



SHRM[®]

SOCIETY FOR HUMAN
RESOURCE MANAGEMENT

SHRM Poll: Challenges Facing Organizations and HR in the Next 10 Years

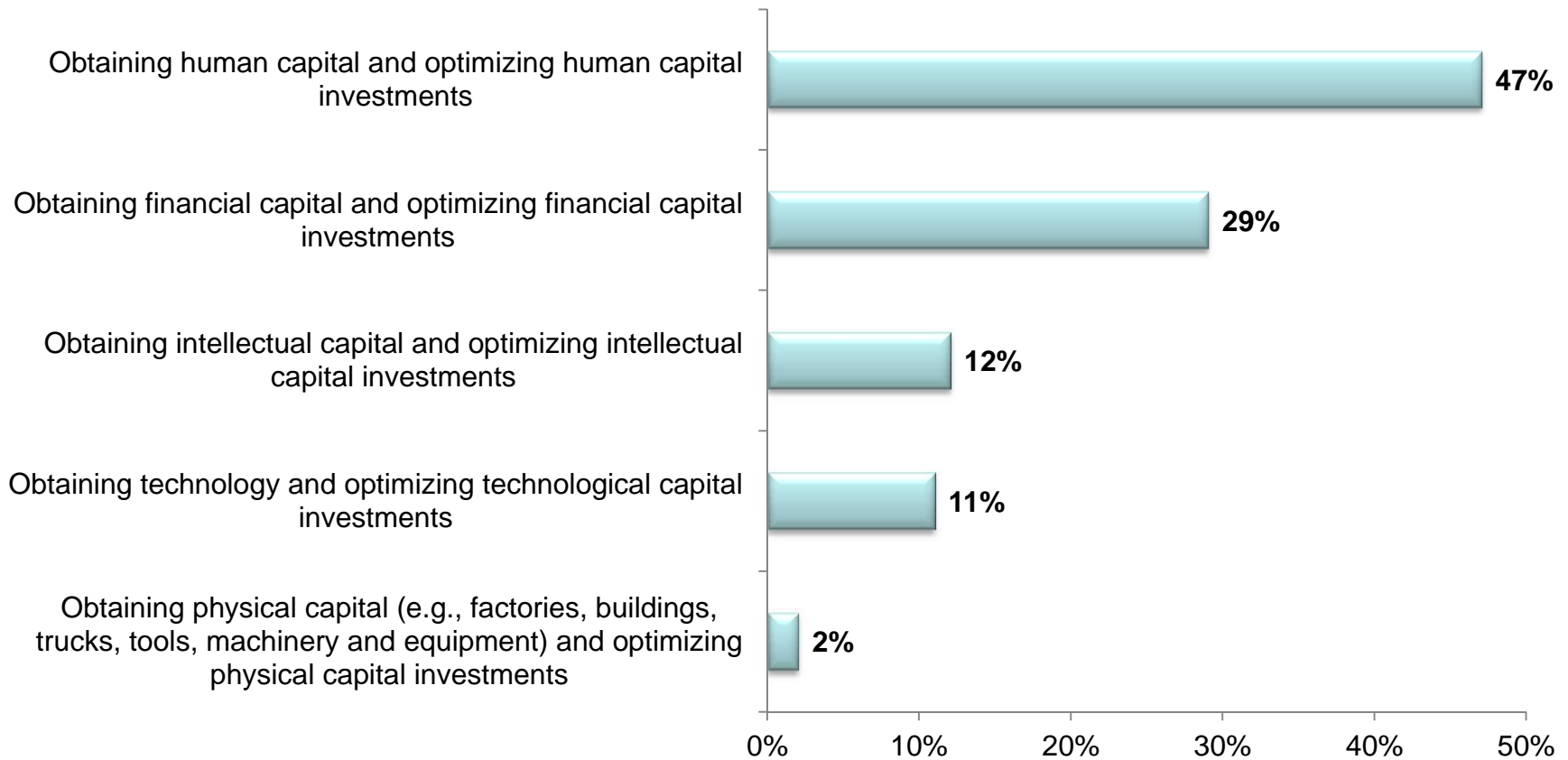
September 16, 2010

Key Findings



- **Getting and Making the Most of Human Capital Is a Key Priority.** The biggest investment challenges facing organizations over the next 10 years are 1) obtaining *human capital* and optimizing human capital investments (47%), 2) obtaining *financial capital* and optimizing financial capital investments (29%), and 3) obtaining *intellectual capital* and optimizing intellectual capital investments (12%).
- **To Attract and Keep the Best Talent, Organizations Should Allow Flexible Work Arrangements.** Providing flexibility for employees to balance their life and work responsibilities is the most effective way to attract, reward and retain top performers, according to 58% of HR managers.
