

H2R NEWS



After four months of lower numbers of job advertisements, this trend has reversed, with increased activity to kick off 2023. Tourism, accounting and hospitality roles have had the strongest growth. We have seen increased candidate activity, with record numbers of candidates proactively reaching out to us to hunt for new opportunities. Everyone appears to want a career change into HR this year! Across the New Zealand market, applications have almost doubled compared to this time last year.

At H2R we're seeing more equilibrium being reached in terms of candidates vs roles. That being said, it's still important that if you want the best candidates, you move quickly. We recommend booking in interview times within a week if you would like the best talent in the market to stay engaged. Already in 2023, we have had candidates withdraw from processes very late in the piece, and even accept offers and then change their mind before starting. This highlights that top talent are still in multiple processes, and the importance of the pre-employment and onboarding period. This is becoming almost as important as the actual recruitment stage, as candidates are still being wooed by other roles.

With an election looming and talk of a potential recession this year, there are many great contractors who are open to taking on permanent roles in this market. Because of the current competition for great contract opportunities in the market, rates have stabilised or candidates in some instances are more flexible on rates or want to negotiate longer contracts if possible.

At offer stage, candidates now rarely verbally accept upon offer. We are seeing candidates like to take their time to review the details and usually coming back to us to confirm overnight. It is proving to be of benefit to get the written contract to candidates ASAP following a verbal offer, as it gives them all the details limiting back and forth, and shows them you are keen to get them on board.

If you are interested in understanding further recruitment trends, or would like some support with your recruitment, then please do not hesitate to reach out to Rachael O'Sullivan or Jane Walker in Auckland on 09 368 7300 or Katerina Makarios in Wellington on 04 4999 471.



WHAT'S IN THIS ISSUE?

What's happening in the talent market?

H2R Team Updates

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What's Happening in the H2R Team?

We are excited to let you know about the safe arrival of Theodor Harry! Huge congratulations to Lucy McLernon (our Auckland Regional Manager) and Hermann, who are going to be fantastic parents.

We have the fabulous Clio Hartdegen, Recruitment Consultant in the Auckland office, back from maternity leave. It's so great to have her back in the office and she's enjoying connecting with her clients and candidates again.

Sharyn Saxby has made the move north from the Wellington to Auckland office, as Regional Auckland Manager for H2R Technology. She is excited to support our clients with any IT recruitment requirements and would love to connect with you.

We attended the HRNZ Awards gala dinner to cheer on a number of our clients who were up for awards. Congratulations to these people – you know who you are – and keep up the fabulous mahi you are doing for the HR industry in Aotearoa.

H2R's Cultural Analysis of Personality Profiles

Our Talent Development team specialise in using a wide range of personality profiles to help enhance self-awareness, make well-informed hiring decisions, and develop leaders and high-performing teams. We recently collated and analysed years of New Zealand cultural data on individual traits. Our aim was to investigate if there are any differences in typical or preferred behaviours at work between different ethnic groups, using a sample group that represents the unique ethnic profile of Aotearoa. By doing this analysis, we are able to inform ourselves and our clients about the best practices to ensure equitable candidate experiences, both during recruitment and employment.

No meaningful differences between Māori and Pakeha were observed through the analysis. However, our data showed that in comparison to Pakeha, Pasifika are likely to:

- Be more modest with individual personal strengths and achievements.
- Be more comfortable operating in a relatively autonomous role, rather than needing a high level of social interaction at work.
- Use values and human implications to guide their thinking rather than using data.

