

REPORT | *October 2022*

# People Profession 2022

UK and Ireland survey report



The CIPD is the professional body for HR and people development. The registered charity champions better work and working lives and has been setting the benchmark for excellence in people and organisation development for more than 100 years. It has almost 160,000 members across the world, provides thought leadership through independent research on the world of work, and offers professional training and accreditation for those working in HR and learning and development.

Workday is a leading provider of enterprise cloud applications for finance and human resources, helping customers adapt and thrive in a changing world. Workday applications for financial management, human resources, planning, spend management, and analytics have been adopted by thousands of organisations around the world and across industries – from medium-sized businesses to more than 50% of the Fortune 500. For more information about Workday, visit [www.workday.com](http://www.workday.com)

## Report

# People Profession 2022: UK and Ireland survey report

## Contents

|   |    |
|---|----|
| Foreword from the CIPD  | 3  |
| Foreword from Workday   | 4  |
| Reflections from CIPD in the UK and Ireland   | 5  |
| Introduction  | 6  |
| External factors influencing the current world of work                              | 7  |
| What is the current skills landscape within the profession?                         | 8  |
| How does the wellbeing of people professionals compare with the wider UK workforce? | 13 |
| Where do people teams offer most value and create impact?                           | 18 |
| What are the current operating models of people teams?                              | 23 |
| How is the profession using people data and analytics?                              | 30 |
| How are organisations focusing on employee experience?                              | 36 |
| Conclusions   | 38 |
| References and endnotes   | 40 |

## Acknowledgements

We would like to thank all the people professionals who took part in this survey and to the senior HR leaders who participated in our roundtable discussions as part of this work. Their contributions brings the research to life.

We would also like to thank Jane Rowe and Matthew Stoker at YouGov for their continued support throughout this research project.

And finally, a thank you to CIPD colleagues and teams who supported and contributed to this work in some manner, especially to Hayfa Mohdzaini, Rachel Suff and Katie Jacobs for their input and perspective from other CIPD-related research.

## Author profiles

Rebecca Peters, CIPD research adviser, is the author of this report.

## Tables and figures

- Figure 1: Skills development has remained stable as we move out of the pandemic
- Table 1: Over half of people professionals are engaging in online learning - the most popular method of learning in 2022
- Figure 2: Supporting line managers is the top priority for building HR capability in the UK
- Figure 3: UK people professionals perceive their mental and physical health similarly, while Irish respondents view their physical health to be poorer than their mental health
- Figure 4: Three in ten UK practitioners said their mental and physical health is negatively impacted by their work
- Figure 5: Professionals with negative views of their career progression are more likely to say their wellbeing is poor or very poor
- Figure 6: Those with a negative view of their career progression are far more likely to say their work impacts negatively on their health
- Figure 7: Perceptions of strategic contribution and value of the profession has increased, but still a significant proportion of UK respondents disagree
- Figure 8: The role of the people function is changing more significantly in larger organisations
- Figure 9: Generally, people functions within larger organisations appear more strategic and aligned with the business, but are less positively recognised for their contribution
- Figure 10: Public sector professionals were less likely to agree that their function has strategic alignment, recognition and impact
- Figure 11: The business partnering model and the single HR team model are the most common operating models in the UK
- Figure 12: While large organisations have moved away from operating under a singular HR team, SMEs have moved more towards this, relying less on 'other' models
- Figure 13: In Ireland, nearly one-fifth operate from a small, central HR function that outsources much of its activity
- Figure 14: In the UK, a large proportion of SMEs and large organisations say they don't outsource any of their HR operations
- Figure 15: Generally, Irish respondents outsource more of their HR function than UK respondents
- Figure 16: Respondents from Ireland show higher levels of onsite working, whereas we see little variance across UK respondents
- Figure 17: There are observed spikes in the application and use of data and analytics in 2021
- Figure 18: More respondents in Ireland say the HR function provides regular people data reports than in 2021
- Table 2: Having the right technology and analytic systems in place is the top barrier to applying people data
- Figure 19: Businesses with less than 50+ employees are significantly more likely to say they have no plans to use people data and analytics
- Figure 20: More than half of voluntary sector organisations use very basic HR data, while public sector organisations report more usage across the board
- Figure 21: Organisations in the UK and Ireland are focusing more on collecting exit data to improve employee experience

## 1 Foreword from the CIPD

In the ten years I have been the CIPD's chief executive, much has changed in the world of work. The pandemic has shifted attitudes on where and how we work. Wider societal and regulatory expectations have changed how we view organisations and business, and even what work itself should be about. However, while we are in unpredictable times, there is also opportunity to re-evaluate, to innovate and learn, and to work together to keep people at the heart of business thinking.

We need to build responsible business, encourage greater transparency, press for greater inclusion and fairness, and support employee wellbeing – all of which enable positive business and societal outcomes. People professionals are called on to translate these narratives into people practices, but also to deal with the many changes and challenges in the labour market itself. Accessing the skills and talent every business needs has been tough over the last year, and we are now having to navigate the cost of living increases and inflation, which is impacting individuals, as well as businesses, everywhere.

This year's report once again highlights the profession's willingness to step up to deal with these many issues, and in turn to upskill further to meet new challenges. It also continues to show that the contribution of the people function is valued, and strategically aligned to organisational success. However, there is still work to be done to ensure people professionals are properly valued and recognised for the work they do.

Indeed, our 2022 report shows the personal impact that these challenges have had on people professionals in the last few years. A third feel that their mental and physical wellbeing has been negatively impacted by work, and this is particularly true for less experienced colleagues.

Given how much the people profession has been at the heart of the organisational response to recent crises, this finding is understandable. However, with all that lies ahead, it is vital that we also look after ourselves and our own wellbeing.

Our expertise has never been more critical and this is our opportunity to ensure that our profession remains front and centre in every business. But we need to become future-fit, building our capabilities in areas such as technology, data and analytics. Above all, we need to be agile and have the confidence to lead the agenda in the new world of work, whilst staying true to our purpose of championing better work and working lives.



A handwritten signature in black ink that reads "Peter Cheese". The signature is fluid and cursive, with the first name and last name clearly distinguishable.

Peter Cheese  
**CEO, CIPD**

## 2 Foreword from Workday

The volatility and uncertainty of the last few years have thrust HR leaders further into the spotlight. From helping workforces adapt to restrictions on both their work and personal lives, to attracting and retaining talent in a fiercely competitive marketplace, and rethinking the relationship between the business and its workforce — the role of HR leaders has grown considerably in a very short space of time. The disruption we've lived through has condensed a decade's worth of changes in the HR profession into just two years.

We have entered a defining era for people leaders. In this liminal space, it's important to be highly adaptable and to get comfortable with being uncomfortable. With the rulebook on what is 'normal' continually being rewritten, successful HR leaders must empower their teams to step forward and take on new challenges with confidence.

These attitudes were captured in the People Profession survey report, a report Workday is proud to be partnering with the CIPD on for the sixth consecutive year. The study looks at how professionals contribute to their organisations and what matters to people when doing their work. While many HR professionals are confident in dealing with change, they're also aware that technology has a greater role to play as the new world of work reveals itself.

At Workday, we strive to make the world of work and business better — and empower others to do the same. Our technology is an investment in building a culture of agility and data-driven decision-making, so leaders can apply their energy to moving the organisation and its people forward.

Those organisations that are rising to the challenge of our times understand the importance of seeing the whole enterprise picture. They bring together financial, people and operational data so they can stay ahead of the accelerated pace of change and anticipate multiple scenarios — leading to better-informed decisions and fewer surprises along the way.

We hope the insights from this research will help you to plan for the unexpected and to carve your own path through this challenging and exciting time.



Michael Douroux  
**Global Vice President,  
Northern Europe and South Africa, Workday**

## 3 Reflections from CIPD in the UK and Ireland

There are so many externalities impacting organisations and their people at the moment: geopolitical risks between the West and China, the Russia-Ukraine war, the tight labour market for skilled workers, soaring inflation, a looming recession, uncertain political leadership – and let's not forget the prolonged impact of the pandemic. All of these impact HR in its core business function of recruiting, retaining, developing, supporting and deploying its people so that organisations continue to deliver value smoothly.

Providing an invaluable snapshot of the people profession, its priorities and its practices, this year's report looks at HR operational models, wellbeing and data-driven practices. What is heartening is that the profession continues to be appreciated by the workforce a year after the peak of the COVID-19 crisis, but given the storm clouds, there's little room for complacency.



**Wilson Wong**  
Head of Futures and  
Insights, CIPD

The people profession has had to raise its contribution to deal with both external challenges and the internal transformation agenda. The value of people teams remains consistent, and the reputation of the profession is growing year on year. Ongoing learning and upskilling are necessary to support the profession to adapt to emerging pressure points and the need for longer-term thinking has to be recognised.

Now is the time to ensure that people teams are focusing on their own resilience, role-modelling healthy practices and championing good work for the profession, as well as for the workforce.



**Mary Connaughton**  
Director, CIPD  
Ireland

## 4 Introduction

Every year, we ask the people profession, ‘What’s changed in your world of work?’

We’ve seen some extraordinary shifts since 2020, with the profession operating front and centre, dealing with the externalities that heavily impact on people. These shifts have accelerated many agendas that were already in play and resulted in some great achievements for people teams and practitioners. But with great achievement comes greater expectations, something which the profession says has remained heightened over the last two years. In this report, we dig deeper to understand the sentiment of people professionals.

The *People Profession* survey gathers insights from practitioners on their careers and working lives, the results of which are explored in this report. This annual benchmark allows us to take the pulse of the people profession and acknowledge changes across it.<sup>1</sup> Our sample includes both in-house and independent people professionals, across a range of people specialisms, within the UK and Ireland. Full details of the sample are included in the [Appendix](#).

As with any research, it is important to set the context for when this research took place. While the 2022 survey was in field,<sup>2</sup> the world of work was being heavily influenced by several externalities, including the aftermath of COVID-19 and its impact on workers, the challenging and tight labour market conditions and the cost-of-living crisis. This context is outlined in more detail in [Section 5](#) below.

### Research questions

This report aims to address six key questions:

- 1 What is the current skills landscape within the profession? ([Section 6](#))
- 2 How does the wellbeing of people professionals compare with the wider UK workforce? ([Section 7](#))
- 3 Where do people teams offer most value and create impact? ([Section 8](#))
- 4 What are the current operating models of people teams? ([Section 9](#))
- 5 How is the profession using people data and analytics? ([Section 10](#))
- 6 How are organisations focusing on employee experience? ([Section 11](#))

The following sections of this report address each of the research questions outlined above, followed by an overall discussion and final conclusion. Research methodology, sample details and supplementary data can be found in the [Appendix](#).

### **Some details on the findings in this report**

- The *People Profession* survey is an international survey. In this report we focus on the findings within the UK and Ireland.
- We surveyed 1,496 people professionals from the UK and 125 from Ireland. Given the small sample for Ireland, the depth of analysis for this country is limited. Full details of the research methodology and sample demographics are included in the [Appendix](#).
- We refer to the ‘people profession’ throughout this report, which refers to a range of people-related roles such as human resources (HR), learning and development (L&D) organisational development (OD), employee relations and other HR specialisms. It does not include people managers.

- Reported percentage figures are rounded up and therefore total may be above 100%.
- Our data is cross-sectional, meaning that our sample will differ each year. We therefore cannot closely compare between years, but we are able to talk more generally about the observed differences.
- Previous *People Profession* reports can be found at [The People Profession survey I](#) [CIPD](#)

## 5 External factors influencing the current world of work

### The prolonged impact of COVID-19

The ripple effect of the pandemic continues to shape many aspects of living: social behaviours and restrictions, economic recovery and, not least of all, employment. While the world learns to live with the COVID-19 virus and deals with the aftermath of the initial global crisis, work has been impacted in many ways. For some, the negative impact was felt more significantly, for example, by young people<sup>3</sup> and those in low-paid jobs with low-level education.<sup>4</sup>

Despite businesses being able to operate onsite and the absence of UK government guidance to work from home, hybrid and remote working practices have risen since pre-pandemic figures. Nearly a quarter (24%) of working adults are combining homeworking and travelling to work (hybrid working),<sup>5</sup> although there is a disparity among workers, with higher earners more likely to work in this way than lower earners.<sup>6</sup> Our survey respondents said that demand for flexible and hybrid working is the biggest driver of change within their organisations.

### Surviving the pandemic: the impact on HR

[CIPD research](#) has found that HR's impressive performance during the pandemic has raised expectations of what the function is able to deliver. While the profession has leveraged many opportunities brought about by the pandemic, senior leaders express the negative toll it has taken on the HR workforce. With a heavy sense of responsibility to protect workers' health, many people practitioners were stretched professionally and personally, having to learn and upskill on-the-job. Working under pressured and turbulent conditions often meant operating in a reactive manner, with practitioners turning their hand to deliver the highest priority output at the time.

Updated in October, our [People Profession in Numbers](#) resource uses the latest data to provide a snapshot of the profession. It includes key demographic statistics that show the levels of diversity of the HR workforce, salary ranges, in-demand skills, job postings data and more.

### The cost-of-living crisis

With the rise in cost of living and the [highest inflation rates for over 40 years](#), many households across the UK face financial challenges. And with [one in eight UK workers living in poverty](#) before the cost-of-living crisis, this figure stands to increase. Despite the Government's response to provide some economic support, latest trends show [pay expectations to be lagging behind inflation rates](#). As social and political tensions

continue to rise, we are witnessing more strike actions, with one of the largest rail workers' strikes in decades in a row over pay and more pay-related strikes planned for Royal Mail workers. In this survey, economic change was cited as the second largest driver of change within businesses.

### Labour market conditions

In May, for the first time ever, job vacancies outweighed the number of people who are unemployed in the UK.<sup>7</sup> Our Labour Market Outlook spring report found that 45% of businesses have hard-to-fill vacancies. This was particularly prevalent in healthcare (54%) and education (49%). Within this survey, respondents in the UK and Ireland said that attracting, recruiting and retaining talent was one of the biggest challenges they face, made more difficult by the hybrid working environment. The CIPD has identified clear gaps in the way employers are tackling this issue and provides recommendations for organisations and public policy-makers on how to develop the workforce.

## 6 What is the current skills landscape within the profession?

### Headline findings

- As we move out of the pandemic, the proportion of the profession reskilling or upskilling has remained stable, with a slight increase in Ireland. In 2022, 61% in the UK and 72% in Ireland said that they have either upskilled or reskilled within the last year.
- A third of respondents said that their upskilling was in response to an immediate business need and a smaller proportion (22% in the UK and 32% in Ireland) cited their upskilling was focused on gaining longer-term skills to build future-proofing capabilities.
- The priorities for building HR capability remains consistent since 2021, showing the same capability gaps persist. The priorities are supporting line managers, facilitating more flexible people operations, and organisational development and change management capabilities.