- **Cultivate a Culture of Trust, Open Communication and Fairness.** Creating an organizational culture where trust, open communication and fairness are emphasized and demonstrated by leaders is a key human capital strategy.
- **Keep a Clear Line of Sight Between Employees' Work and Organizational Objectives.** 40% of HR managers say that designing jobs to provide employees with meaningful work that has a clear purpose in meeting the organization's objectives optimizes the organization's ability to engage and keep top talent.

What do you think will be the *biggest investment challenge* facing organizations over the coming 10 years?



Note: n = 449. Percentages do not total 100% due to rounding.

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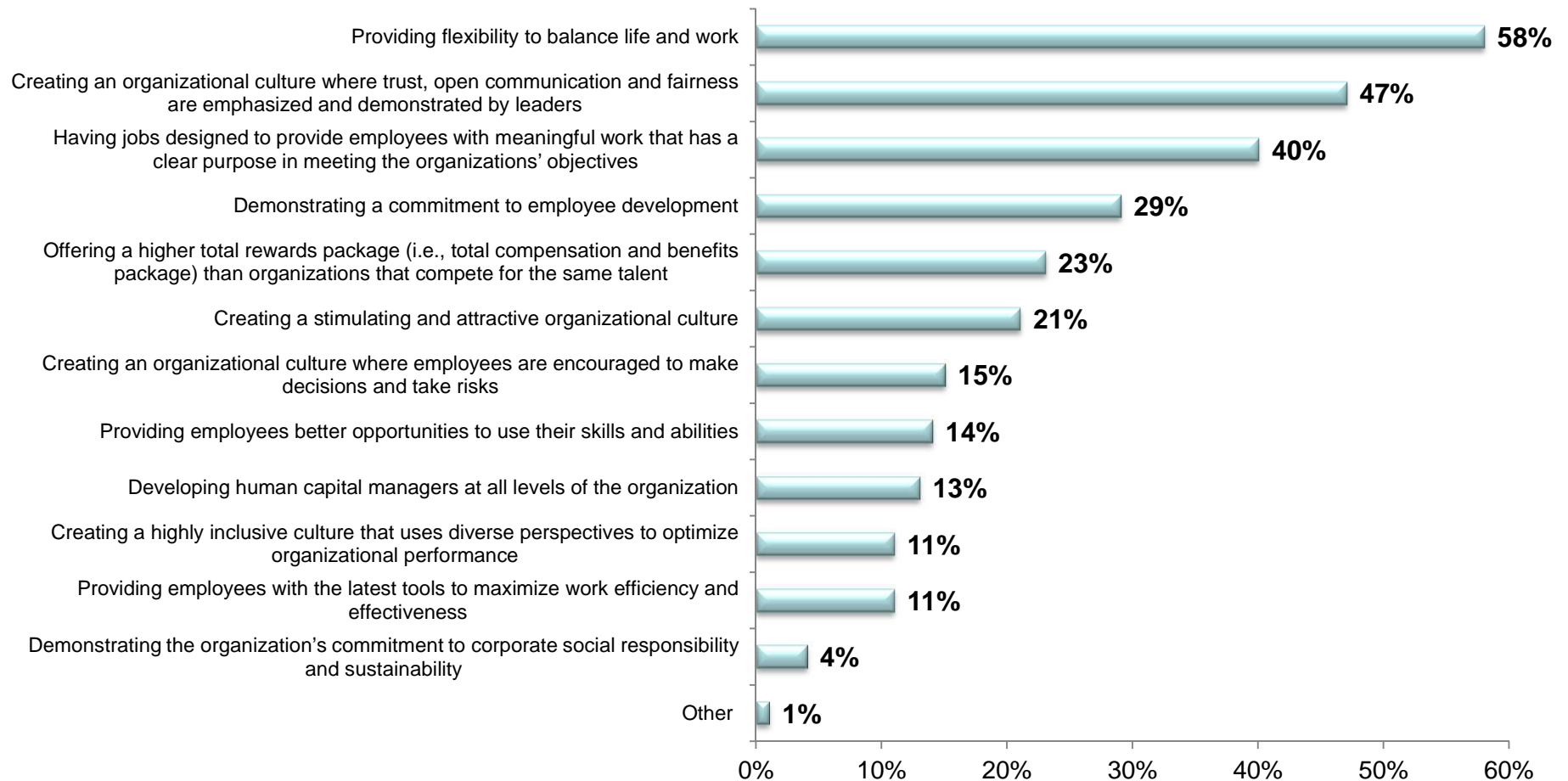
Comparison by Organization's Operations Location and Union Status

