

# hr trends research 2020

COVID-impact edition

Randstad Czech Republic



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# introduction.

The HR trends 2020 COVID-19 report presents insights into how companies were affected by the pandemic and what measures they have taken to cope with the crisis, by analyzing the HR and general business perspectives.

The key themes of the report include the business impact of the crisis, what were the challenges, how did the companies address them and in what way the recruitment process has changed.

For the COVID-19 edition of the HR trends survey, over 100 decision-makers and HR executives from a variety of industries, in the Czech Republic, were interviewed during May-June 2020.

# foreword.

The 2020 HR trends survey was conducted in two waves: the first one during December 2019 – February 2020 (202 respondents) and the second wave in May – June 2020 (106 respondents), after the COVID-19 crisis outbreak.

The COVID-19 crisis has changed the way that businesses work, therefore most of the questions in the first HR trends survey were no longer applicable to the second wave.

This edition of the HR trends report is different than the previous ones, to better reflect the situation in the market. Wherever a before/after COVID-19 crisis comparison was possible, it was included in the report.



# executive summary.

- The challenges and impact of the COVID-19 crisis are encountered by almost every stakeholder, across many industries.
- This crisis made companies change their initial economic forecast, thus showing the current market situation. Over 80% of the respondents state that their business will be negatively impacted, on a short-term.
- The production department is considered to be the most affected with 76% of respondents, followed by the sales department with 49% of respondents.
- Companies' recruitment plans are also affected by COVID-19. If before the crisis 56% of the companies had plans for hiring new personnel, after the crisis, 41% of the companies are willing to continue with the hiring process.
- Talent retention (72%), along with the ability to identify talent for future workforce needs (58%) and learning & development (42%) represent the most important HR priorities for the companies in the Czech Republic.
- Suspension of non-critical/international travel (77%), adoption of more stringent health and safety measures (72%) or the suspension of in-house training (54%) are the major measures adopted by the companies, to be able to cope with the business changing environment.
- Over 50% of the surveyed companies confirm that COVID-19 will make them change the way they operate. Also, 62% of respondents will continue to improve their technological capabilities to be able to handle similar situations, in the future.

business

impact.



# business impact main findings.

- 80% of the surveyed companies consider that the COVID-19 crisis has an impact on their business.
- Over 40% of the respondents believe their business is directly impacted because the employees and the company have to work in other ways and/or are not able to carry out planned projects.
- General market decline, revenue decrease, personnel reduction, high dependency on foreign trade or reduced production volumes, are few of the aspects that influence the companies performance.



76%

of respondents say that production department is most affected by the COVID-19 crisis, followed by sales department with 49% of respondents



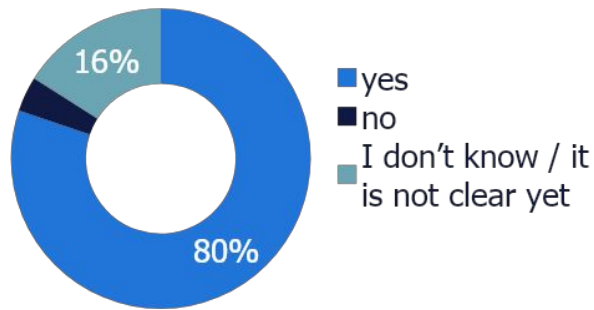
30%

of respondents consider that the crisis will have no impact on their business, while 13% of the respondents think the crisis will positively impact their business, on a long-term