### Detailed findings

#### How has the skills landscape changed since the pandemic?

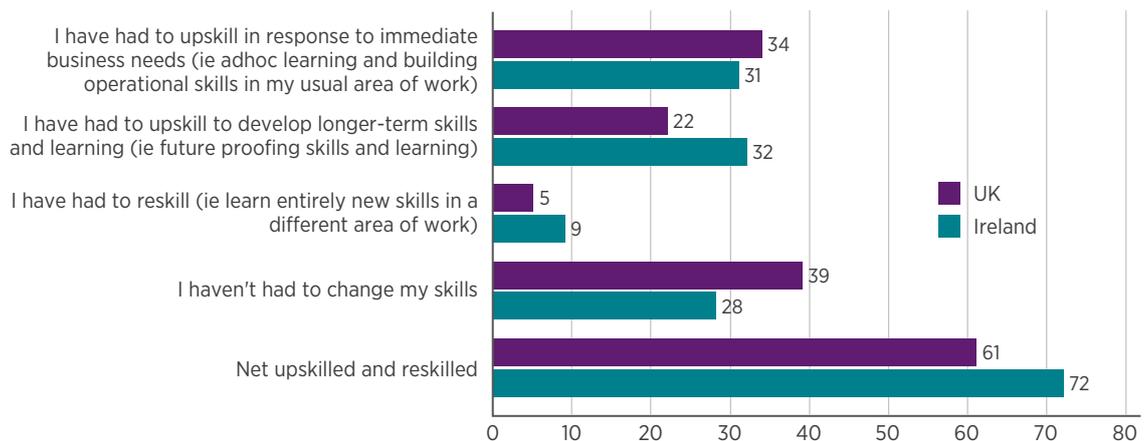
Post-pandemic, we have found a sustained level of upskilling and reskilling among the UK profession, and a slightly increased level in Ireland. In 2022, 61% of people professionals in the UK and 72% in Ireland said that they have either upskilled or reskilled since 2021 (compared with 61% for the UK and 67% in Ireland last year). Interestingly, a third stated that their upskilling was in response to an immediate business need (34% for the UK; 31% Ireland). This means that, for a significant proportion, skills development is more reactive in nature and is a direct response to the changing needs of the business. This rapid skills development demonstrates how people teams are adapting to deal with external pressures and changing priorities.

On the other hand, a smaller proportion of the UK sample (22%) said that their development was focused on gaining longer-term skills and they are therefore taking a more strategic and sustainable/lifelong attitude towards skills growth. In Ireland, upskilling was more balanced, with 31% saying this was because of an immediate business need and 32% upskilling to build longer-term skills.

For a large proportion of practitioners, HR skills development has not been a priority in their response to COVID-19 over the last 12 months. Two-fifths of respondents in the UK (39%) haven't needed to adapt their skillset, compared with 28% in Ireland. Reskilling (learning a new set of skills for a different job role) was low at 5% and 9% in the UK and Ireland, respectively. This suggests that people functions perceive general HR skills as relevant and aligned to the needs of the business.

But how confident can we be that skills gaps within the profession are being addressed and reflect the current and future needs of organisations? We can draw on an example from the CIPD's recent [learning and skills](#) research. It found that 81% of learning practitioners agree or strongly agree that they understand the skills they have within their function, and the skills needed for the future. However, other research suggests that many learning and development (L&D) teams do not have the skillset to shift to the [new delivery methods and ways of working](#) that are required in a digital world. This is just one example of the disparity between the confidence of having the required future skills and the observed gaps within a specialised function. It is a reminder that reskilling for the future must be a collective approach, gaining both buy-in from leaders and individual practitioners to commit to prioritising their own learning.

**Figure 1: Skills development has remained stable as we move out of the pandemic**  
**Changes in HR skills due to organisations' COVID-19 response (% of respondents)**



Base: UK: n=1,496; Ireland: n=125.

Question: Which of the following statements best describes how your HR skills have changed, if at all, as a result of your organisation's response to Covid-19? Please tick one.

Some sectors in the UK had higher proportions of people professionals developing their existing skills. This was especially true of voluntary sector workers (63%), those working in L&D (69%) and organisational development (70%), and those working at a more strategic level (65–67%). There was also a significant relationship between CIPD membership and upskilling,<sup>8</sup> with 63% of members saying they developed their skills within the last year compared with 50% of non-members.

In terms of HR roles, 40% of practitioners in a generalist HR role had to upskill in response to immediate business needs – the highest proportion across all specialism areas.<sup>9</sup>

While this finding looks to suggest that generalist people practitioners were more likely to upskill and prioritise their development in response to the pandemic, small sample sizes across some specialism areas means we cannot strictly compare across all the specialist professions. However, comparing the net scores for upskilling from last year (combining

immediate upskilling and longer-term upskilling), 58% of generalist HR professionals in 2022 compared with 54% in 2021 said they had upskilled in some capacity, showing consistent levels of upskilling among this professional group. For this group, the continued focus of skills development to support the organisation's response to COVID-19 provides some evidence that the remit of generalists continues to expand in response to business needs – a sentiment echoed by HR leaders.

### **What did leaders of the profession say about the skills within their people teams? <sup>10</sup>**

HR leaders emphasised the development and widening remit of the generalist HR role, particularly the growing skills demands and expectations of competencies:

*'The word "generalist" is stretched to "specialist" in every single area and that is really difficult. Fine, when you're in the small team, because you're looking for someone who has got experience of almost everything because you know for a fact they need to be able to do that. But generalists [can't be] specialists in everything.'*

Leaders talked about chasing the 'holy grail of HR skills', with people teams having to master and hone their skills in many areas of business. One leader said that the opportunity to showcase the HR profession during the pandemic has sent 'expectations running wild', with increasing demands on people teams from the rest of the business.

Human resource directors (HRDs) also consistently talked about organisational development skills becoming increasingly essential for generalist people professionals to have. The pandemic has also meant that people professionals have had to be flexible in their thinking and solution-focused, given the turbulent working environment. However, as we move to a post-pandemic era or 'new normal', leaders emphasise the importance of practitioners taking a longer-term and forward-thinking approach to business, as opposed to operating in a more short-sighted, reactive manner that was borne out of necessity at the time.

### **How are people professionals learning?**

Overall, the vast majority of our sample engaged with some form of learning and development activity in the last year. Encouragingly, these figures remain consistent with previous years, which indicates an ongoing focus on learning and development for people professionals. In Ireland, an enormous 93% said they engaged in some form of learning and development. This figure stood at 89% for the UK, and is a testament to the continued prioritisation of learning in both regions.

With many events moving online over the past couple of years, it's unsurprising that we found an increase in virtual learning since 2021 (from 45% to 55% in the UK and from 43% to 50% in Ireland). This increase suggests that professionals are becoming more familiar with online methods when it comes to developing themselves and recognise the benefits that virtual learning has to offer; for example, access to a broader range of content and development tools that can be digested on demand.

There has been a decrease in the proportion of UK people professionals pursuing learning and development opportunities through conferences and webinars, from 58% in 2021 to 50% in 2022. This is despite it being the second most popular method of learning in the

UK, and is perhaps an indication that preferred learning methods need to be flexible and on demand, allowing the learner to develop at their own pace and convenience.

Learning from peers is the third most popular learning method (40%) cited by UK people professionals and highlights a preference for social-based learning – a well-established concept in social and developmental psychology. Albert Bandura (1977), the pioneer of social learning theory, proposed that observational learning, role-modelling and imitating those around us are central to how we learn. Perhaps it's most obvious to witness the impact of social learning in children and animals but, as humans, we clearly engage with learning through our social environment, whether it's through our networks and communities, or through peers and colleagues. These findings, together with the well-established learning theories of social learning, emphasise the importance of leveraging our professional networks, both within our organisations and across our professional communities. The CIPD's factsheet explores learning theories in more detail.

**Table 1: Over half of people professionals are engaging in online learning – the most popular method of learning in 2022**

**Top learning methods in the UK and Ireland (% of respondents)**

|                         | UK 2022 | Ireland 2022 |
|-------------------------|---------|--------------|
| Online learning         | 55      | 50           |
| Conference and webinars | 50      | 46           |
| Learning from peers     | 40      | 36           |
| On-the-job training     | 37      | 46           |

Base: UK: n=1,496; Ireland: n=125.

Question: In the last 12 months, which, if any, of the following types of learning and development have you received? These may be in-person or virtually. Please select all that apply.

**What did leaders of the profession say about how skills are being developed?**

The phrase 'one size fits none' was used to illustrate the importance of taking an individualised approach to learning across the people function. Professionals will have very different developmental needs and career paths, and this should be taken into account when planning for skills development.

HR leaders often spoke of a blended approach to development in relation to informal versus formal learning. There is a clear need for professional qualifications, but also a recognition for informal methods of development, such as on-the-job learning, mentoring, internal and external knowledge-sharing across peer groups and networks, and bringing business and life experience to the role.

Some barriers to building capability and personal development raised by senior people professionals include:

- individuals failing to take more ownership and responsibility to drive their career and personal development
- homeworking stunting knowledge-sharing across people functions and making entry into the profession more difficult for early career professionals joining as hybrid workers

- resourcing difficulties making specialist skills hard to find in the current labour market, which creates pockets of skills gaps in certain HR areas – for example, leaders voiced their concerns about the lack of industrial and employee relations skills in light of the current political and economic pressures that have led to increased union activity
- investment difficulties and the rapid pace of change in recent years causing skills development to take too long, resulting in HR leaders looking beyond the profession to fill certain skills gaps.

We found a greater proportion of CIPD members engaged in learning and development (96% in the UK and 100% in Ireland) compared with non-members (81% in the UK and 89% in Ireland).

A small minority responded that they did not engage in any learning and development methods over the past year (11% in the UK and 7% in Ireland).

#### **What are the main areas of improvement in HR capability?**

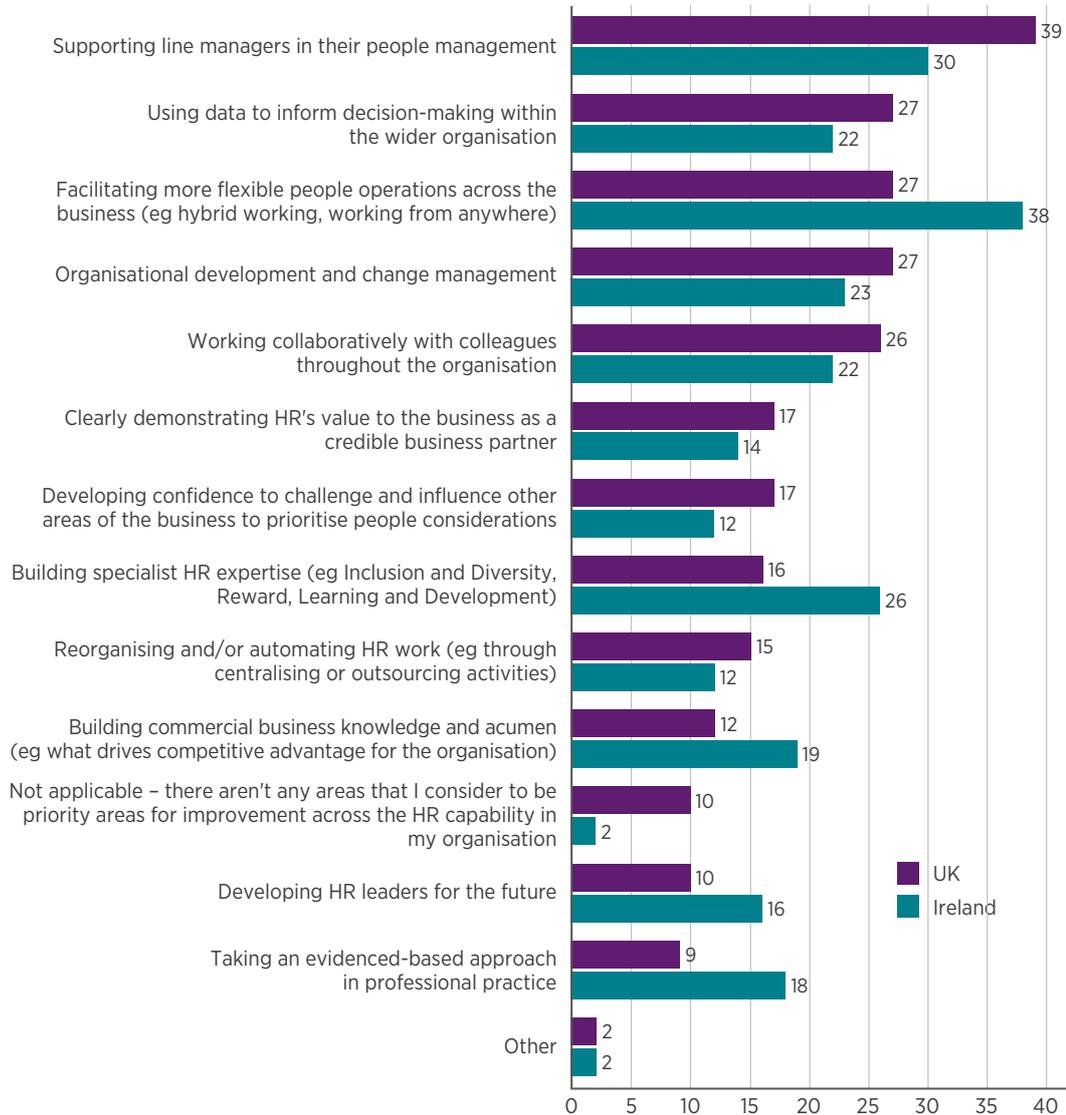
The top HR capability priorities have mostly remained consistent, with supporting line managers, facilitating more flexible people operations, and organisational development and change management remaining at the top of the list for building capability. The consistency of these findings suggests that capability gaps remain and that these are key areas of professional improvement within people teams.

Our research with senior HR professionals echoes that people professionals need to be confident with introducing change to the business (and managing culture change), and competent to translate how change will impact on their workforce and productivity. It also highlights that organisational development skills are becoming more essential for the generalist HR professional than ever before.

Interestingly, engaging with data to inform decision-making has become more of a priority since 2021, increasing from 21% to 27% in the UK and 17% to 22% in Ireland, making it a top priority for improving HR capability. People data is a key source when taking an evidence-based approach to making decisions and practitioners need to feel competent using, and deriving insights from, their data.

In Ireland, enabling flexible people operations was the top priority for 38% of our sample. We also note that building specialist HR skills was recognised as an area of improvement for 26% of practitioners in Ireland. Consistent with the UK, supporting line managers (30%) and organisational development and change management (23%) also remain important for building capability among people teams in Ireland.

**Figure 2: Supporting line managers is the top priority for building HR capability in the UK**  
**Priority areas for building HR capability (% of respondents)**



Base: UK: n=1,496; Ireland: n=125.

Question: In your opinion, which of the following, if any, are priority areas for improvement across the HR capability in your organisation? Please tick up to three responses.

## 7 How does the wellbeing of people professionals compare with the wider UK workforce?

### Headline findings

- Over half (55%) of UK practitioners but less than half (42%) of Irish practitioners view their mental health to be good or very good, while this figure was 52% (UK) and 38% (Ireland) for physical health.
- In the UK, around three in ten practitioners said that both their mental and physical wellbeing is negatively impacted by their work (31% and 29%). In Ireland, the negative impact of work on wellbeing was similar for both mental (14%) and physical health (15%).