Various research outlined the barriers to pay equity and employment outcomes for Pacific people. Such barriers were perceived to be as a result of a range of factors, including unconscious bias (Diversity Works NZ, 2022). During the global phenomenon of the talent shortage, we believe that HR and recruitment professionals can play an enabling role during talent selection, development as well as career progression processes. These may include (but not limited to):

- Ensure Pasifika employees' work is recognised and profiled by the organisation, as they are unlikely to do this themselves. Ensure that the recruitment process (particularly the interview) creates a space where they feel comfortable talking about what they have achieved, rather than a competency-based interview where little rapport building or getting to know them as a person at the outset has been carried out.
- Think about culture add and the value of diverse thinking styles inside teams when recruiting. It is valuable to encourage and facilitate different views, which includes having a mixture of values and people-driven thinkers, as well as those that are more data-driven and facts based.
- Pasifika people are shown to be well connected socially and culturally. Where an organisation's recruitment and onboarding process can support connection to their identity and wellbeing, as well as connection with family support and communities, they are more likely to flourish (Health Promotion Agency, 2018).



An Interview with Gillian Brookes on Flexible Working



Katerina Makarios, Regional Manager for our Wellington office, had the opportunity to meet with Gillian Brookes who is a flexible work specialist consultant. Gillian is also a connector/advocate for creating spaces to support working parents and well-regarded in the Wellington market. With the recent global backtracking on flexible working, primarily by tech and major corporations, what will be the impact of this to Aotearoa and has this shift already begun?

We are seeing global backtracking on flexible working and corporations ordering employees to return to the office. Based on our conversations with clients, we are also seeing this shift in the public and private sector to have more office-based presence. What are you seeing in the market from organisations regarding flexible working?

Reframing the problem is where I begin and I have a lot of empathy with the problem. I start with the idea of what's valuable about working from home and working together in the office. I have this diagram that I draw for leaders that they love and it comes from Nick Bloom's work from Stanford University. This validates both perspectives, the value of working from home and the value of working together in the office. The productivity that people experience while working from home, which tends to be short term productivity. They're not distracted, they've ticked off their to do list, can get a load of washing on etc, "I love my life!" This sense of productivity hits all the right reward buttons in our brain. What we are crowding out with too much working from home is the ability to create long term productivity. This is the stuff of creativity, connecting disparate ideas, testing and learning with our colleagues particularly the ones we have looser connections with. Lynda Gratton refers to this in her work - innovation comes when you connect with people you have looser ties to. What we need to be able to do is become much more deliberate about what we prioritise in the office and give people are at home too much. Engaging their brain in that ideas generation stuff, connecting to different people with different perspectives as well as just socialising. Creating an environment that is conducive to that kind of activity where it's okay to deprioritise the task list for the days you're coming into the office and the purpose and the value is connecting with long term creativity and innovation in the way that we do things so that when you're back at home you can focus on the short term again.

What people hate is being ordered into an office where the environment isn't set up for those sorts of conversations, they spend all day on Teams/Zoom calls where they are thinking, "why have I done the commute when I've spent all day staring at my computer screen, when I could have done that from home?"

Give people what they need which is that sense of belonging that they tend to get more in person which is harder to achieve if you're remote most of the time. It's reframing what the value is if we think about what we do from home and what we do from the office. That's the key really. What you don't want to do is become the 'dictatorship' kind of leader because you'll just lose people. It just creates turnover and in a tight labour market like this, that's not what you need.

With regards to hot desks, what we've done is we've seized on working from home as an opportunity to rationalise some of our facilities e.g., rather than having 80% capacity we can drop down to 70% or even 60% and what some of the research is showing is that it's more of an 'all or nothing' in terms of the space that you need. The more people you can have coming in at the same time the more likely you're going to get the benefits of long term productivity from people coming into the office. What you don't want is a no man's land where people have made all this effort to come into an office, where I don't get to connect with anybody, I don't get to do anything different to if I was just at home, and the three people who I want to connect with are in different spaces to me so I'm not seeing them. That's the worst of all worlds. Some organisations are in this no man's land at the moment. I think forcing people back into the office if that's your reality you're just going to fuel your own turnover.





What are you hearing from organisations and their leaders regarding their motivation to do this?

Some leaders are doing it because they must. I'm an optimist, even leaders who are over it and bored of talking about it accept that this isn't going to go away and so there is an acceptance in what I would describe as reluctant leadership. Right the way through to how do we turn this into an exciting opportunity, how do we stand out?

