

## New HR Report Shows 73% of HR Leaders are Prioritising Mental Health for 2021

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A [new in-depth report](#) has revealed the trends, challenges and priorities facing the HR profession, and the impact of the pandemic. In 2019, the top priority of HR leaders was cited as recruitment and retention, however by the end of 2020 this had shifted to employee health and wellbeing.

The research was commissioned by leading online HR and payroll software providers, [Natural HR](#), and surveyed over 100 HR professionals across the UK.

### The Value of HR

Last year, when asked about how HR is valued within the business, 1 in 5 HR leaders said that they feel undervalued. Worryingly, this figure has not changed.

Despite a year where the world of work as we knew it changed entirely and HR leaders across the nation demonstrated remarkable levels of agility; it seems that the undervaluing of HR continued into 2020. Some reasons that respondents gave for feeling undervalued were;

*“There is minimal to no investment in HR departments and activities. People are seen as a cost rather than an asset despite HR setting a people-focused agenda.”*

*“The directors make all the decisions, sometimes with no regard to fairness or HR best practice - they would rather risk the claim.”*

*“HR is not involved in the process but when things go wrong, as we were not consulted, HR is always the one to pick up the pieces.”*

### The Challenges

When asked what challenges they feel they will face going into 2021, the top response was **inefficiencies and admin**.

Undoubtedly, the impact of changing policies and legislation to safeguard employees throughout the pandemic has placed an enormous amount of administrative pressure on HR leaders.

Furthermore, 37% cited **the impact of COVID-19** as their biggest challenge looking ahead to 2021. Making workplaces COVID-secure, staggering start times and ensuring social distancing guidelines are adhered to will certainly make 2021 a difficult year for every organisation.

32% of HR leaders cited **employee engagement** as their biggest challenge. In 2020, this is not employee engagement as we know it. Many HR leaders have had to find entirely new and novel ways to virtually engage their employees and ensure their [spirits are kept high](#) while they are working.

### Covid-19 Impacts

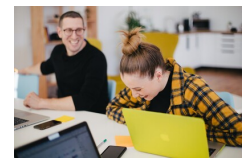
The pandemic and the subsequent measures taken by the government have had a significant impact on the mental health of the general public, and this has certainly been reflected in HR departments across the UK. We asked our respondents to let us know exactly what impact the pandemic had on their business, their department and their people.

An eye-opening **1 in 3 HR leaders said their business was unprepared for COVID-19**, which highlights the need for a comprehensive business continuity plan.

Sadly, 1 in 3 businesses made redundancies during the pandemic. Data from the ONS reported a record 314,000 people sadly lost their job in the three months to September 2020. However, 23% of respondents reported growing their headcount during the pandemic. This goes to show just how adaptable some businesses have become throughout this challenging time.

As the role of technology was magnified in 2020, HR leaders are now looking to introduce virtual people management processes in the next 12 months. 56% of our respondents will place more emphasis on

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virtual HR processes such as recruitment and onboarding in 2021.

When it comes to returning to the workplace, **63% of our respondents are encouraging employees to work remotely for the foreseeable future**. A further 21% are leaving it up to their employees to decide how they wish to work and providing the necessary support to enable their decision. The rise of flexible working will continue to skyrocket and 70% will provide more flexible working options for their staff in 2021.

When it came to priorities within HR departments, the research revealed that the top three HR initiatives for 2021 are Mental Health (73%), Health & Wellbeing (68%), and Flexible Working (60%).

300,000 people who suffer from [long-term mental health problems](#) lose their job each year. In contrast, [Deloitte](#) found that employer costs have increased by £6 billion per year (rising by 16%), costing an organisation £3,300 per employee.)

3 in 5 of our respondents believe that the perception of HR became more positive during the pandemic. However, **2 in 5 leaders expect the impact of COVID-19 to be a lasting challenge in 2021**.

## Expert Insight

In response to the research, a spokesperson from Natural HR said, “As we look ahead to 2021, many of us will continue to have COVID-tinted glasses casting a veil of uncertainty on what this year will bring: both professionally and personally.

“Looking at this data and also my own personal experience, optimism amongst HR leaders is soaring.

“This year’s cohort seems to be taking every positive from the COVID-19 outbreak and running with these into 2021. Despite one of the most challenging years many HR leaders will ever face, they are making the best out of a difficult situation and doing everything they can do to ensure the wellbeing, happiness and morale of their people.

“What is clear from this research is that the desire of HR leaders across the nation to support, empower and engage their people is at an all-time high.”

Download the report [here](#).

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