How does the wellbeing of people professionals compare with the wider UK workforce?

- Practitioners who hold negative beliefs about their career progression were significantly more likely to say their mental and physical health was poor and that their work negatively impacted on their wellbeing.
- When comparing people professionals with the wider UK workforce, we found that people practitioners perceived their mental and physical health more negatively than the general workforce, both in terms of their general health and how their work impacts upon their wellbeing.

### Detailed findings

The [CIPD viewpoint on employee wellbeing](#) is that it should be a core part of how an organisation operates and a central focus for people strategy. Our annual [health and wellbeing report](#) on the UK workforce shows that employee health and wellbeing jumped to the top of the boardroom agenda in the first year of the pandemic but has slipped in 2022. However, most organisations make a serious investment in health and wellbeing and try to take a holistic approach, although they don't always reap the full benefits of their activity. More organisations need to take a proactive and systematic approach that includes managing and preventing the main risks to health.

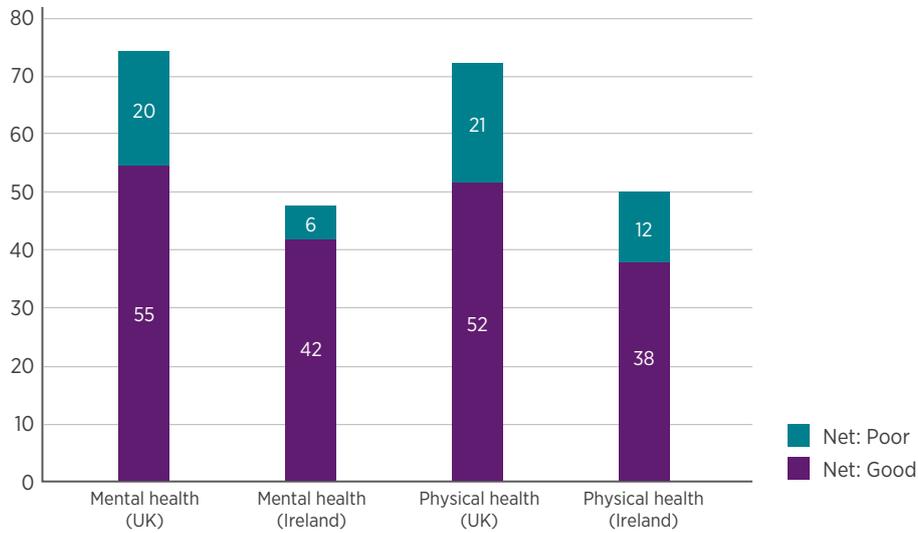
People professionals have been at the centre of supporting their organisation and its people through the intense challenges of the pandemic. Many will have felt the responsibility to not only protect people's physical health but to support their mental health too. Supporting the organisation's operational priorities with the needs of its workforce can always be a delicate balancing act for the profession, but this will have been a particularly acute pressure for many practitioners during the crisis. Often, their own health and wellbeing could fall by the wayside. For the first time in this survey, we asked practitioners about their own health and wellbeing, and we detail the findings here.

To explore how practitioners view their mental and physical health, we calculated the net scores for both sub-questions.<sup>11</sup> In the UK, we found that people practitioners perceived their mental and physical health to be of similar levels, while in Ireland, more respondents viewed their physical health negatively. Just over half of UK practitioners (55%) and 42% of Irish practitioners believed their mental health was either good or very good at present. Fifty-two per cent of UK professionals and 38% in Ireland viewed their physical health in a positive light.

Disappointingly, a fifth of UK respondents said that their mental and physical health was either poor or very poor (20% and 21% respectively). In Ireland, a higher proportion of practitioners said that their physical health was poor or very poor (12%) compared with their mental health (6%).

**Figure 3: UK people professionals perceive their mental and physical health similarly, while Irish respondents view their physical health to be poorer than their mental health**

*People professionals' perception of their current mental and physical health (% of respondents' net scores)*



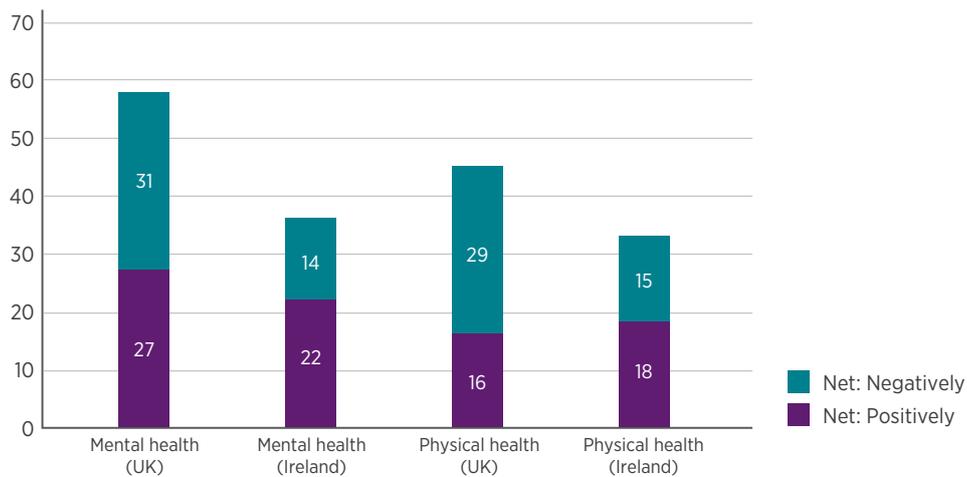
Base: UK: n=1,496; Ireland: n=125.

Question: In general in your life, how would you describe your physical and mental health at the moment?

### How does work impact on the health of people professionals?

In the UK, three in ten practitioners said that both their mental and physical wellbeing is negatively impacted by work (31% and 29%). On the other hand, some practitioners said their wellbeing is positively impacted by the work they do; 27% said their mental health and 16% said their physical health is positively influenced by their work. In Ireland, the impact of work on wellbeing was similar, in terms of positive and negative influence, whether that be mental or physical health.

**Figure 4: Three in ten UK practitioners said their mental and physical health is negatively impacted by their work**  
*People professionals' perceptions of work impact on their health and wellbeing (% of respondents' net scores)*



Base: UK: n=1,496; Ireland: n=125.

Question: To what extent does your work positively or negatively affect the following: (a) your mental health, (b) your physical health?

### **What did leaders of the profession say about their wellbeing and the wellbeing of their people team?**

CIPD research on [responsible business and leadership through the pandemic](#) captured discussions with more than 100 senior HR leaders. This research explores the experience of leading through the COVID-19 pandemic and how it has impacted on senior practitioners and their teams. HR's own wellbeing has emerged as a key theme throughout this research project, with HR leaders reflecting on the emotional and physical toll of the past two-and-a-half years on people teams.

In 2020, one HR leader commented:

*'Some of the things we've had to make decisions on have been really challenging and emotional.'*

In our 2022 research, another told us how they *'crashed and burned'* and have since had to learn to prioritise self-care.

### **How does the wellbeing of people professionals compare with the rest of the UK workforce?**

Clearly, for some people professionals, work is negatively impacting their health and wellbeing, but how do HR practitioners compare with the rest of the workforce? To understand this, we have drawn on our [Good Work Index 2022](#) data.<sup>12</sup>

Averages across the samples show that people professionals perceive their mental and physical health more negatively than the general workforce, both in terms of their general health and how their work impacts upon their wellbeing. See Table 11 in the [Appendix](#) for the mean scores across both samples.

After further statistical analysis, we found a significant difference between the mean scores of both samples, that is, the differences in all the health and wellbeing mean scores between people professionals and the general UK workforce. However, we also note the effect size was small and therefore the differences are practically limited.<sup>13</sup> See Table 12 in the [Appendix](#) for the detailed findings.

We also found other interesting differences in the UK people profession sample relating to career progression and health and wellbeing measures.

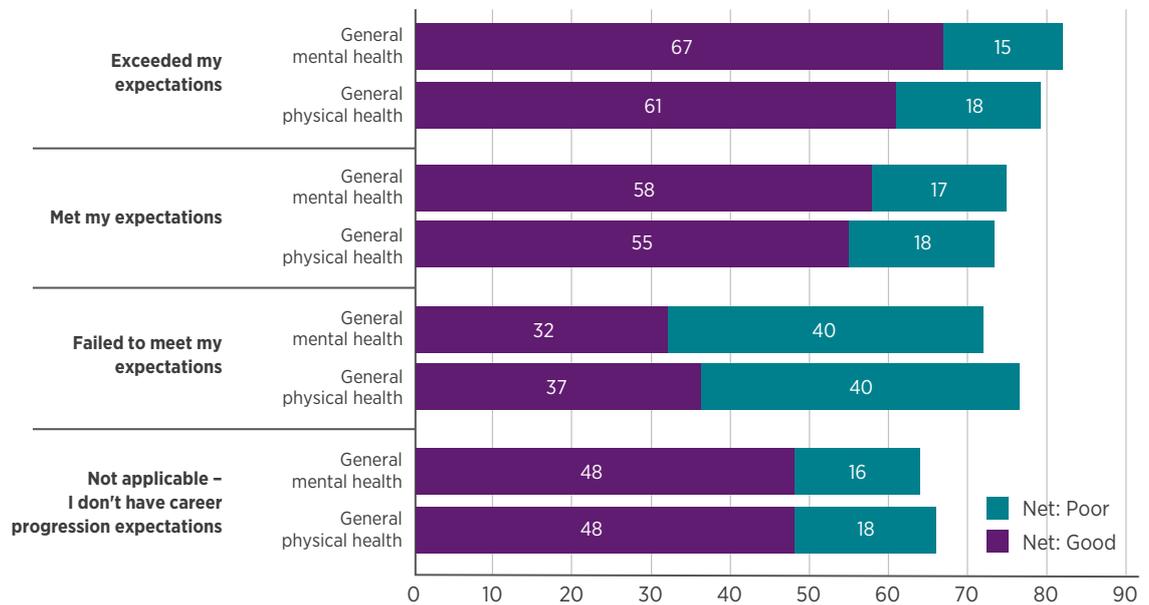
### **How do career progression expectations affect mental and physical wellbeing?**

People professionals were asked about their career progression to date, specifically regarding whether their progression had either exceeded, met or failed to meet their expectations.

Respondents who said their progression exceeded their expectations were significantly more likely to say that their mental and physical health was good or very good (with net scores of 67% and 61% respectively). On the other hand, practitioners who believed their progression had not met their expectations were significantly more likely to say their mental and physical health was either poor or very poor (net scores for both of 40%).

**Figure 5: Professionals with negative views of their career progression are more likely to say their wellbeing is poor or very poor**

*General mental and physical health by career progression expectations (% of respondents' net scores)*



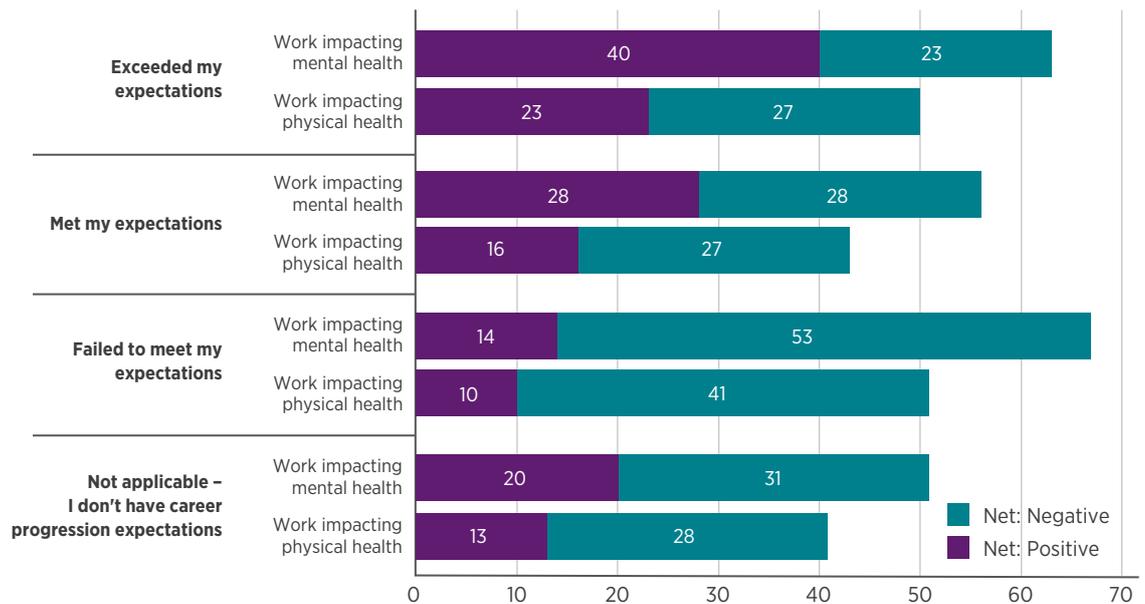
Base: UK: Total: n=1,496; Exceeded my expectations: n=322; Met my expectations: n=765; Failed to meet my expectations: n=237; Not applicable: n=172.

Question: In general, how would you describe your physical and mental health at the moment?

We saw the same trend occur when we asked about the impact of work on practitioners' mental and physical health (see Figure 6).

**Figure 6: Those with a negative view of their career progression are far more likely to say their work impacts negatively on their health**

*Impact of work on physical and mental health according to career progression expectation (% of respondents' net scores)*



Base: UK: Total: n=1,496; Exceeded my expectations: n=322; Met my expectations: n=765; Failed to meet my expectations: n=237; Not applicable: n=172.

Question: To what extent does your work positively or negatively affect the following: (a) your mental health, (b) your physical health?

The findings on career progression and the general mental and physical health of practitioners is interesting, but the impact of work on mental and physical health is startling. The results do not imply causality (i.e. cause and effect) between the two variables; however, there is clearly a significant association between career progression expectations and the health and wellbeing variables within this research.

#### **What other factors impact on people professionals' mental and physical health?**

Perhaps surprisingly, there are no significant relationships between the health and wellbeing variables and ways of working (that is, onsite, remote or hybrid working). However, we observed some differences within the UK sample:

- 1 Our most experienced professionals (with 16+ years of experience) were more likely to say their mental health was good or very good (59%) compared with those with less experience (up to five years of experience) (51%).<sup>14</sup>
- 2 Practitioners who work in large organisations were more likely to say their work negatively affects their mental (35%) and physical health (32%) compared with those working in SMEs (27% and 25% respectively). However, upon further analysis this relationship was found to be non-significant.<sup>15</sup>

As with employee wellbeing initiatives for the workforce as a whole, taking a holistic and integrated approach to health and wellness at work is key to keeping employees engaged and to supporting good productivity. For people teams, the focus is often on the rest of the organisation, but they can lead the way by role-modelling what good practice looks like when it comes to employee health and wellbeing. They should practise good self-care and develop healthy work habits, such as taking full annual leave entitlement, not working when unwell and not catching up on work or emailing colleagues when on leave or off sick.

