faster than expected if the pressure is high enough.

"There's no such thing as the impossible."

"Anything works once the urgency is great enough."

"Mobile work does work."

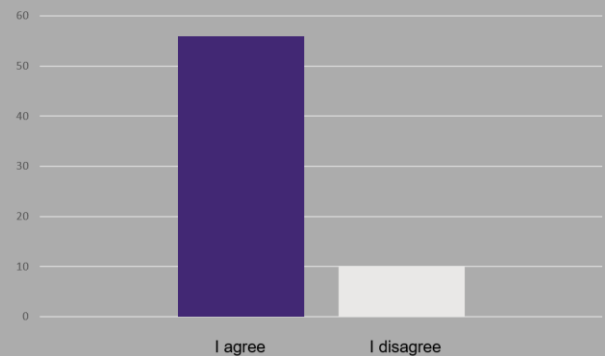
"Crisis accelerates opportunities for change."

2. In times of crisis it becomes clear who stands by the company.

"Anything goes if the level of commitment is right."

"The crisis reveals the performance and loyalty of the employees."

"In tough, uncertain times you can feel exactly which employees are performing and who are committed to the company"



3. Communication and a culture of trust are crucial.

"Communication, transparency, leadership."

"Communication: the more transparent it is, the more effective it is."

"Communication and trust are elementary"

"Communication of stability."

"The empowerment of the team is crucial."

"Trust is better than control."

4. In-depth exchange among experts and anticipation of upcoming crises will be crucial.

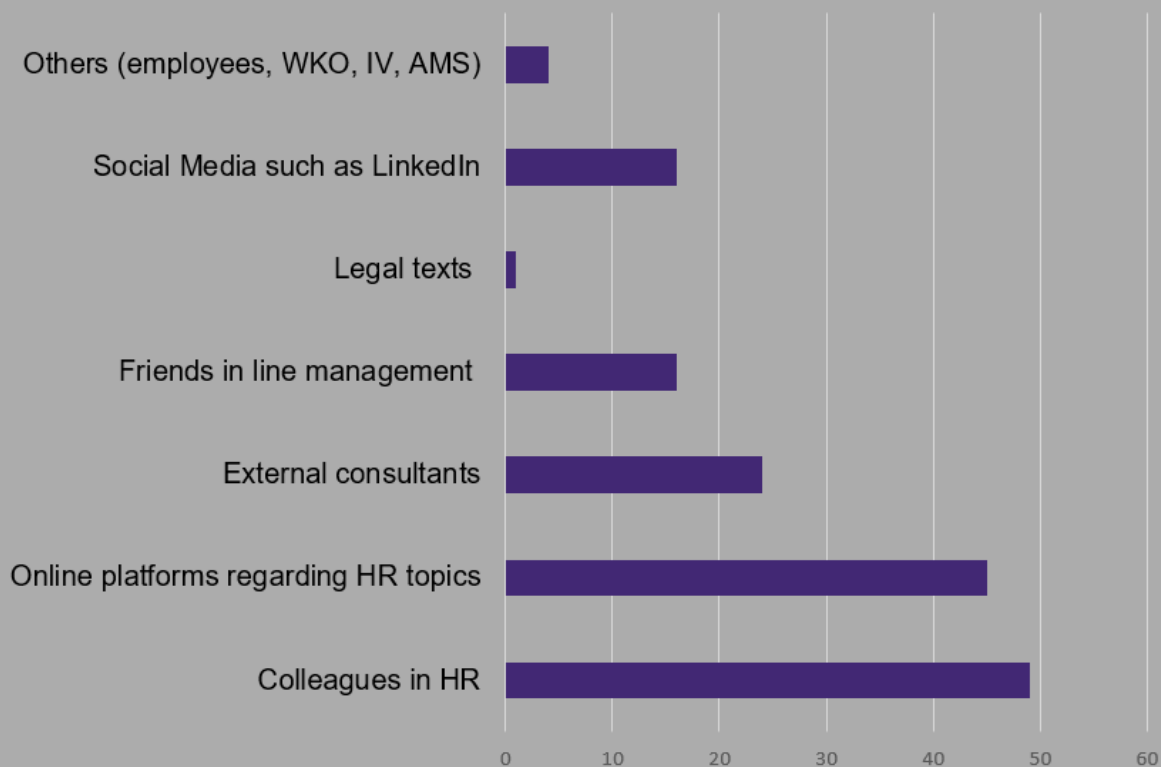
“Good preparation pays off.”

“Be prepared for next time / resilience.”

“The importance of recognizing executives who can deal with crisis situations.”

“Acknowledging the vulnerability of companies.”

Which networks / information sources were helpful / did you use?



Final thoughts | Amrop Jenewein

For all of us, the past few weeks and months have been a time which we will never forget.

We experience hope, fear, uncertainty, and yet - particularly as entrepreneurs and managers - we have to make decisions and facilitate transformation. We are longing for closeness, but should maintain our distance. We are establishing new rules, but are stuck in familiar routines. We are talking about digitization, but should realign our mindsets. Yes, the crisis accelerates the opportunities for change - in many cases it acts as a fire accelerator. These times of crisis demand tremendous amounts of communication, control and organization from us, and an even stronger focus on all members of the company in order to support and motivate them; addressing their worries, fears and questions – all of this, however, via digital tools, in compliance with social distancing rules, refraining from valuable etiquette such as shaking hands.

How is leadership going to change in the future? Leadership has always been a balancing act between stability and dynamic agility, order and risk, feasibility and immobility. We are required to rethink guidance and leadership; to reassess the significance of proximity and distance.