- **Obtaining financial capital and optimizing financial capital investments (by operations):** Organizations with U.S.-based operations (31%) were more likely than organizations with multinational operations (20%) to cite obtaining financial capital and optimizing financial capital investments as a major investment challenge facing organizations over the coming 10 years.
- **Obtaining financial capital and optimizing financial capital investments (by union status):** Organizations with unionized employees (40%) were more likely than non-unionized (26%) organizations to report obtaining financial capital and optimizing financial capital investments as the biggest investment challenge facing organizations over the coming 10 years.

A 2010 survey of global C-suite executives, *Company of the Future*, commissioned by SHRM with the Economist Intelligence Unit, found that C-suite executives believe the two biggest challenges facing HR over the coming 10 years will be:

- 1. Retaining and rewarding the best people.**
- 2. Attracting the best people to the organization.**

According to HR professionals, the most effective tactics of meeting the identified challenges of retaining and rewarding the best people and attracting the best people to the organization are:



Note: n = 449. Percentages do not total 100% as multiple response options were allowed. Respondents were asked to select up to three tactics.

According to HR professionals, the most effective tactics of meeting the identified challenges of retaining and rewarding the best people and attracting the best people to the organization are:



Comparison by Organization's Sector

- **Creating an organizational culture where trust, open communication and fairness are emphasized and demonstrated by leaders (by sector):** Nonprofit (63%) organizations were more likely than publicly owned for-profits (40%) and privately owned for-profits (43%) to report that creating an organizational culture where trust, open communication and fairness are emphasized and demonstrated by leaders is the tactic most effective in meeting the challenges facing HR over the next 10 years.

Demographics: Organization Industry



Industry	
Manufacturing—other	16%
Health care, social assistance (e.g., hospitals, clinics, doctor's offices, in-home care, nursing homes, EAP providers, hospice)	11%
Financial services (e.g., banking)	9%
Services—professional, scientific, technical, legal, engineering	8%
Retail/wholesale trade	6%
Consulting	6%
Educational services/education (e.g., universities, schools)	4%
Government/public administration—federal, state/local, tribal	4%
Insurance	4%

Note: n = 431.