## **8 Where do people teams offer most value and create impact?**

### **Headline findings**

- Generally, perceptions of the valued contribution of people teams have remained consistent or slightly increased. Strategic alignment to the business and how the profession delivers and contributes to organisational success remains positive.
- In Ireland, only two-thirds of people professionals felt that their success is recognised by business leaders (67%) and has an important impact on the organisation (69%). In the UK, these figures were even lower at 57% and 58% respectively.
- There were significant differences on the strategic impact of the people function across business sizes and sectors.

### **Detailed findings**

#### **What is the perceived strategic value of the profession?**

Generally, perceptions of the valued contribution of people teams have remained consistent, according to our data.<sup>16</sup> The findings paint a positive picture and suggest that the impact, value and reputation of people professionals remains stable throughout organisations. Perceptions of the profession's strategic alignment to the business and how the profession delivers and contributes to organisational success remained positive:

*‘HR have had a really strong pandemic. We need to have confidence in our profession and build expectations; we are a strategic function.’*

**(Human resource director, senior leader roundtables, 2022)**

**Alignment to business outcomes**

The majority of respondents believe that their people function develops practices that are aligned to organisational outcomes (62% in UK and 69% in Ireland). Around half of UK respondents agreed that their people team has distinct success measures for organisational outcomes, while this figure was 62% in Ireland.

**Cross-collaboration and strategic contribution**

A key finding from the CIPD’s cross-collaboration report reinforces the importance of cross-functional, cross-organisational working for effective performance and business success. Therefore, it’s encouraging to see that the majority of respondents believe their people function works collaboratively to meet the needs of the business (75% in the UK and 79% in Ireland). A similar number agreed that their people teams contribute to the organisation’s performance in a strategic and valuable way (73% in the UK and 76% in Ireland).

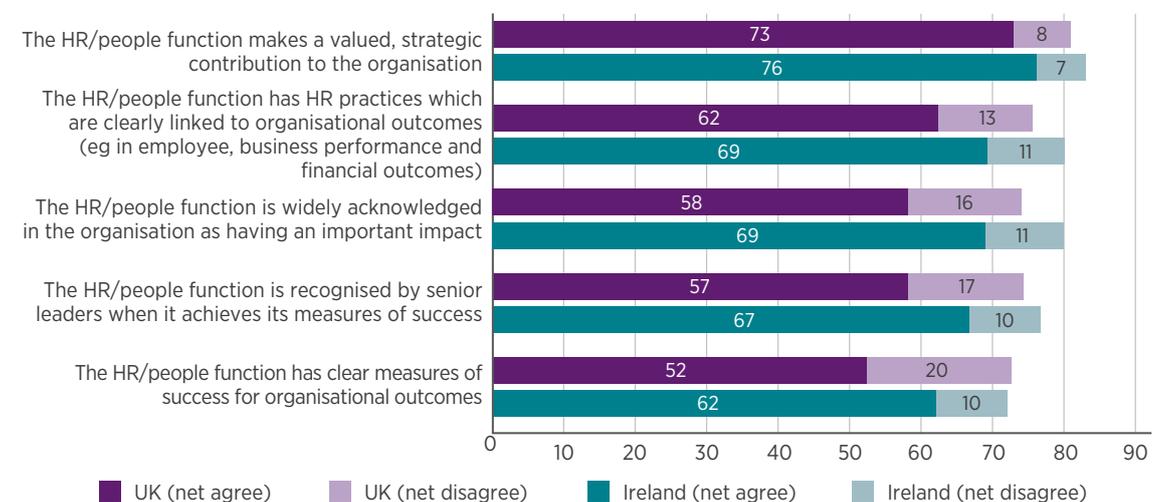
**Reputation and recognition**

Only two-thirds of people professionals in Ireland felt that their success is recognised by business leaders (67%) and acknowledged as having an important impact (69%), while these figures were even lower in the UK at 57% and 58% respectively. Although the reputation of the profession is growing year on year, only half of UK people professionals believe their reputation has been positively impacted by recent events (47%). On the other hand, perceptions of reputation are generally higher among respondents in Ireland (61%).

In the UK, reputational differences across HR roles were observed. Human resource business partners were significantly more likely to believe that their reputation has been positively impacted by recent events (60%), in comparison with other UK people profession roles. It’s likely that the collaborative nature of business partnering enables practitioners to work closely with leaders across the business. This exposure helps build the perception and standing of the people function as business partners respond to challenges and develop suitable solutions.

**Figure 7: Perceptions of strategic contribution and value of the profession has increased, but still a significant proportion of UK respondents disagree**

**Perceptions of the strategic contribution of HR teams in both the UK and Ireland (% of respondents’ net scores)**



Base: UK: n=1,496; Ireland: n=125.

Question: Thinking about HR practice in your organisation, to what extent do you agree with the following statements about your HR/people function and its organisational contribution?

**How do perceptions of strategic impact and HR operations differ by business size?**

UK respondents in large organisations (250+ employees) were more likely to report that:

- their HR/people function works collaboratively across business functions to meet business needs (77% of large organisations vs 72% of SMEs)<sup>17</sup>
- the role of the HR/people function is changing significantly (57% vs 44% of SMEs)<sup>18</sup>
- the reputation of HR/people professionals had increased in their organisation due to recent events (49% vs 43% of SMEs)<sup>19</sup>
- the function has clear measures of success for organisational outcomes (55%) compared with SMEs (49%)<sup>20</sup>
- they have HR practices that are clearly linked to organisational outcomes (65% vs 59% of those in SMEs).

**Figure 8: The role of the people function is changing more significantly in larger organisations**  
**A snapshot of people team operations in small and large organisations (% of SMEs and large organisations)**

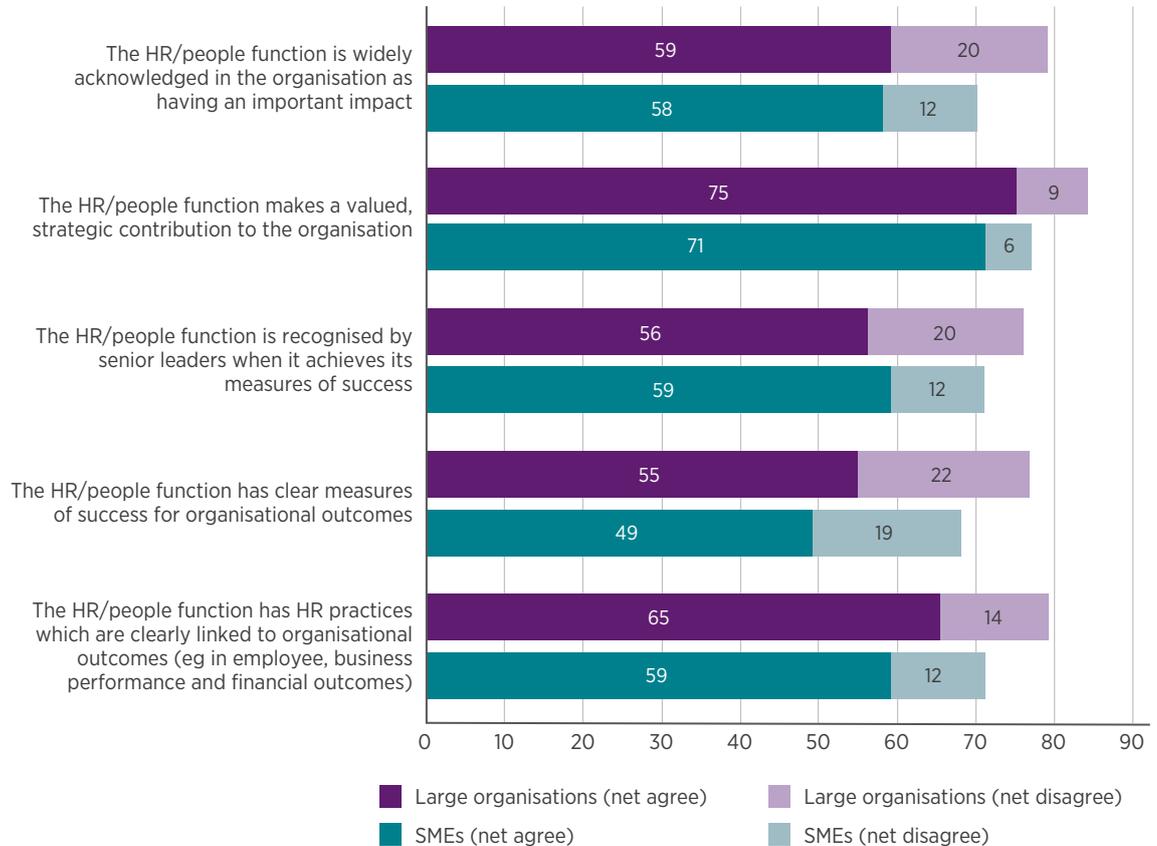


Base: Large organisations: n=856; SMEs: n=589.

Question: To what extent do you agree with the following statements about your HR function?

**Figure 9: Generally, people functions within larger organisations appear more strategic and aligned with the business, but are less positively recognised for their contribution**

*The strategic contribution of people teams in SMEs and large organisations (% net agree and disagree)*



Base: Large organisations: n=856; SMEs: n=589.  
 Question: Thinking about HR practice in your organisation, to what extent do you agree with the following statements about your HR/people function and its organisational contribution?

While people teams in larger businesses appear better aligned to the organisation with established success metrics, the recognition and the impact attributable to the people team directly is less present. We should also consider the complexity of working models and hierarchical structures within larger businesses, and that success may not generally be attributed to a singular function. For micro and small businesses, the HR ‘function’ and operating model is likely to be far more simplistic, or perhaps even a singular professional dealing with HR and people-related issues across the business.

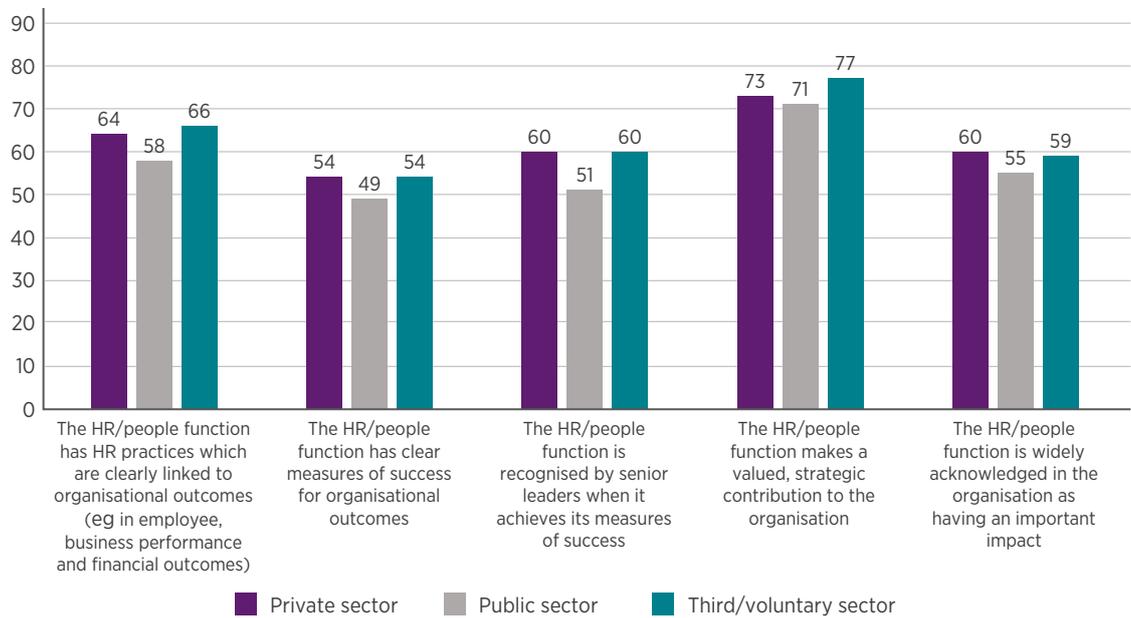
However, the findings reflect an interesting sentiment across people teams in large and small businesses.

**How do perceptions of strategic impact differ by sector?**

We found that public sector people professionals had more negative perceptions of their impact and senior leader recognition.<sup>21</sup> Looking across sectors, we found that 60% of those in both the private and third/voluntary sectors agreed that their function is recognised by senior leaders, compared with only 51% of respondents in the public sector. The highest proportion of respondents who strongly agree that the HR/people function is widely acknowledged in the organisation as having an important impact (60%) and is recognised by senior leaders when it achieves its measures of success (60%) work in the private sector.<sup>22</sup>

**Figure 10: Public sector professionals were less likely to agree that their function has strategic alignment, recognition and impact**

**Sector differences on the perception of impact of the people function (% net agree scores)**



Base: Private sector: n=786; Public sector: n=478; Third/voluntary sector: n=205.

Question: Thinking about HR practice in your organisation, to what extent do you agree with the following statements about your HR/people function and its organisational contribution?

As one would expect, both strategic level and years of experience within the people profession were associated with HR impact, organisational alignment, and strategic and valued contribution:

- When looking at strategic and operational roles, of those who strongly agreed that the HR/people function has clear measures of success for organisational outcomes, 32% – the highest proportion of respondents – work at a strategic level. Similarly, of those who agreed that the HR/people function has practices which are clearly linked to organisational outcomes, 33% work at a strategic level.
- When we consider experience within the profession, of those who strongly agreed that the HR/people function makes a valued, strategic contribution to the organisation, 30% have more than 20 years’ experience in the profession – the highest proportion of respondents. Again, of those who agreed that the HR function has practices which are clearly linked to organisational outcomes, 33% have 20+ years of experience.

Cross-tabulation analysis found several significant relationships for strategic level<sup>23</sup> and years of experience.

## 9 What are the current operating models of people teams?

### Headline findings

- We found two prominent operating models adopted by UK people teams: a business partnering model with specialists and shared services (30%), and having a single HR team that includes generalists, specialists and administration all together (31%).
- In Ireland, a third prominent model was found. Nearly a fifth of respondents said that they operate from a small, centralised HR function that outsources much of its people activity (18%).
- One in ten respondents stated that they operate under a different, undefined model (12%).
- As you would expect, operating models vary considerably across business sizes. Our data highlights pre- and post-pandemic shifts in the way people teams are operating.
- We found a mixed picture when it comes to where and how people professionals work. Within Ireland we found more onsite working, whereas within the UK there was little variance across working locations.

### Detailed findings

#### What are the current models of working within the hybrid world?

The CIPD's [People Profession 2030](#) report found that internal change – specifically evolving models, structures and processes – will be highly influential in the future world of work. This trend reflects the complex and evolving nature of businesses which requires organisational models that will be future-fit and adaptive to business needs:

*'The old power systems are dying rapidly in organisations. Traditional ways of organising to get work done are becoming redundant. Digitisation is speeding up processes and shortcutting working methods, social attitudes towards the meaning of work are shifting dramatically and global disruption caused by COVID-19 is compelling us to rethink what our work space actually is.'*

**People Profession 2030 Hackathon participant**

But what are the current operating models of people functions and how have operating models changed?