Ultimately, it will always be about people. Human resources are the linchpin for the most important decisions. Will human resources be able to accompany a new culture of collaboration in a digital world? Can human resources help building bridges between different groups and interests within companies? Will human resources become a driver for a new culture of trust?

We are all in a real-time natural experiment. We see forked roads and reassess priorities. We are all faced with the same challenge: We are seeking cooperation, an exchange of views, and trust. For without trust, there is no motivation. And, motivation is what we will require in order to work together to create the New Normal, and the New Way of Work, in such a way that we will enjoy living in it.

Amrop Jenewein

Andrea Viehauser is Managing Director of Amrop Jenewein in Austria

Andrea Viehauser has more than 20 years of consulting experience in Executive Search. She started her career after her university graduation at Amrop Jenewein in 2000.

After ten years, Andrea Viehauser changed to an international Executive Search Consultancy where she headed the global Competence Centre Financial Services. As of 2013, she took over the management of the Austrian subsidiary. In 2014, she changed to a leading German Executive Search Consultancy and became the Managing Partner of its office in Vienna.

In March 2017, Andrea Viehauser returned to Amrop Jenewein as Associate Partner, before becoming Managing Director in April 2019.

Andrea Viehauser specializes in Executive Search for middle and top management (C-Level) positions as well as Management Appraisals in Financial Services, Industry, Transport/Logistics and the Public Sector & Non-Profit-Organizations.

Andrea Viehauser was born in Salzburg and is fluent in English. She holds a master's degree in Business Administration from the Vienna University of Economics and Business.



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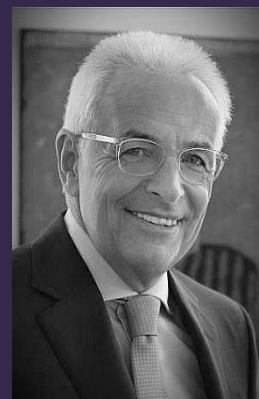
Günther Tengel is Managing Partner of Amrop Jenewein in Austria and Chairman of Amrop CEE

Günther Tengel began his career as a business consultant 37 years ago. In 1982 he joined Jenewein as Consultant and in 1993 became the Managing Director. He played an active role in the Group's expansion into nine CEE countries and built up local consultancies there. In 2003 Günther Tengel became the owner of the business following a management buy-out. Since 2005 he has been the Chairman of Amrop Central and Eastern Europe.

Günther Tengel specialises in executive search, strategic consultancy services for company management (supervisory boards, executive boards, and managing directors), consultancy services for investors and start-ups, divestments and mergers, as well as personnel marketing concepts.

His main areas of expertise are financial services, consumer goods & retail and the manufacturing industry, as well as consultancy services for family-owned business in Germany, Austria, Switzerland and Central and Eastern Europe.

Günther Tengel is fluent in English. He holds a Master's degree in business management from the Vienna University of Economics and Business.



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About Amrop



Amrop Jenewein

Amrop Jenewein is one of the leading executive recruitment companies in Austria. As a member of one of the world's largest, independent and owner-managed executive search groups we function as a centre of excellence and a hub for Central and Eastern Europe. Our expertise revolves around executive search, leadership services and board consulting.

Amrop Jenewein stands for

- 40 years of local and regional know-how
- consistently high quality
- shared processes and values
- bundled resources and efficiency

First and foremost, however, we stand for relationships of trust with clients and candidates built up over more than three decades. Our consultancy services are all based on a network of more than 50,000 candidates and sources developed over many years.

What sets us apart:

We go the extra mile

We are driven by a passion to identify the best solutions for our clients.

We focus on teamwork

Each project is carried out by two consultants and one researcher.

Market expertise is our strength

We understand local environments in a globalised world.

We are swift and efficient. Time is a key factor for success.

Our time management gives you the crucial competitive advantage.

Amrop CEE

Historical ties and an understanding of many different cultures make Austria, and Vienna in particular, an ideal gateway to Central and Eastern Europe. More than 600 international companies have established their regional headquarters here. Having carried out pioneering work in ten countries in CEE and set up local consultancies there, we are thoroughly familiar with the region. Our customers and candidates reap the benefits of this comprehensive local and regional expertise.

In keeping with the Group's global claim of "We are where you are", Amrop now has operations in 16 countries in Central and Eastern Europe. With 16 offices, more than 60 partners and consultants as well as more than 120 professionals we successfully carry out more than 500 executive search assignments each year.

Amrop Global

Amrop is relentlessly context driven. From Executive Search to Leadership Assessment and Board Consulting, all services are built on a single philosophy: *Trusted Advisorship*. Every business, market and project is unique, as are their leaders. All should be understood and treated accordingly. Understanding context demands insight into local conditions - knowing how to get things done on the ground. Abreast of the latest talent management trends, our executive recruiters source leaders within markets and across borders, applying the first-hand experience of industry sectors that is critical to success. With over 70 connected offices around the world, today, we are the market leader in many regions and document our presence on these markets with a joint logo called Nexus. The colours represent the various areas of our expertise worldwide.

Wherever you are, you are at
the center of our network.

Credits



We would like to thank all the human resources executives who took part in the survey and hereby provided valuable feedback and insights for this study and our network.

Furthermore, we would like to thank everyone, without exception, who is available to us in word and deed during this challenging time, and who works with us. This was, and is, invaluable to us.

We are pleased to see how many of you have expressed interest in both the results of this survey and in further exchange with Amrop Jenewein. We cordially invite you to explore further reports from Amrop [here](#).

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