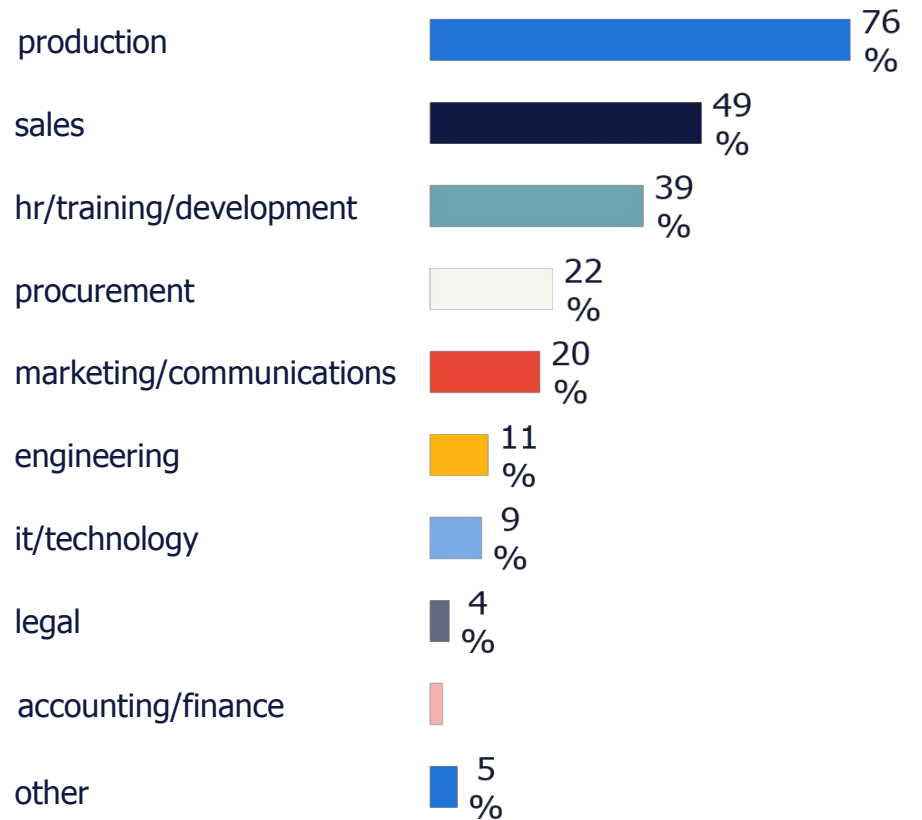


# covid impact on the business.

do you believe the COVID-19 situation will influence your business?



departments most affected by the COVID-19 situation



59%

of respondents believe the COVID-19 impact is indirect – the customers and partners are unable to carry out planned obligations



69%

of the respondents consider that the COVID-19 crisis will have a positive impact on their business and expect to register a long-term business increase of up to 15%



# aspects that will have most overall impact on the organization.

cost management	79%
economic situation in Czech Republic	55%
pressure on pricing	36%
process improvements	33%
innovation and/or new technologies	26%
growth management	23%
talent attraction and retention	16%
legal changes	13%
pressure from competitors	10%
other	8%

79%



of the surveyed companies consider that will be most impacted by cost management, followed by the economic situation in Czech Republic and pressure on pricing

55%



of respondents confirm that the COVID-19 experience will make them change the way they will operate in the future. However, for 37% of respondents, it is still unclear if there will be any future changes, from an operational perspective

*“ Covid -19 has just speed up the decrease and changes in auto business. So it will have several years impact on our company. ”*

the total is more than 100% because more than one answer is possible.

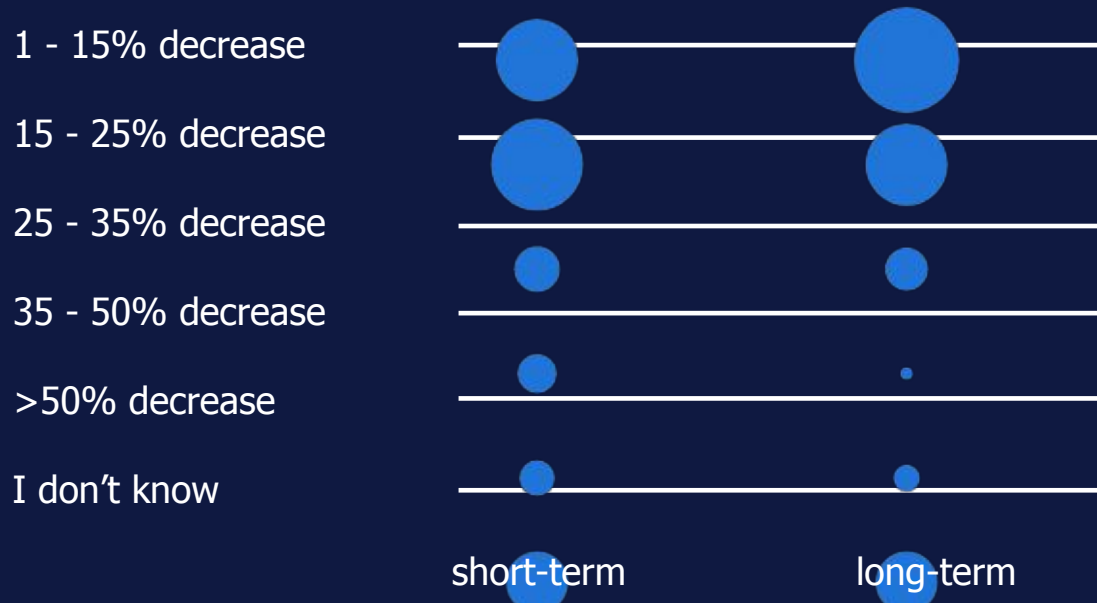
# business decrease expectations pre & post COVID-19.