Within the UK sample, we found two prominent operating models adopted by people teams:

- 1 A business partnering model with specialists and shared services (30%).
- 2 A single HR team that includes generalists, specialists and administration all together (31%).

Beyond that, people teams operate under five other models, although the uptake of these models are 8% or less of UK respondents. A minority (one in ten) stated that they operate under a different, undefined model (12%).

These findings emphasise that there is not one prominent HR model that will serve all businesses, sectors and industries. Instead, operating models and structures should reflect

the organisational context, be fit for purpose and allow for flex, as opposed to traditional fixed models and processes.

**Figure 11: The business partnering model and the single HR team model are the most common operating models in the UK**

**UK people function operating models (% of respondents)**



Base: n=1,496.

Question: Which ONE of the following structures, if any, best describes your organisation's HR/people model?

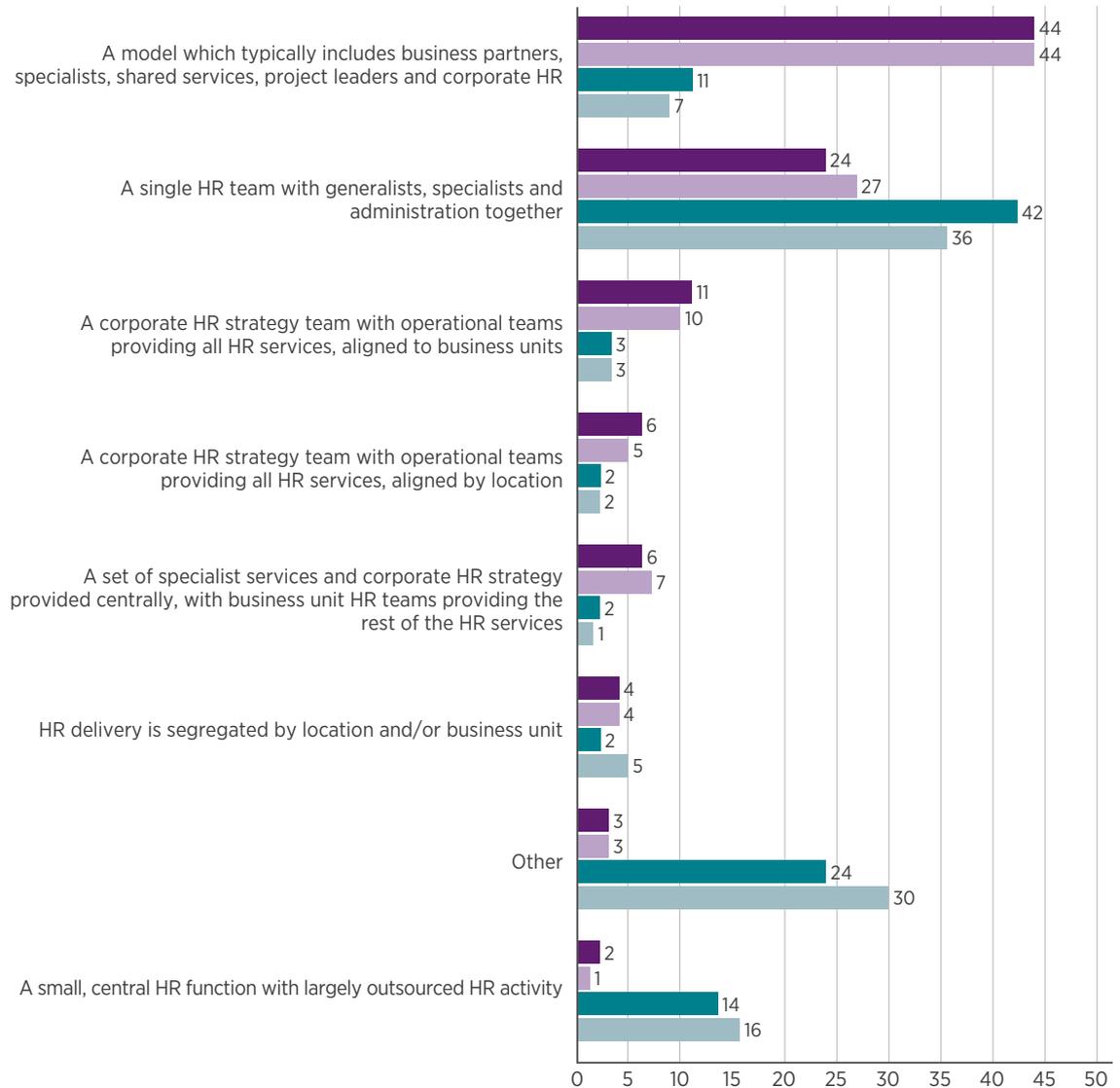
**Shifts in how small and medium businesses are operating**

When we look at the data we've collected since 2020,<sup>24</sup> as a whole, operating models adopted by people teams do not appear to have changed. However, when we look at the differences across business size, we note some changes pre- and post-pandemic. The biggest shifts were:

- more SMEs are moving to a model involving a singular HR team (36% to 42%) and shared services/business partnering model (7% to 11%)
- fewer SMEs are relying on other models (that is, models that were not covered in our survey responses), moving from 30% to 24%
- fewer SMEs are outsourcing their payroll function (39% in 2020 vs 30% in 2022)
- more businesses said they don't outsource any HR responsibility: 39% of SMEs and 53% of larger organisations (compared with pre-pandemic figures of 34% and 47% respectively)
- an incremental change in large organisations moving away from operating under a singular HR team (27% to 24%).

**Figure 12: While large organisations have moved away from operating under a singular HR team, SMEs have moved more towards this, relying less on ‘other’ models**

*Pre-pandemic and post-pandemic shifts in people team models by large businesses (250+ employees) and SMEs (<250 employees) (% of respondents)*



■ Large organisations 2022

■ Large organisations 2020

Base: Large organisations 2022: n=856; Large organisations 2020: n=863. Data from 2020 includes the UK and Ireland collectively. Question: Which ONE of the following structures, if any, best describes your organisation's HR/people model? Please tick one option only.

■ SMEs 2022

■ SMEs 2020

Base: SMEs 2022: n=589; SMEs 2020: n=477. Data from 2020 includes the UK and Ireland collectively. Question: Which ONE of the following structures, if any, best describes your organisation's HR/people model? Please tick one option only.

Our data, albeit cross-sectional,<sup>25</sup> indicates that SMEs have formalised some aspects of their HR activity, with an increased proportion operating under a model where they provide more HR services in-house than previously indicated. This could be a sign of the professionalisation and growth of small businesses within our sample, or an indication that some businesses needed to shift their operations to a leaner model, given the economic impact of the pandemic.

More than half of respondents from large organisations (250+ employees) say they don't outsource any HR function (53%). Generally, SMEs are more likely to outsource their HR function across the board, from payroll to strategic support to complex case management (see Figure 14).

In Ireland, while the two most common operating HR models remain the same (both 25%), nearly a fifth of respondents said that they operate from a small, centralised HR function which outsources much of its people activity (18%).

**Figure 13: In Ireland, nearly one-fifth operate from a small, central HR function that outsources much of its activity**  
*Operating models of people functions within Ireland (% of respondents)*



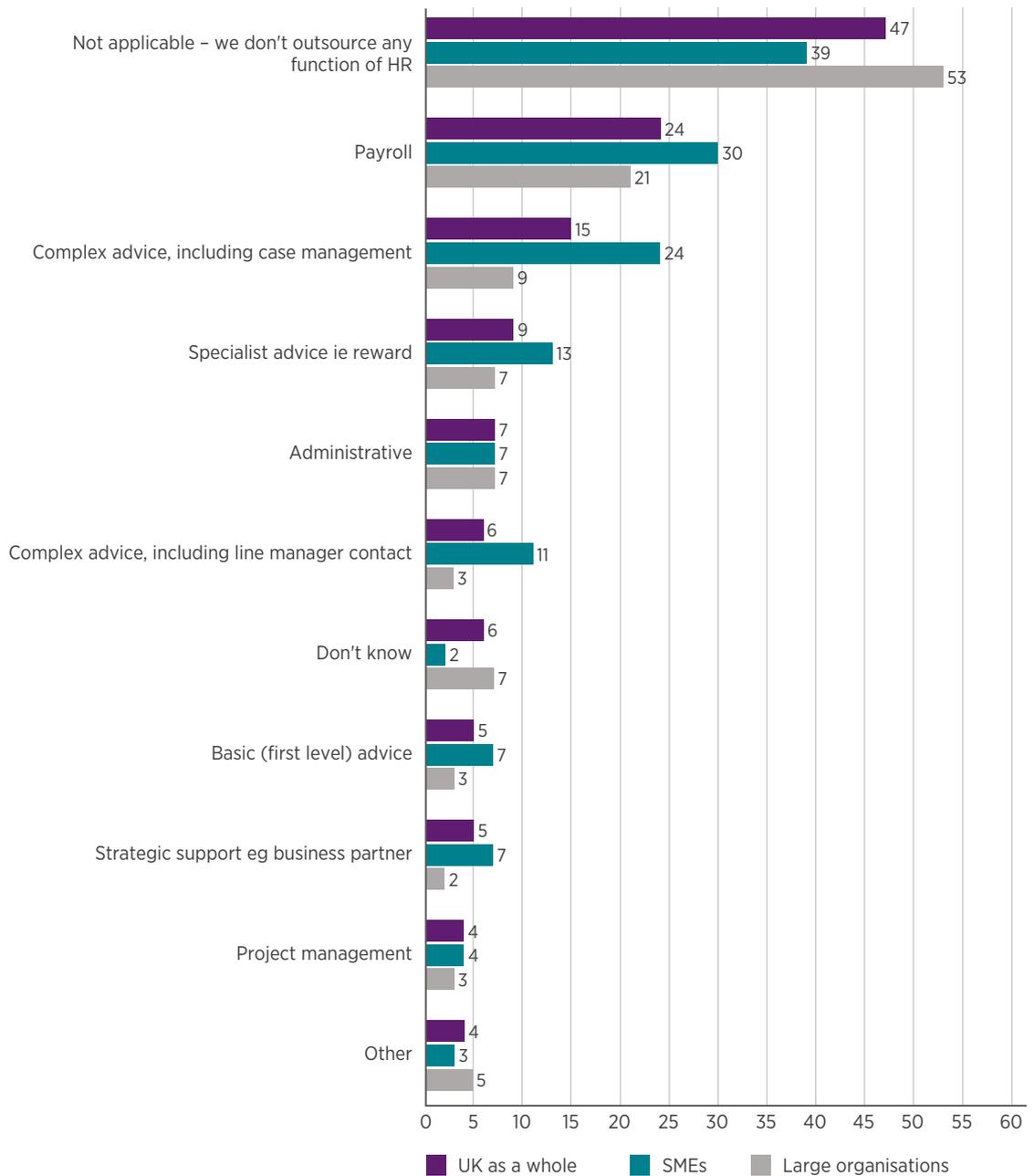
Base: n=125.

Question: Which ONE of the following structures, if any, best describes your organisation's HR/people model? Please tick one option only.

When we consider outsourcing models in Ireland, generally, respondents are more likely to say they outsource various aspects of their people function, compared with the UK. Only 30% of respondents in Ireland say they don't outsource any of their HR function. In the UK, this figure stands at nearly half of all respondents (47%).

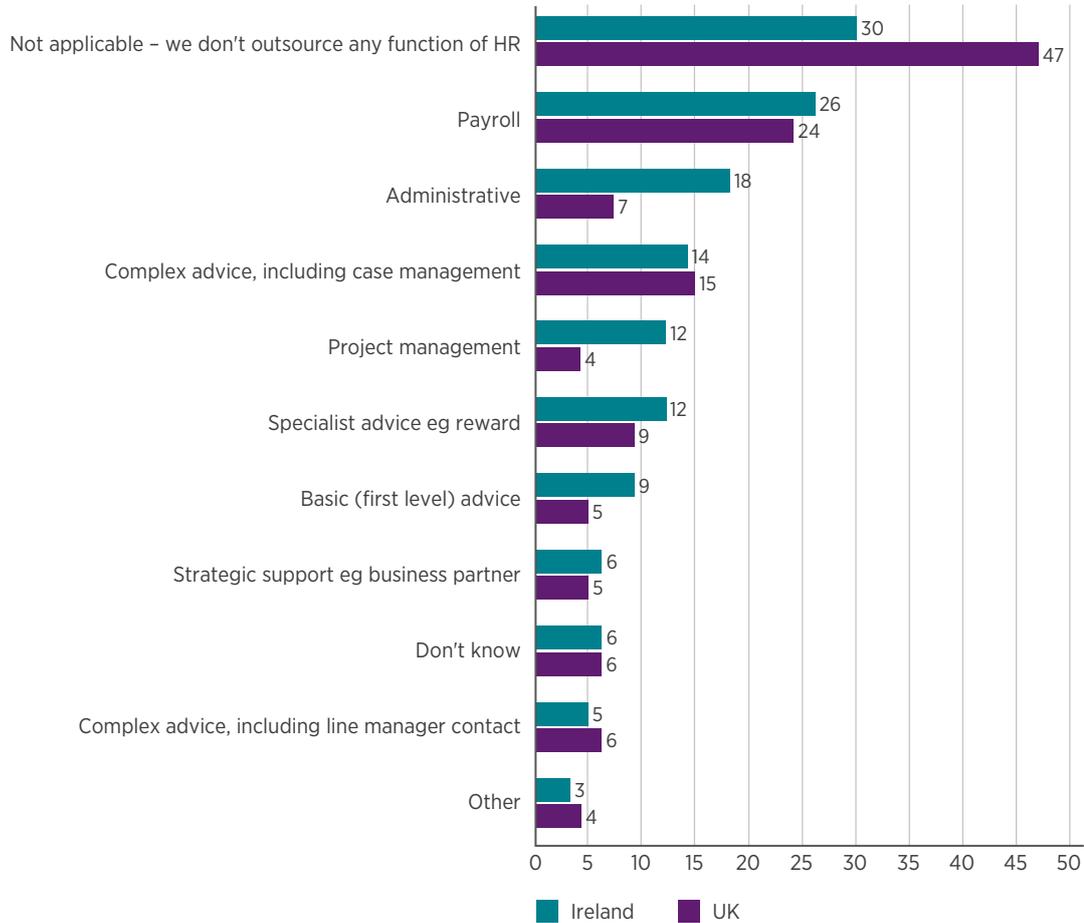
**Figure 14: In the UK, a large proportion of SMEs and large organisations say they don't outsource any of their HR operations**

***Outsourcing of HR by organisational size (UK only) (% of respondents)***



Base: UK: n=1,496; SMEs: n=589; Large organisations: n=856.  
 Question: Which elements of your HR function do you outsource, if any?

**Figure 15: Generally, Irish respondents outsource more of their HR function than UK respondents**  
**Outsourcing of HR for Ireland and the UK (% of respondents)**



Base: Ireland: n=125; UK n=1,496.  
 Question: Which elements of your HR function do you outsource, if any?