The main drivers at the moment are the tight labour market, people wanting to attract and retain people in a context the rising tide, where the expectations are growing and more organisations are offering more, even just standing still with your flexible work offer means that you're falling behind. You've got to keep moving forward. If you want to be at the top of the pack you've got to be bold and brave. It's great to work with organisations who see that reality but not all organisations are there, some are much more reluctantly moving into it just because it is hard and they have lots of other things to worry about alongside flexible work.

There's also real concern over people's stress levels and rates of burnout. I hear a lot of leaders who are genuinely concerned about that and there is good data to back that up. When Jarrod Harr was at AUT he was tracking the burnout risk across New Zealand over the last two years and it wasn't a great news story, particularly for people managers. They are in that crunchy middle and a lot of my work is about supporting those managers to have better tools to manage flexible work because actually it is hard. Our organisations weren't designed to manage this level of expectation around flex, yet they are left trying to work it out. There's that aspect and motivation that I hear from senior leaders acknowledging that they haven't supported their people managers enough and we need to.

You describe some organisations as being 'Bold and Brave' when it comes to flexible working. What are they doing?

I've been working with an organisation recently and some of the work I've been doing with them is about constraints that you're up against when it comes to flexibility. For example, I've got a team who are really operational, it's public facing, so the nature of the work means that there is a rostered workforce, it has to be done face to face with the customer. Those perceived constraints are only there because that's what we designed the workforce to look like. What if we started designing in flexibility more deliberately for the future? For the medium to longer term. If we can't change it by tomorrow, what if we started to think about how we would in the future. Could our job designs be more deliberate to create more choices for people around their hours, days and location? How might we tweak the job by 10-20% so there are more meaningful choices for people so we don't get these two tiers of workforce, which is where we are at the moment. We've got half and half – some can work from home and some can't at all. Other ideas include how we change things like our rostering system. How do we get better infrastructure? How do we redesign our office spaces so that it's more conducive to the kind of work we want people to do when they are here and get this cohesion as a team? Starting to think about flex by design medium to long term is exciting.

There was one example of a session I was running a couple of weeks ago where the participants were discussing how they were redesigning their operating model, and no one yet has thought about how we build in flexibility. Now, they are going to consider flexibility for the workforce as part of their future operating model. Having these kinds of conversations where it's being deliberately considered other than 'oh, this is really hard.' That's some of the bolder braver stuff. I'd love to see more! That's where I'd love to spend a lot of my time and energy pushing it even further.

What do you think the impact will be to employers with the push to having people more office based, including working parents?

I hear of hiring managers who are in a context that's not permitted at the moment under the policy who are really frustrated because they know they are losing good people to other organisations who do offer this flexibility. I know it's a reality problem for a lot of people.

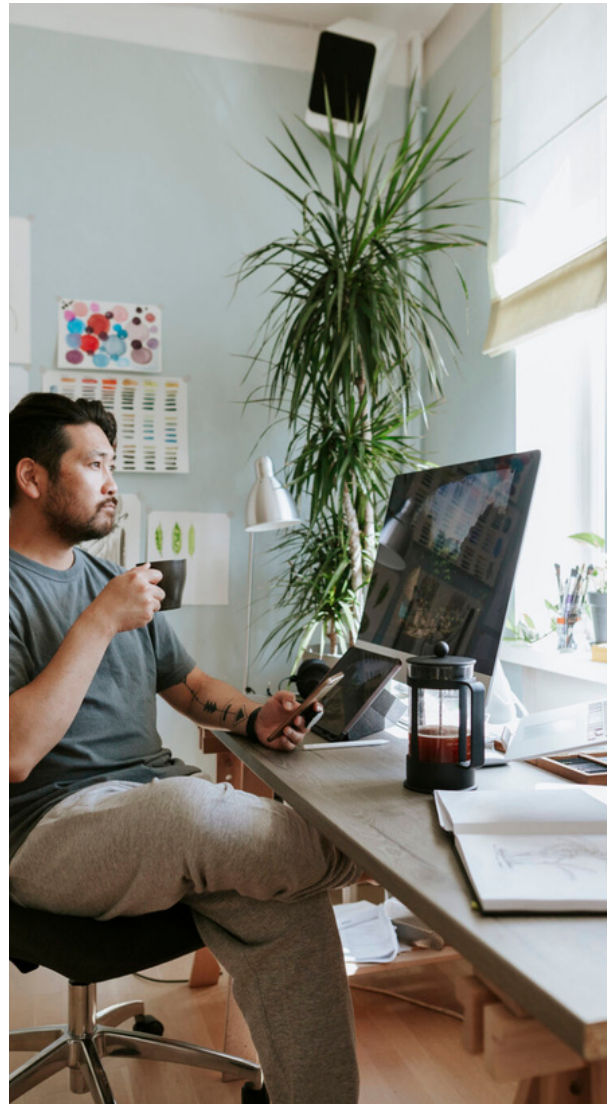
In terms of running the working parents network I hear anecdotally but there's also good research on Working from Home collaboration in the US data from August 2022 that the people who value working from home most are parents and women. What I would say to employers is if you're going to bring people back in an enforcing kind of way, do it with your eyes wide open. That you are going to make something that's not monetary as a reward, that people deeply value and you're taking it away. That will have a consequence.