8%

of respondents to the pre-COVID survey considered that their sales volume will decrease in 2020, while 46% foresaw stability for their sales

85%

of the respondents to the post-COVID survey believe their business will be negatively impacted on a short term, while 57% think the COVID crisis will have a long-term negative impact on their business



challenges and

actions taken.

# challenges and actions

## main findings.

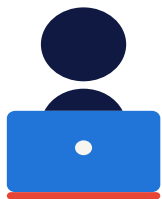
- Increasing/maintaining performance and productivity along with the ability to keep the employees well informed are the main HR challenges that companies expect to encounter after the COVID-19 crisis period.
- Almost 30% of the companies have a risk management department; for 58% of the companies, the risk management department has procedures in place to pre-empt and prepare the business for similar situations.

29%



of the responding companies were forced by the COVID-19 crisis to dismiss personnel, while 26% suspended labor contracts

77%



of surveyed companies suspended non-critical travel, followed by the implementation of more stringent health and safety measures (72% respondents)



# main HR challenges for participating companies.

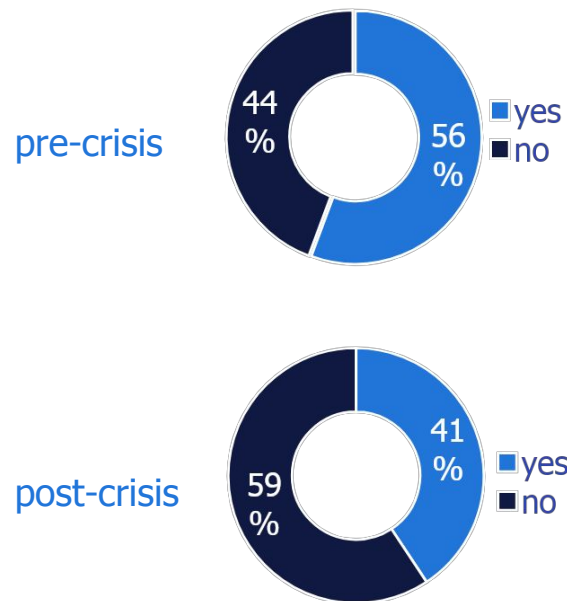
	pre-crisis	post-crisis
increasing/maintaining performance and productivity	53%	50%
keeping employees well informed	32%	35%
attracting talent	34%	29%
managing expectations on compensations and benefits package	48%	28%
avoid losing top talent to competitors	40%	26%
shortage of local talent	30%	25%
learning & development/upskilling	-	22%
predicting future workforce needs	-	22%
retaining top performers	62%	21%
low volume of applicants	-	19%
new hire onboarding	-	16%
managing internal change programs	8%	15%
identifying top talents within company's workforce	-	14%
employer branding	29%	14%
managing skill shortage	24%	9%
internal/external mobility	9%	8%
other	4%	17%*

the total is more than 100% because more than one answer is possible. other\* (5%) includes communicating with candidates/employees at a distance (7%) and workplace inclusivity (6%)