**Work in the 2020s: is, working from anywhere, the new norm?**

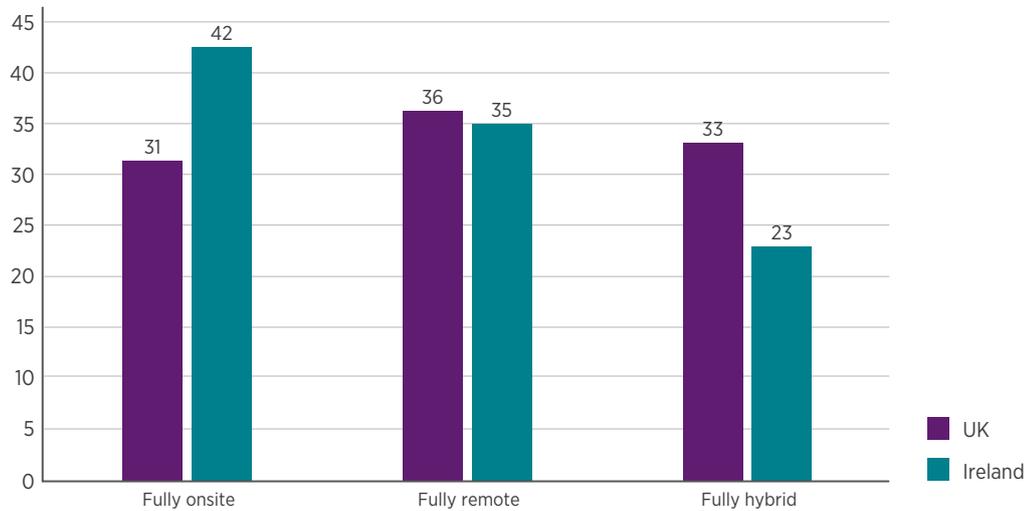
Since 2020, we have witnessed an enormous shift in how and where people work. When we asked UK practitioners about the proportion of their time they've spent working fully remotely, fully onsite or fully hybrid over the last year, we found a fairly even spread (see Figure 16).

A similar number of respondents say they don't work in each of the three settings, suggesting a really mixed picture, with practitioners working in very different ways and with no clear majority working style, given the fairly even proportions. The figures below show the mean scores of time spent working in various settings.

Irish respondents are more likely to state that they work fully onsite. Given that one of the top capability improvement areas for respondents in Ireland was enabling flexible people operations, our data suggests that practitioners may be working onsite due to inflexible business models and processes, which inhibit opportunities for remote and hybrid working.

**Figure 16: Respondents from Ireland show higher levels of onsite working, whereas we see little variance across UK respondents**

*The average (mean) scores for work settings in the UK and Ireland*



Base: UK: n=1,496; Ireland: n=125.

Question: In the last 12 months, what proportion of time have you spent working in the following locations: (1) fully onsite, (2) fully remote, (3) fully hybrid?

We also asked practitioners about aspects of their role that have become more challenging within a hybrid environment. Just under half of our UK respondents (45%) and 38% in Ireland cited building organisational culture and values as being more difficult in a hybrid world.

Although less than the previous year, supporting mental health and wellbeing was a current challenge for both samples (44% in the UK and 42% in Ireland; previously 55% and 50% respectively). Unsurprisingly, attracting, recruiting and retaining talent was also a significant hurdle for the profession, with 45% in Ireland and 43% in the UK saying this.

Overall, it appears that UK people professionals are flexing the way they work in their day-to-day roles. Many HR professionals can conduct their work remotely or offsite. However, if we asked other workers whose work is more field-based, this picture is likely to look very different and varied across industries. It's also possible that working location comes down to individual preferences, perhaps accommodating practitioners' other commitments, but also the organisation's digital-readiness to operate more flexibly.

An alternative way of interpreting this finding is around how we define hybrid working practices. Is current thinking and definition of hybrid working (and how much time practitioners spend working in this way) lacking in consistency across different businesses? Is hybrid working a distinct working style in that it's working on-the-go, or a blend of onsite and remote working? Organisational cultures and norms will play a role in shaping what hybrid working means, but it's important that hybrid working practices are clearly defined in policies and practices.

## 10 How is the profession using people data and analytics?

### Headline findings

- Nearly two-fifths of UK respondents said that people data is managed by the people function (39%) or that they provide regular people data reports for the business (39%).
- In Ireland, there has been an increase in the general use of people data reporting, the use of analytics to support decision-making and combining people data with other forms of data.
- There is a widening gap between demands and skills: while the need for data skills increases as more organisations plan to use data in decision-making (since pre-pandemic findings), capability remains a barrier to applying data in practice.
- Other barriers to applying people analytics successfully include technology and analytical systems (38% in the UK, 36% in Ireland) and access to resources (29% in the UK, 34% in Ireland). All barriers have remained consistent since 2021.

### Detailed findings

Evidence-based practice is a core professional value in the [CIPD's Profession Map](#) and is essential for effective decision-making. People/organisational data is one of the key sources for evidence-based practice, and over half of the UK and Ireland sample said they use organisational data as a key source of evidence (54% for both). Therefore, it's vital that people professionals feel confident and capable in handling basic people data and building a people strategy that is supported by it. Our [practitioner's guide](#) can support professionals to get to grips with the basics of people data and analytics.

However, having the skills to handle and interpret data is not the only challenge. Our CIPD research found that access to good-quality data can also be a challenging hurdle for practitioners.

Since 2020, we've been asking people professionals about how they use people data and analytical techniques in practice. As our data is cross-sectional (collected at a single time point with an unmatched sample), we cannot strictly interpret changes as trends; however, we are able to note some observations across the years more generally.

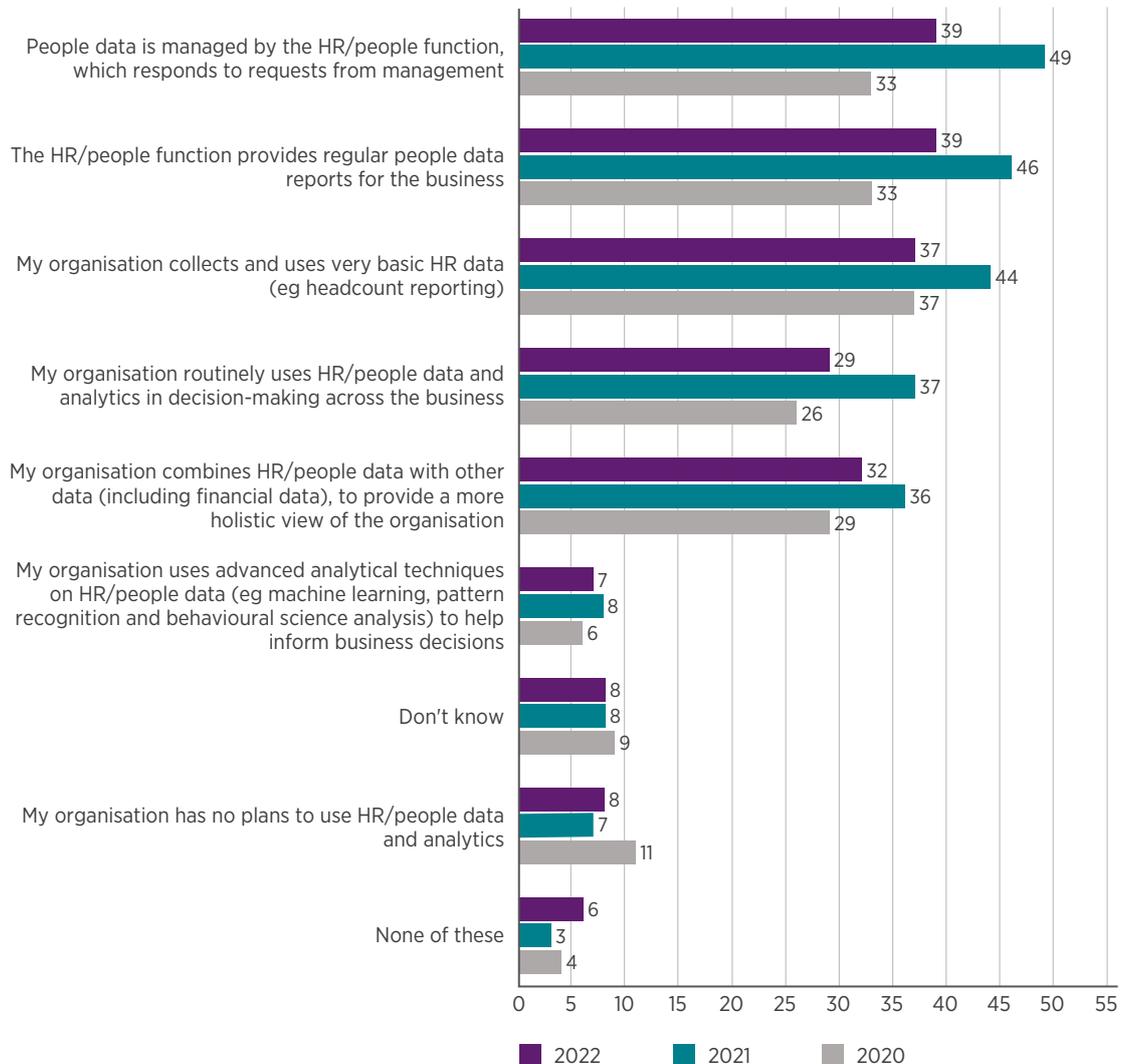
Initially, our findings in the UK showed a decline in the use and application of people data and analytics since 2021.<sup>26</sup> However, upon further investigation the intention to utilise people data and analytics is closer to pre-pandemic levels, suggesting there was a significant spike in 2021.

In 2022, the use of people data and analytics is slightly higher than findings from 2020, suggesting that more organisations recognise the value and importance of building their people data and analytics capabilities. The observed spike in 2021 may have been a result of closer monitoring of workforce analytics, given the dramatic change in working behaviours and unpredictable absences driven by the COVID-19 pandemic.

Nearly two-fifths of UK respondents said that people data is managed by the people function (39%) or the people function provides regular people data reports for the business (39%). However, less than one in three say their organisation regularly uses people data to inform decision-making (29%), suggesting a minority use people data as a source of evidence when making key decisions.

A small number said they have no plans to use people data and analytics (8%), while on the other end of the spectrum, a similar percentage of respondents say they are using advanced analytical techniques to inform decision-making (7%).

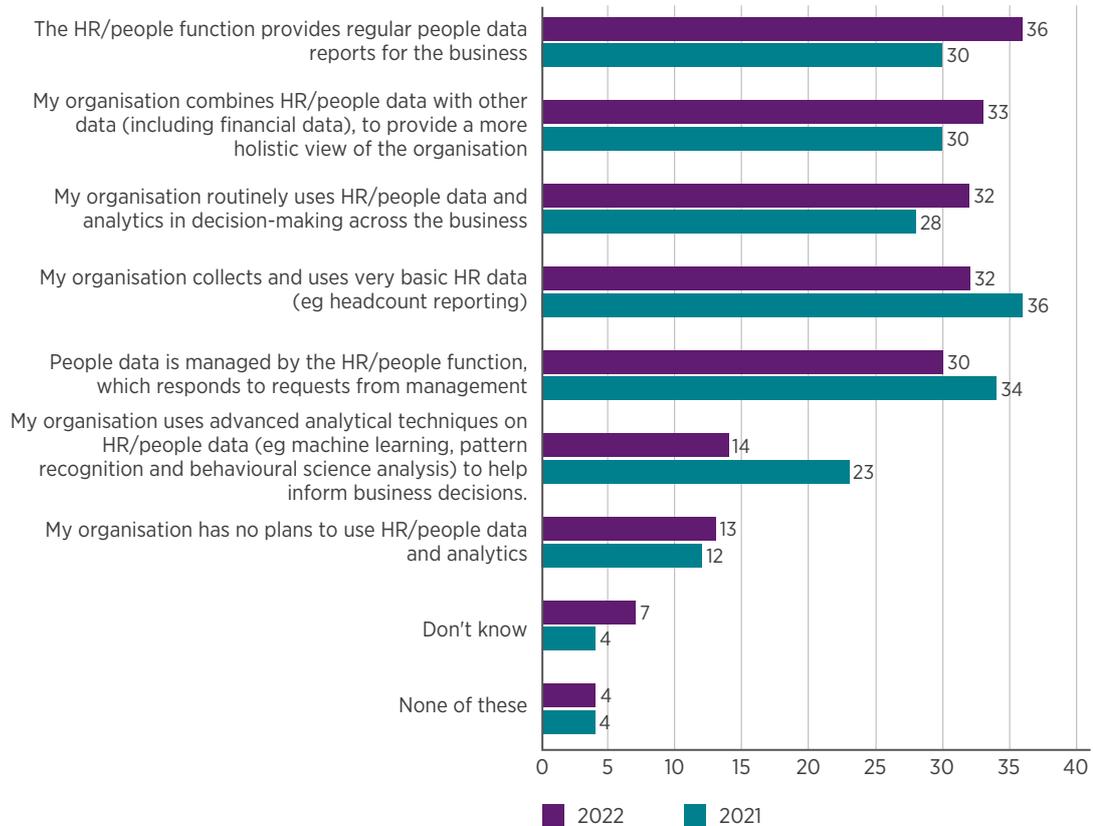
**Figure 17: There are observed spikes in the application and use of data and analytics in 2021**  
***The application and use of people data and analytics in the UK since 2020 (% of respondents)***



Base: 2022: n=1,496; 2021: n=1,504; 2020 (UK and Ireland): n=1,368.  
 Question: Which, if any, of the following statements describe how people data and analytics are used in your organisation?  
 (Please select all that apply.)

In Ireland, there was a substantial decrease in the use of advanced analytical techniques since 2021 (14% vs 23% in 2021) and a drop in people data being managed by the HR function (30% vs 34% in 2021). On the other hand, there has been an increase in the general use of people data reporting (from 30% to 36%), the use of analytics to support decision-making across the organisation (28% to 32%) and combining people data with other forms of data (30% to 33%). While some of these increases are modest in size, they show that there are some aspects of data and analytics that are more frequently being implemented within Irish organisations.

**Figure 18: More respondents in Ireland say the HR function provides regular people data reports than in 2021**  
**Changes in the use of people data and analytics in Ireland between 2021 and 2022 (% of respondents)**



Base: 2022: n=125; 2021: n=168.

Question: Which, if any, of the following statements describe how people data and analytics are used in your organisation? (Please select all that apply.)

In addition to the cross-tabulation analysis, we also considered age as an influencing variable, given that our sample overrepresents mature people professionals. Over half of the UK sample are in the 45+ age category (55%), and the mean age of our sample is 46 (compared with the mean age of the HR profession being 40).<sup>27</sup>

When we account for age, there are significant differences between respondents. Over one in ten 18–34-year-olds said they use advanced analytics on their people data (11%), compared with just one in twenty of those who are 45 or over (5%). Additionally, a very small minority of 18–34-year-olds (4%) say their organisation has no plans to use their people data in some form, while this climbs to 10% for our older age group (45+ years).