What impact do you expect to see a recession having on the way we work in 2023?

In some ways heading into a recession or at least a slowdown has its scary moments from a workforce perspective, the balance of power often shifts back in the employers' favour which can make harder to push forward with what's already there. In this context though we've got high cost of living, which is not coming down at the same time as an economic slowdown and there is a tight labour market, so it's not a classic recession where things start to really flatten out. It's quite an unusual set of circumstances and so I think what employers need to be thinking about is how do we get more creative? If people deeply value flexibility, what can we do? We have slow growth, high inflation, we can't fund massive pay rises but people deeply value flexibility. When I'm talking about flex it's about hours, days, and place of work. What can we do to offer more and more meaningful choices for people because it is deeply valued, and it will have an impact on people's decisions to stay or join your organisation.

Moving into some of these bolder ideas such as the shorter working week. Despite the fact it began its life here, it's flourished offshore, and we seem to have lost the spirit of that and I'd love to see us pick that up again. It was great to see Nga Taonga with a successful pilot of a shorter working week recently.

I would love to see more job sharing in NZ. There's so much good research out there that it creates meaningful part time work for people who would otherwise opt out of the workforce all together or keep them underneath the glass ceiling. Trying to work part time in some of these bigger jobs is too hard for a lot of people. Whereas job sharing gives a different way through. On your non-working days you have to genuinely let go because your job share partner doesn't like you meddling. Job sharing is such untapped potential for NZ. I would love to see us embrace that.



What does the future of work look like in this space?

Ultimately what I would like to see is that our employment legislation changes so that we don't have this fixed, hardwired connection between time and money in our employment exchange. Time is one of many variables but I don't think it's the only one of value anymore given the nature of work and what we value in people. I think that time has become a bit of a red herring in a lot of jobs. Ultimately I think that's where we need to go and broaden out that legislation to include other variables for the money exchange. In the meantime, we need to embrace job sharing and the shorter work week. The day to day management we need to give leaders these tried and tested tools so they aren't caught in the middle of it all. It's too complex for one person to hold it all and look after everybody's wish list and make it so. They aren't a genie in a bottle, they are a human being, trying to do a busy job and they haven't got enough support now. What I would love to see is that they get more backing to make their lives less frantic and more manageable.

To explore flexible workplaces further check out Gillian's website: www.gillianbrookes.co.nz. In other exciting news keep an eye out for Gillian's book 'Flexperts: Getting the best from flex in a world that's ever changing' which is due to be released in May. Register your pre-order interest here.

If you're in Auckland, Gillian will be hosting an in-person workshop 'Better Work by Design' on 30 March, in partnership with Renee Jane from Thrive Lab.

You can register here: <https://mailchi.mp/2e03b7af1d8b/workshopsredesigningwork>