# recruitment intentions and changes.

## recruitment intentions



## recruitment changes

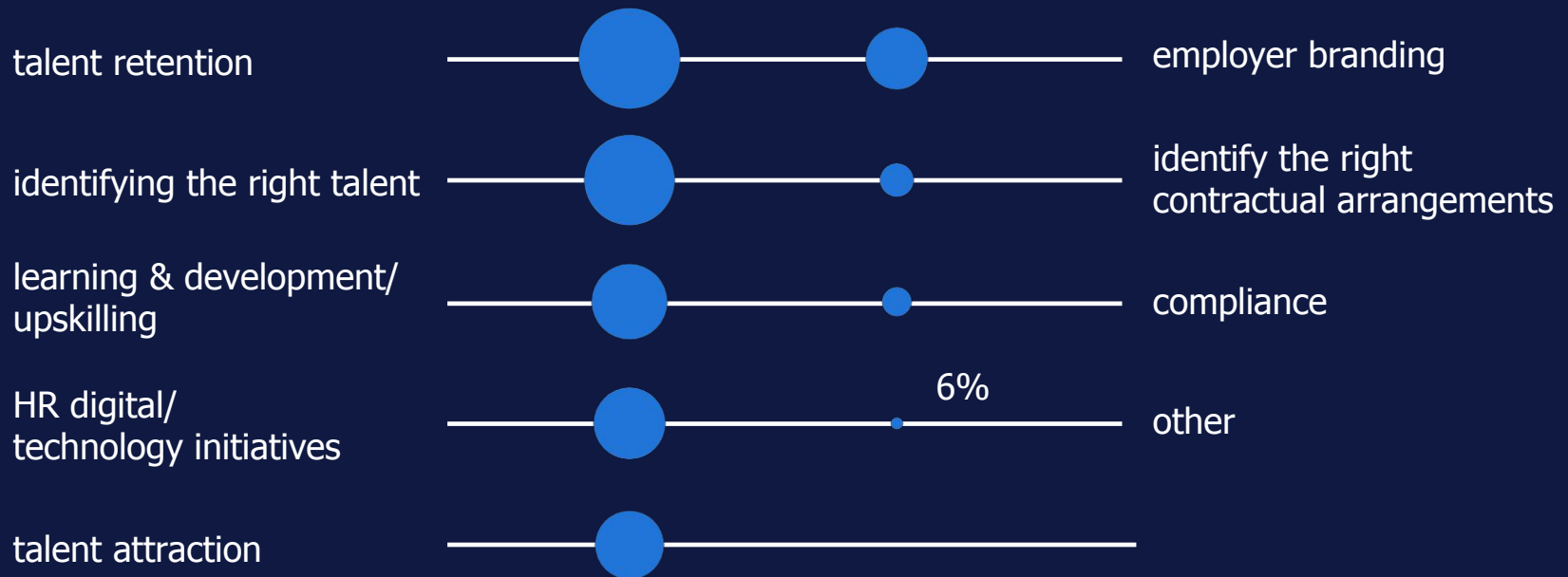
conducting online/video interviews	28%
we will hire but will wait for the market to recover	20%
we will not be hiring in the near future	19%
there are no changes in the recruitment process	14%
we will not make any new hiring this year	6%
we are conducting phone interviews	5%
other	8%

the total is more than 100% because more than one answer is possible.