Without further data it is difficult to pinpoint other factors that could be influencing these results. However, we can investigate the sample further to understand some of the influential factors. For example, proportionally there are more 18–34-year-olds that work for businesses with a results-oriented and competitive culture (who may be more likely to focus on deriving insights from data for competitive edge), compared with aged 45+ practitioners (11% and 7% respectively). Additionally, we note that, proportionally, there are slightly more 18–34-year-olds in specialisms that tend to use more data. For example, reward and benefits (4% vs 3% in the 45+ age group) and HR information systems roles (5% vs 4% in the 45+ age group). Although these differences are small, the youngest age group of practitioners is underrepresented in our sample, as they only account for 18% of our respondents. If this age group was more representative and balanced, we may see more pronounced differences among the two age groups.

### What are the barriers associated with applying people data and analytics?

The top three barriers to organisations applying people analytics successfully have remained consistent since 2021. These are:

- technology and analytical systems (38% in the UK, 36% in Ireland)
- access to resources (29% in the UK, 34% in Ireland)
- workforce capability and analytical skills (28% in the UK, 33% in Ireland).

Table 2 shows how these barriers have changed since 2021 for the UK and Ireland. Although changes are small in most cases, generally more respondents in Ireland cited barriers to applying people data compared with our 2021 survey data.

Given that the same top three barriers were found in our 2021 data, our findings suggest issues are ongoing for organisations and continue to hinder how people teams use data within their practices. Our findings also suggest that a skill gap in analytics is only part of the problem, with a lack of dedicated resource and having the right technology systems in place being more prominent barriers.

We also note the fourth most common barrier in the UK being competing priorities/deprioritising of people analytics (26%). Although this has slightly decreased since 2021 (29%), clearly a strong business case needs to be made to show the cost benefit of investing in data and analytics, not only for the people team, but for the entire organisation.

To alleviate these barriers, people teams will need substantial influence and buy-in from business leaders to drive this agenda forward. Working behaviours, habits and patterns will change in the future and people data provides a way of gathering insight about the entire workforce – an invaluable source of evidence for people management.

**Table 2: Having the right technology and analytic systems in place is the top barrier to applying people data**  
**Barriers to applying people analytics in the UK and Ireland (% of respondents)**

|   | UK              | Ireland         |
|---|-----------------|-----------------|
| Technology and analytical systems                               | 38 <sup>†</sup> | 36*             |
| Access to resources (including time and perceived cost benefit) | 29 <sup>†</sup> | 34*             |
| Workforce capability and analytical skills                      | 28 <sup>†</sup> | 33*             |
| Competing priorities/deprioritising of people analytics         | 26 <sup>†</sup> | 20 <sup>†</sup> |
| Organisational culture and attitudes                            | 24 <sup>†</sup> | 27*             |
| Leadership drive and management support                         | 21 <sup>†</sup> | 22 <sup>†</sup> |
| Access to relevant and available evidence                       | 16 <sup>†</sup> | 22*             |
| Organisation strategy and policies                              | 11 <sup>†</sup> | 15 <sup>†</sup> |
| External environment  | 6**             | 16 <sup>†</sup> |
| Other   | 4**             | 5*              |

\* indicates more respondents said this was a barrier since 2021.

† indicates fewer respondents said this was a barrier since 2021.

\*\* indicates no change.

Base: UK: n=1,496; Ireland: n=125.

Question: Which, if any, of the following would you say are barriers to your organisation applying people analytics successfully?  
(Please select all that apply.)

**What did profession leaders say about data and analytics skills?**

There was a real call to the profession to become ‘savvy consumers of data’, meaning that practitioners are comfortable enough to share insights gleaned from people data and translate that into people practice:

*‘More and more, we’re being asked to produce people-related data and then the subsequent insight off the back of that.’*

HR leaders were also clear that they will look beyond HR to recruit these skills from the wider labour market:

*‘[We will be] bringing people in with analytical skills who like data in a big spreadsheet and teaching them to think about it through a people lens.’*

However, justifying headcount and salaries of experts outside of the profession with no HR experience can sometimes be a challenge for people leaders. Where there isn’t budget to hire these skills, leaders are developing their teams or working with other business functions to support skills development.

Leaders also talked about taking a data-driven approach to evaluating people interventions and processes, like attracting and retaining talent:

*‘[We use] analytics to evaluate our interventions or the services that we offer to make sure that our investment in time and money is going in the right place.’*

**How does people data and analytics use differ across business size and sector?**

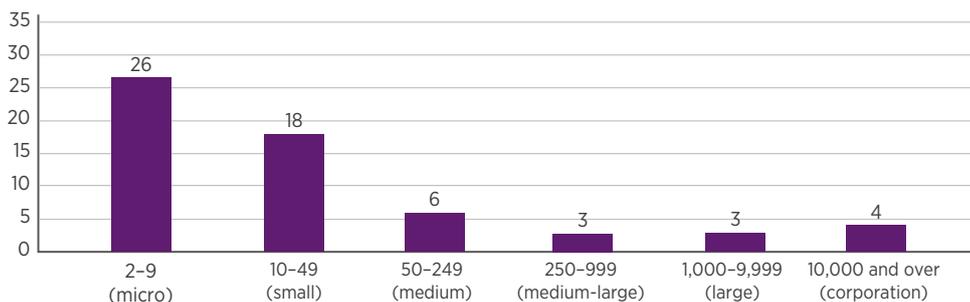
**Business size**

Fifteen per cent of practitioners working in SMEs said their organisation has no plans to use people data and analytics, compared with only 2% of those in large organisations. Looking at business size at a more granular level, practitioners from micro organisations are significantly more likely to say they have no plans to use analytics (26%). This is as expected given that smaller businesses are likely to have limited people data, with their HR responsibility owned by one individual, or possibly outsourced.

Once organisational size reaches 50+ employees, this figure drops to 6%, while for organisations with 250+ employees, only between 3% and 4% say they have no plans to use data and analytics. These findings suggest the vast majority of organisations with 50+ employees have plans to use data and analytics and perhaps have an HR information system in place to support and derive analytical insights from their organisational data.

**Figure 19: Businesses with less than 50+ employees are significantly more likely to say they have no plans to use people data and analytics**

**No plans to use people data and analytics by business size (% of UK respondents)**



Base: Micro: n=111; small: n=156; Medium: n=272; Medium-large: n=240; Large: n=368; Corporation: n=248.  
Statement: My organisation has no plans to use HR/people data and analytics.

**Sector**

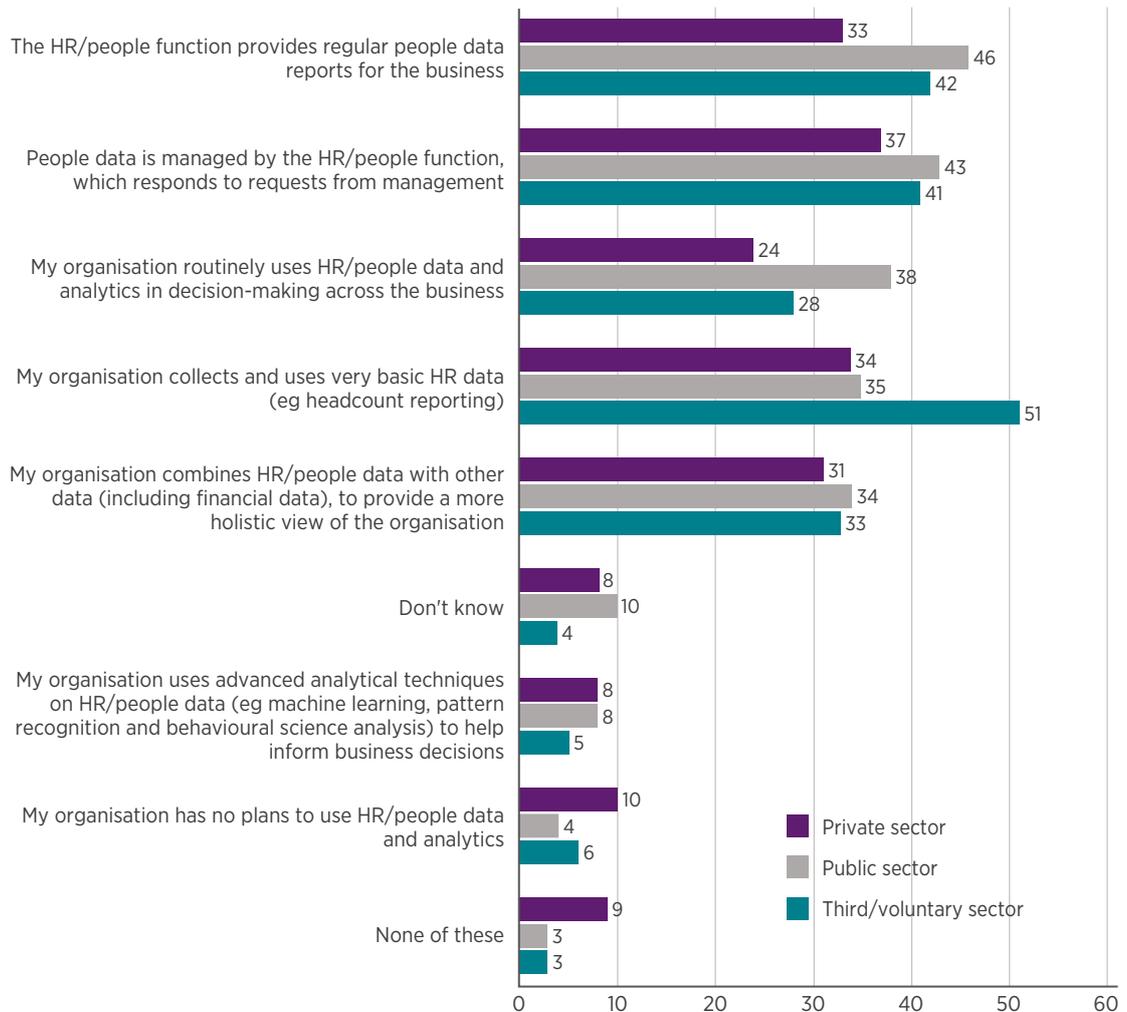
Our results show that private sector respondents were least likely to say they plan to use data and analytics across the board. The most significant differences were whether the HR/people function provides regular people data reports (private: 33%; public: 46%; voluntary: 42%) and having no plans to use people data in the future (private: 10%; public: 4%; voluntary: 6%).

Public sector respondents were far more likely to say they use people data routinely to make key decisions across the business, an indication that, within this sector, people data appears more embedded throughout organisations and a key source of evidence for decision-making.

Over half of voluntary sector respondents said they use and collect people data at a very basic level, significantly more than private (34%) and public sector (35%) respondents.

**Figure 20: More than half of voluntary sector organisations use very basic HR data, while public sector organisations report more usage across the board**

*People data and analytics usage across sectors within the UK (% of respondents)*



Base: Private: n=786; Public: n=478; Voluntary: n=205.

Question: Which, if any, of the following statements describe how people data and analytics are used in your organisation? (Please select all that apply.)

### **Closing the data skills gap: build, buy or both?**

As reflected by our earlier findings on building HR capability, engaging with data to inform decision-making has become more of a priority in 2022 in both the UK and Ireland. However, our data also suggests capability gaps in analytical skills, posing a prominent barrier to applying data in practice. While building data skills within people teams is one option to closing the skills gap, for some businesses, buying in the right talent might be the answer (or a mixture of the two). From our discussion with senior leaders of the profession, many are looking beyond the HR labour market to recruit these in-demand skills, or even do both, by building and buying talent. [Section 11](#) gives insight into how organisations can stand out as employers of choice in a tight and competitive labour market.

## **11 How are organisations focusing on employee experience?**

Identified as a [global trend in 2017](#) and featured within the CIPD Profession Map, [employee experience](#) highlights the importance of capturing employee sentiments on their working environment and overall work experience to build a positive relationship between the organisation and its workforce.

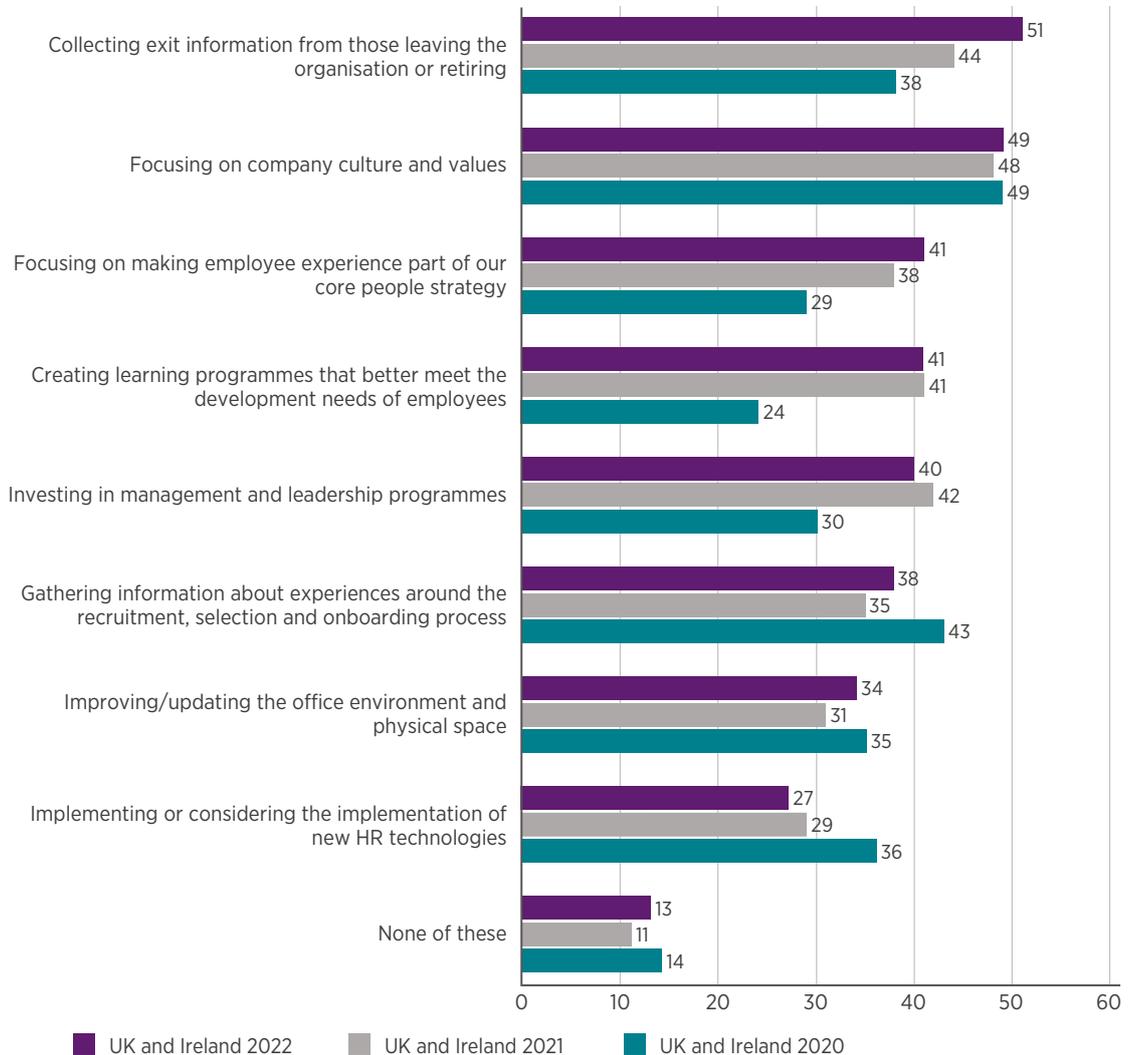
When it comes to improving employee experience, we found that collecting exit data was the most common focus for organisations, with half of UK organisations saying they collect data from leavers (51% in the UK and 42% in Ireland compared with 45% and 43% in 2021).