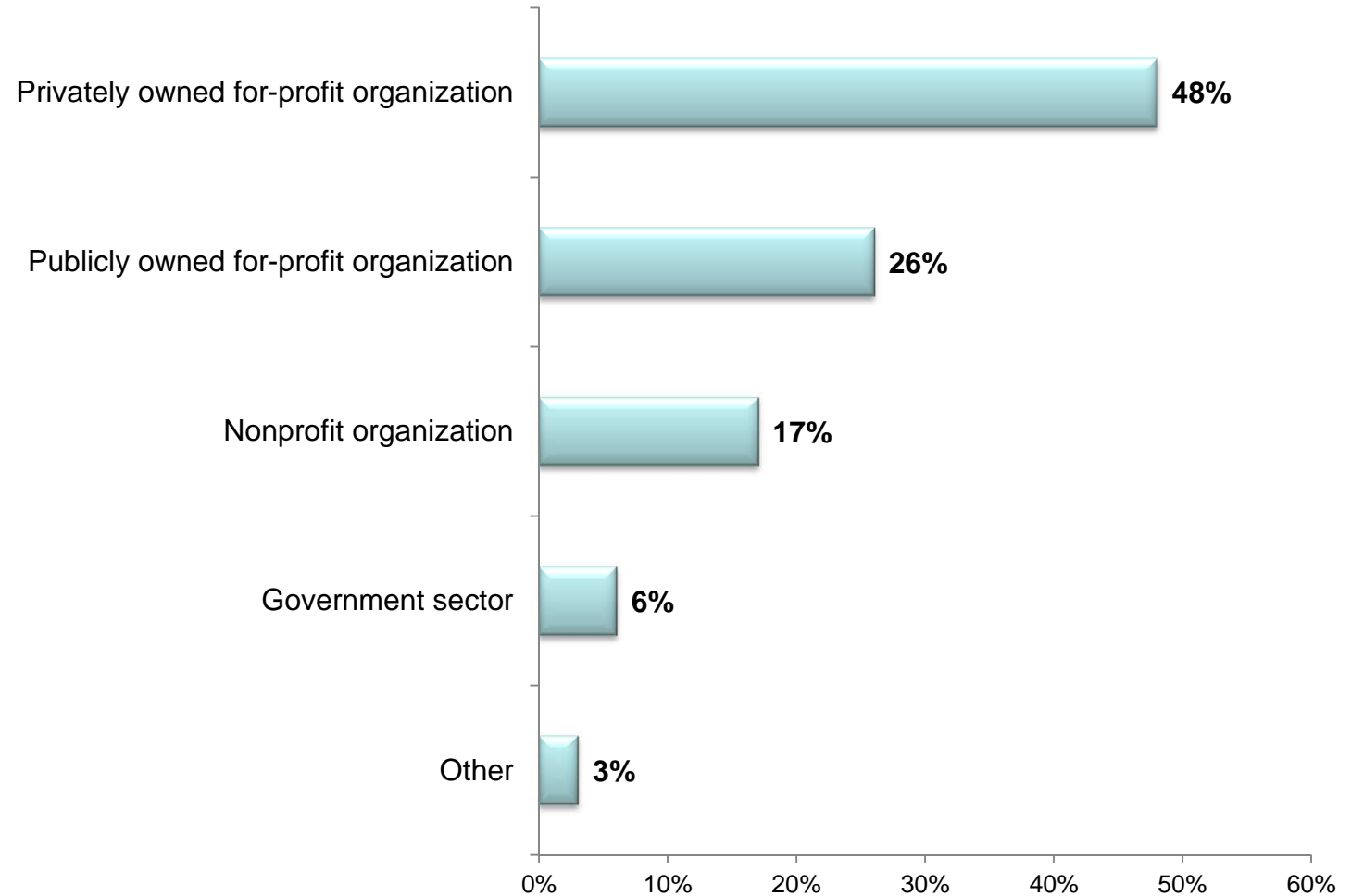
Demographics: Organization Industry (continued)



Industry	
Other services (e.g., other nonprofit, church/religious organizations)	4%
High-tech	3%
Transportation, warehousing (e.g., distribution)	3%
Manufacturing—auto/auto-related	2%
Telecommunications	2%
Construction, mining, oil and gas	2%
Publishing, broadcasting, other media	2%
Pharmaceutical	2%
Real estate, rental, leasing	1%
Services—accommodation, food and drinking places	1%
Utilities	1%
Arts, entertainment, recreation	1%
Biotech	1%
Association—professional/trade	1%
Other	6%