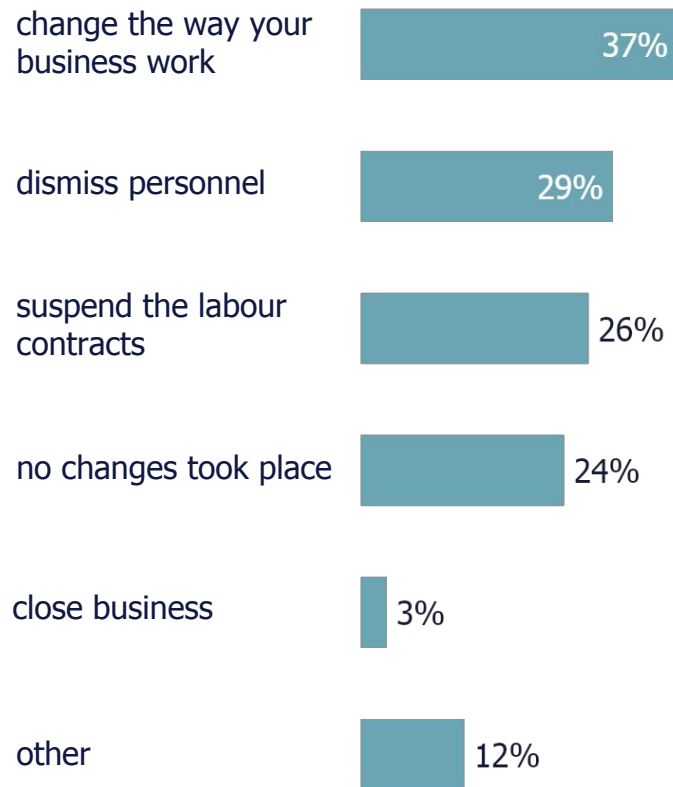
the COVID-19 has a direct impact on the hiring plans of the companies. The willingness to continue the initial recruitment plans decreased by 15pp, with only 41% of the surveyed companies confirming post-crisis employment plans

# future HR priorities.



talent retention (72%), along with identifying talent for future workforce needs (58%) and learning & development (42%) represent the most important HR priorities for the companies in the Czech Republic

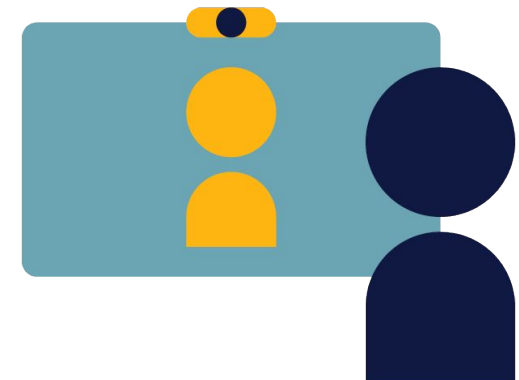
# actions taken during & after the crisis.



## 62%

of respondents will continue to make improvements with technology to be able to handle similar situations, in the future.

- In regards to the improvements that will be taken to handle similar situations, most companies mentioned: the integration/upgrading of digital solutions, planning more online meetings, or the development and consolidation of higher degree automation processes.





# new ways of work implemented by companies.

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suspending non-critical domestic and international travel	77%
implementing more stringent health and safety measures	72%
suspending of in-house training	54%
implementing tools for working remotely	43%
transitioning to (mandatory) work from home	42%
transitioning the physical, face to face sales to online sales	28%
implementing new technologies	20%
suspending outsourcing and producing everything in-house	16%
creating a risk management team	7%
no new ways of working are necessary	5%
other	3%

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the total is more than 100% because more than one answer is possible.