A similar number of UK practitioners also said they are focusing on company culture and values to improve employee experience (50%). However, we found that only 33% of respondents do both.

To understand how employee experience efforts have changed, we have combined the UK and Ireland data for 2022, 2021 and 2020 for comparison (separate country data can be found in the [Appendix](#), see Figures 3 and 4).

**Figure 21: Organisations in the UK and Ireland are focusing more on collecting exit data to improve employee experience**

**Organisational focus for improving employee experience in the UK and Ireland (combined data 2020–2022) (% of respondents)**



Base: UK and Ireland 2022: n=1,621; UK and Ireland 2021: n=1,672; UK and Ireland 2020: n=1,368.  
 Question: Please tick all options that apply here. To improve the employee experience, my organisation is...

Although collecting exit data provides some insight of employee experience, it’s late in the employee lifecycle to consider how to improve workers’ experience, especially given that those individuals have already decided to leave the organisation. Businesses should gather evidence and insight at different stages of the employee lifecycle to appreciate workers’ experiences at various stages of employment. Anecdotally, discussions with senior people professionals have raised the idea of ‘stay interviews’ – a way of checking in with employees to understand why they stay and whether there are any retention risk areas (and course-correct these accordingly).

Given the current labour market, skills shortages and other recruitment challenges, retaining top talent is vital to business continuity and growth. Having a people strategy that focuses on employee experience as a key outcome is essential for businesses that want to be known as an employer of choice. However, our data suggests that currently only two-fifths of organisations in both the UK and Ireland are prioritising employee experience within their core people strategy (41% and 42% respectively).

**Employee voice**

Employee voice is about having the means and mechanisms within an organisation so that employees are able to communicate their views and raise concerns. Having a voice at work is an employee's fundamental right and is central to job quality and organisational effectiveness. Businesses should focus on taking a holistic approach to voice that encompasses individual and collective voice channels. CIPD case study research in this area highlights how employee voice operates across organisations – employee experience and expectation and the perspectives of what employee voice means to different organisations.

In this survey, we found that 42% of organisations in the UK and 38% in Ireland are collecting insights to better understand employee sentiment by listening to employees and using relevant engagement tools. Additionally, according to the latest round of our research on responsible business and leadership in crisis, employee voice has become louder and more direct since the pandemic. In part, due to the levelling impact of technology, employees feel more empowered and less hesitant about speaking up, often directly to leaders.

## 12 Conclusions

**Opportunities for the profession**

The sentiment across the profession is that people functions have more than demonstrated their value over recent years – a far cry from controversial opinions of abolishing HR. As a profession, we are uniquely positioned to drive business impact and lead on strategic change related to the people that make up our workforce.

For the majority, skills are regularly being honed and developed. For some, this is a direct response to business needs and for others, this is more strategic, focusing on longer-term skills that the business and individual need to be future fit. While upskilling and reskilling remains a priority for most, our data suggests that a significant proportion of people professionals have not upskilled or reskilled within the last year. Although the reasoning behind this is unclear, and perhaps there are several barriers at play, people professionals have a personal responsibility to set aside protected time for their own professional development and growth. Alongside this, having a learning and development strategy that clearly outlines the development needs across the entire workforce is a key part of an organisation's business strategy.

While developing organisational culture was found to be more challenging in a hybrid world by our respondents, until now, organisational culture has been largely developed in the physical office/workplace. But this has to change. People professionals' work is no longer predominantly office-based, so the merger of virtual and physical workplace needs to be a deliberate and proactive shift – something that the metaverse<sup>28</sup> promises to offer. A Deloitte article<sup>29</sup> captures the massive social impact and opportunity the metaverse could have: *'With all this opportunity comes great responsibility. Together, we need to be clear on what good the metaverse can do in connecting people and planet, and put society at the heart of its design right from the beginning.'*

While there are some big developments in this space, we're still some way off understanding how the metaverse could influence and evolve the workplace of the future. However, what this example signifies is that the future roles of people professionals will be absolutely key to developing a future workplace that meets the needs of people and the business.

### **Current challenges – how much longer can we stretch HR?**

While this report identifies gaps in key skills within people teams, senior leaders were also very clear about the widening remit of the generalist HR professional, who is often expected to be skilled in areas that were previously perceived as more specialist – for example, organisational development and change management skills. Using [workforce planning](#) to assess current and future workforce needs will help people professionals understand the gaps and plan strategically so the business has the future-fit skills required to thrive. [Horizon-scanning](#) will also need to become a priority to ensure a more holistic view of strategic planning.

Without a doubt, the people profession has risen to the challenges thrown at it by external influences. However, a subsequent consequence is the increasing demand on practitioners, raised expectations and wanting to be a helpful profession that aims to please multiple stakeholders. As a profession that puts people at the heart of their work, responsibility and a sense of duty of care heavily weighs on it. Supporting people through a cost-of-living crisis and maintaining organisational productivity in a tight labour market means that the pressure on HR teams continues to be high.

Senior leaders will need to reset expectations, and make it clear that the health and wellbeing of people teams needs to be a priority for organisations, especially given our findings on the impact of work on practitioners' health and wellbeing. If the profession is to continue to support others, it needs to make sure it has its own oxygen mask on first.

### **Future-fit working models**

The need for flexible and agile working models, structures and processes, to reflect externalities and changing demands, was raised as a key trend in our [2030 future trends research](#). The same research also unearthed the growing diversity of employment relationships and how employment relations and expectations will evolve in the future. Both trends highlight the significant change to businesses' operations and how they manage their talent, which will impact upon future human resource management (HRM) practices. For example, how will people professionals support line managers to manage teams where the typical employment relationship is across organisational boundaries or varies significantly among team members?

### **Don't overweight the present and always be looking ahead**

Looking beyond the here and now, our [People Profession 2030 report](#) highlights five key trends that continue to be highly influential in the future world of work. Practitioners will need to keep their fingers on the pulse and look to the challenges ahead. For example, one of the trends – changing demographics and inclusion and diversity strategy – is developing at pace. Even at a more senior level, people professionals admit to the challenging and evolving nature of equality, inclusion and diversity. This reflection from a senior HR professional emphasises the lifelong learning journey and required dedication and curiosity:

*'I thought I understood EI&D [equality, inclusion and diversity]. I thought I was up to speed, but actually, all of a sudden, it's just raced away over the last three or four years and the issues that we're facing now on the challenges are so entirely different.'*

With this in mind, equality, inclusion and diversity could look very different in ten years' time. It's predicted that there are big changes on the horizon when it comes to the workforce of the future. Forecasts predict the [UK's population to grow by 2.1 million between 2020 and 2030](#),<sup>30</sup> considerably shifting the dynamics of the labour market and consumer demands (for both goods and services) and the country's economic activity (or inactivity).

With these shifting demographics on the horizon, the profession will need to have strategic influence and the confidence to challenge peers across the business on key people issues, because at the heart of all this change are people who have a right to good-quality work and better working lives.

However the world of work evolves, the CIPD's mission will always be to support the profession to continue championing better work and working lives. Our evolving [Profession Map](#), grounded in research, aims to support professionals as the world of work changes. [Keep up to date with our latest review](#), which recognises the changing standards of people professionals' practice. CIPD members can also use our [learning hub](#) self-assessment tool to assess individual capability gaps against the Profession Map.

## 13 References and endnotes

- <sup>1</sup> The *People Profession* survey data is cross-sectional, that is, we do not collect data with the same sample each year. We use these results to understand the shifts more broadly, but cannot make direct comparisons between samples as we cannot guarantee that the demographics and variance of the samples are equal.
- <sup>2</sup> The fieldwork for this survey was conducted between 5 April and 25 May 2022.
- <sup>3</sup> Youth employment fell dramatically, working hours dropped by more than 26% (compared with prime-aged and older workers, 15%). See OECD. (2021) *OECD Employment Outlook 2021: Navigating the COVID-19 Crisis and Recovery*.
- <sup>4</sup> Employment hours in low-level education was impacted three times more than those with higher levels of education. See OECD. (2021) *OECD Employment Outlook 2021: Navigating the COVID-19 Crisis and Recovery*.
- <sup>5</sup> Office for National Statistics. (2022) *Is hybrid working here to stay? Opinions and Lifestyle Survey, April to May 2022*. London: ONS.
- <sup>6</sup> 38% of workers earning £40,000 or more worked in a hybrid way between 27 April and 8 May 2022. See Office for National Statistics. (2022) *Is hybrid working here to stay? Opinions and Lifestyle Survey, April to May 2022*. London: ONS.
- <sup>7</sup> BBC News. (2022) *Job vacancies outpace unemployment for first time*. *BBC News*. 17 May.
- <sup>8</sup> Pearson chi-square: Significant relationship between CIPD membership and upskilling ( $X^2=22.483$ ,  $df=3$ ,  $sig <.001$ ).
- <sup>9</sup> Pearson chi-square: Significant relationship between generalist HR professionals and upskilling in response to an immediate business need ( $X^2=70.0$ ,  $df=36$ ,  $sig <.001$ ).
- <sup>10</sup> To take a deeper dive into upskilling with people teams, we conducted several roundtables with senior HR professionals in May 2022, following the findings from our *People Profession Survey 2021*.
- <sup>11</sup> Researchers ran an independent sample t-test. As the sample sizes of the UK Working Lives and the *People Profession Survey* are unequal, unequal variances were assumed when interpreting the findings. To further understand the magnitude of the effect between the difference between wellbeing scores, effect sizes were calculated. Effect sizes were found to be small and therefore the differences are practically limited.

- <sup>12</sup> Pearson chi-square: There is a significant relationship between years of experience within the people profession and mental health ( $X^2=61.919, df=36, sig=.005$ ).
- <sup>13</sup> Pearson chi-square: Non-significant relationship between large organisations and mental health ( $X^2=41.656, df=30, sig=.077$ ).
- <sup>14</sup> Survey questions relating to value, impact and strategic contribution of the HR function have been reworded for the 2022 survey and therefore we cannot make direct comparisons with the 2021 data.
- <sup>15</sup> Practitioners working in large organisations are more likely to say that as a function they work collaboratively across the business functions to meet business needs. The highest proportion of respondents who agree with this (29%) work in large organisations (1,000–9,999 employees). Pearson chi-square: Significant relationship ( $X^2=102.462, df=20, sig <.001$ ).
- <sup>16</sup> Practitioners working in large organisations are more likely to agree that the role is changing. The largest proportion of respondents who strongly agree (30%) or agree (27%) with this work in large organisations (1,000–9,999 employees). Pearson chi-square: Significant relationship ( $X^2=116.550, df=20, sig <.001$ ).
- <sup>17</sup> Practitioners working in large organisations are more likely to agree that the reputation of HR/people professionals has increased due to recent events. The largest proportion of respondents who agree (27%) with this work in large organisations (1,000–9,999 employees). Pearson chi-square: Significant relationship ( $X^2=89.102, df=20, sig <.001$ ).
- <sup>18</sup> Pearson chi-square: Significant relationships between business size and belief that the HR/people function has clear measures of success for organisational outcomes ( $X^2=58.925, df=20, sig <.001$ ).
- <sup>19</sup> Pearson chi-square: Practitioners working in the public sector are more likely to say that their function is not widely acknowledged in the organisation as having an important impact (21%) or recognised by senior leaders (21%), compared with those in the private sector (13% and 14% respectively). These are both significant relationships ( $X^2=23.769, df=8, sig .003$ ); ( $X^2=27.344, df=8, sig <.001$ ) respectively.
- <sup>20</sup> Pearson chi-square: Significant relationships between private sector workers and agreement that the HR/people function is widely acknowledged in the organisation as having an important impact ( $X^2=23.769, df=8, sig .003$ ) and recognised by senior leaders when it achieves its measures of success ( $X^2=27.344, df=8, sig <.001$ ).
- <sup>21</sup> Pearson chi-square: We found significant relationships between strategic level and the HR/people function; has clear measures of success for organisational outcomes ( $X^2=34.780, df=16, sig .004$ ); and has practices which are clearly linked to organisational outcomes ( $X^2=59.460, df=16, sig <.001$ ). Similarly, there are significant relationships between strategic level and belief that the function is recognised by senior leaders when it achieves its measures of success ( $X^2=46.718, df=16, sig <.001$ ); the function makes a valued, strategic contribution ( $X^2=53.424, df=16, sig <.001$ ), and is widely acknowledged in the organisation as having an important impact ( $X^2=47.316, df=16, sig <.001$ ).
- <sup>22</sup> Pearson chi-square: There were significant relationships between those with more than 20 years of experience in the profession and agreeing that: the HR/people function makes a valued, strategic contribution to the organisation ( $X^2=50.156, df=24, sig .001$ ); and has HR practices which are clearly linked to organisational outcomes ( $X^2=53.949, df=24, sig <.001$ ).

- <sup>23</sup> It is important to note that our survey is a cross-sectional study, meaning we collect data from a sample of people practitioners at one specific time point. We do not collect data from the same group of practitioners each year. Therefore, we must be cautious when interpreting and comparing survey data across various years, as this is not strictly trends identified from the same group of participants. However, we can talk about the general changes we observe.
- <sup>24</sup> See note 23
- <sup>25</sup> Calculated using the quarterly Labour Force Survey data from March–May 2022 from the Office for National Statistics. See Office for National Statistics. (2022) *Quarterly Labour Force Survey, March–May, 2022* [data collection], UK Data Service. SN: 8989.
- <sup>26</sup> Kinnie, N. and Swart, J. (2020) *Cross-boundary working: implications for HRM theory, methods, and practice*. *Human Resource Management Journal*. Vol 30, No 1. pp86–99.
- <sup>27</sup> Hackl, C. (2021) *Defining The Metaverse Today*. Forbes.com
- <sup>28</sup> Deloitte (2022) *Ed on the metaverse. Can it bring people closer than ever?* London: Deloitte.
- <sup>29</sup> Broome, M. (2022) *Big welcomes and long goodbyes: The impact of demographic change in the 2020s*. The Resolution Foundation.

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Issued: October 2022 Reference: 8280 © CIPD 2022