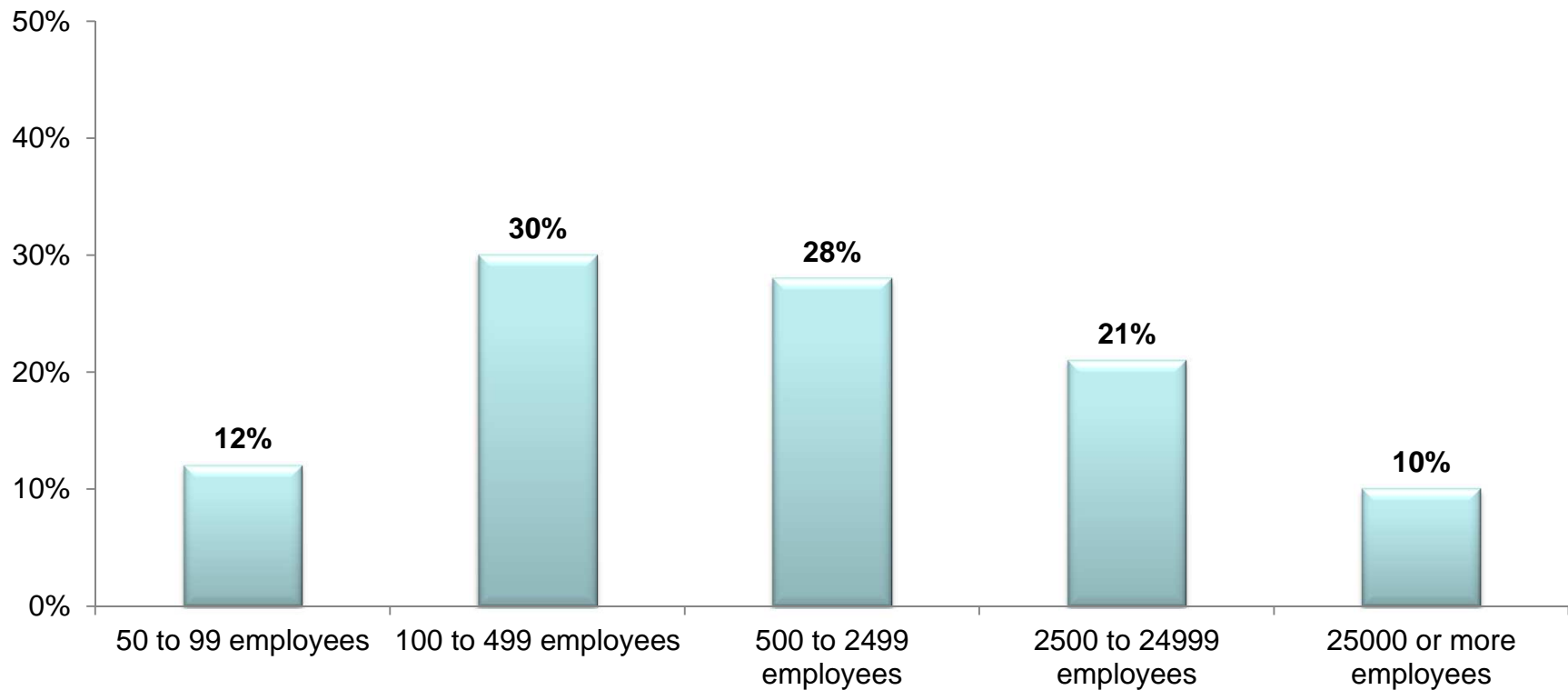
Note: n = 431.

Demographics: Organization Sector



Note: n = 429

Demographics: Organization Staff Size



Note: n = 273. Percentages do not total 100% due to rounding.

Demographics: Other



Does the organization have U.S.-based operations (business units) only or does it operate multinationally?

U.S.-based operations	72%
Multinational operations	28%

Note: n = 419

• **13% of organizations indicated that employees at their work location were unionized.**

Note: n = 425

Is the organization a single-unit company or a multi-unit company?

Single-unit company: Companies in which the location and the company are one and the same.	28%
Multi-unit company: Companies that have more than one location.	72%

Note: n = 438

Are HR policies and practices determined by the multi-unit corporate headquarters, by each work location or both?

Multi-unit headquarters determines HR policies and practices	44%
Each work location determines HR policies and practices	3%
A combination of both the work location and the multi-unit headquarters determine HR policies and practices	53%

Note: n = 322

Methodology

- **Response rate = 17%**
- **Sample comprised of 449 randomly selected HR professionals with the job title of manager and above.**
- **Margin of error is +/- 5%**
- **Survey fielded August 10 – August 23, 2010**

For more poll findings, visit:

www.shrm.org/surveys

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