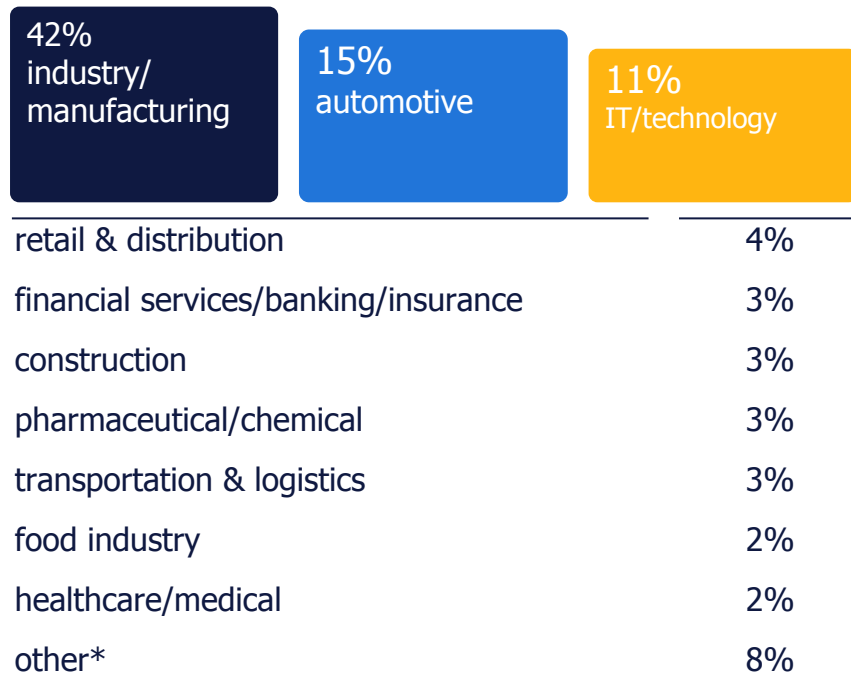
# respondent

# profile.



# respondent profile

by sector.

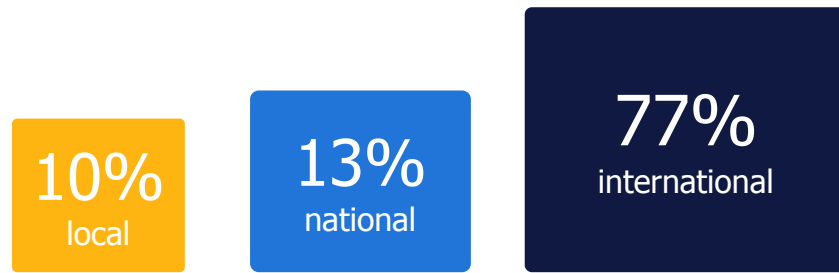


\*other (8%) includes advertising/marketing/PR (1%), oil & gas (1%), engineering (1%), FMCG (1%).

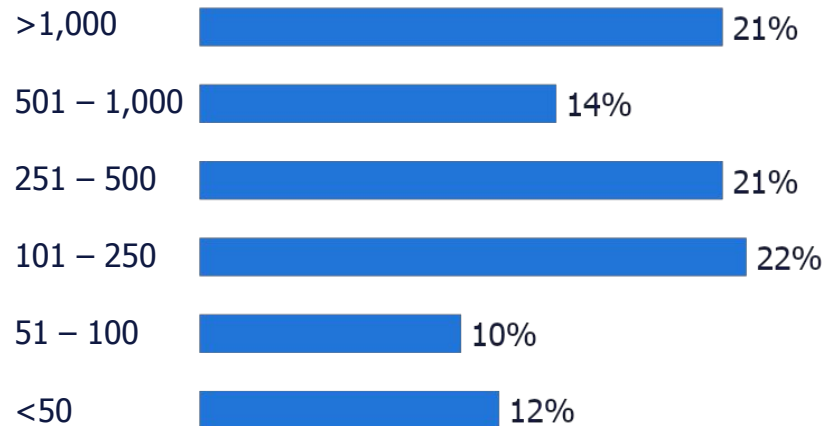


# respondent profile.

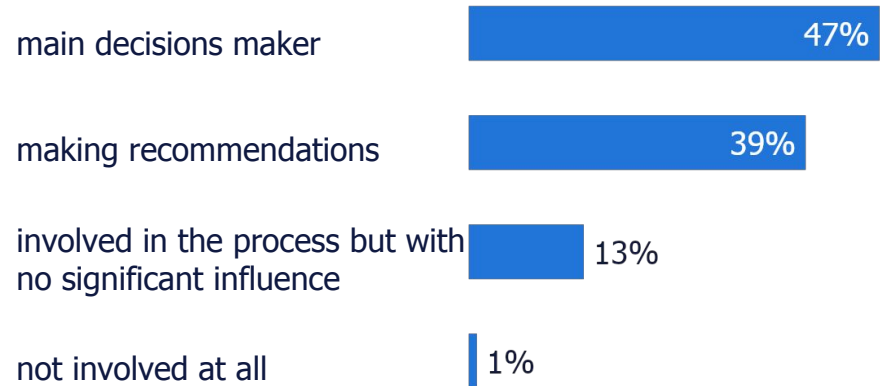
## by the size of the company



## number of employees



## involvement in the hiring process



70%

of respondents are part of the HR department of their companies, while 24% of the respondents are in the general management department

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human forward.

